As confidentially submitted to the U.S. Securities and Exchange Commission on February 14, 2019.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Sonim Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware	3661	94-3336783
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1875 South Grant Street
Suite 750
San Mateo, CA 94402
(650) 378-8100

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

Robert Plaschke
Chief Executive Officer
Sonim Technologies, Inc.
1875 South Grant Street
Suite 750
San Mateo, CA 94402
(650) 378-8100

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

Copies to:

Jon Gavenman Michael Tenta Cooley LLP 3175 Hanover Street Palo Alto, CA 94304 (650) 843-5000	James Walker Chief Financial Officer Sonim Technologies, Inc. 1875 South Grant Street Suite 750 San Mateo, CA 94402 (650) 378-8100	Richard A. Kline Heidi E. Mayon Goodwin Procter LLP 601 Marshall Street Redwood City, CA 94063 (650) 752-3100

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 number of the earlier effective registration statement for the same offering. ☐

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

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Being Registered	Proposed maximum aggregate offering price (1)(2)	Amount of registration fee
Common Stock, $0.001 par value per share	$	$

(1) Includes the aggregate offering price of additional shares of common stock that the underwriters have the option to purchase.

(2) Estimated solely for purposes of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

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 that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

Pursuant to the applicable provisions of the Fixing America's Surface Transportation Act, we are omitting our financial statements (and related financial information) as of September 30, 2018 and for the nine months ended September 30, 2017 and 2018 because they relate to historical periods that we believe will not be required to be included in the prospectus at the time of the contemplated offering. We intend to amend the registration statement to include all financial information required by Regulation S-X at the date of such amendment before distributing a preliminary prospectus to investors.

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PROSPECTUS (Subject to Completion)
Issued , 2019

Shares

Common Stock

Sonim Technologies, Inc. is offering shares of its common stock. This is our initial public offering and no public market currently exists for shares of our common stock. We anticipate the initial public offering price will be between $ and $ per share.

We intend to apply to list our common stock on The Nasdaq Stock Market LLC under the symbol "SONM."

We are an "emerging growth company" as defined under the federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements for this and future filings. Investing in our common stock involves risks. See "Risk Factors" beginning on page 11.

Neither the Securities and Exchange Commission in the United States nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to Sonim	$	$

(1) See the section titled "Underwriting" for additional information regarding compensation payable to the underwriters.

We have granted the underwriters the right to purchase up to an additional shares of common stock.

The underwriters expect to deliver the shares of common stock to purchasers on , 2019.

Oppenheimer & Co. **Lake Street Capital Markets**
National Securities Corporation

, 2019

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Through and including , 2019 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Neither we nor the underwriters have authorized anyone to provide any information other than that, or to make any representations other than those, contained in this prospectus or in any free writing prospectuses we have prepared. Neither we nor the underwriters take any responsibility for, and cannot provide any assurance as to the reliability of, any other information that others may provide you. We and the underwriters are offering to sell, and seeking offers to buy, shares of common stock only under circumstances and in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the common stock.

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

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our consolidated financial statements and the related notes thereto and the information set forth in the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." In this prospectus, "Sonim," "Sonim Technologies, Inc.," the "company," "we," "us" and "our" refer to Sonim Technologies, Inc. and its consolidated subsidiaries.

Overview

We are a leading U.S. provider of ultra-rugged mobility solutions designed specifically for task workers physically engaged in their work environments, often in mission-critical roles. We currently sell our ruggedized mobile devices and accessories to three of the four largest wireless carriers in the United States—AT&T, Sprint and Verizon—as well as the three largest wireless carriers in Canada—Bell, Rogers and Telus Mobility. Our devices and solutions connect workers with voice, data and workflow applications in two end markets: industrial enterprise and public sector.

Task workers in these end markets have historically been limited to pen and paper and single-purpose electronic devices, such as barcode scanners, location-tracking devices and sensors, to accomplish specific daily tasks. These single-purpose devices have historically run on proprietary networks, such as land mobile radio, or LMR, networks, which enable push-to-talk, or PTT, services for voice communications. We provide Android-based devices that consolidate and integrate multiple functions into a single ruggedized solution running on commercial wireless networks at a total cost of ownership that we believe is significantly lower than comparable offerings with improved productivity and safety of task workers.

Our solutions fall into three main categories: (i) ultra-rugged mobile devices based on the Android platform that are capable of attaching to both public and private wireless networks, (ii) industrial-grade accessories and (iii) cloud-based software and application services. End customers of our solutions include construction, energy and utility, hospitality, logistics, manufacturing, public sector and transportation entities that primarily purchase our devices and accessories through their wireless carriers. All of our devices run on the Android operating system, providing a familiar and intuitive user interface, and our smartphones have access to a library of millions of applications available through the Google Play Store. We have also implemented dozens of application programming interfaces, or APIs, specific to our mobile devices and have partnered with over 800 application developers to create a purpose-built experience for our end users using these applications on our mobile devices.

As of January 2019, we were the only privately held mobile phone provider to have a stocked product with three of the four largest U.S. wireless carriers: AT&T, Sprint and Verizon, meaning that these carriers test and certify our mobile devices on their networks and maintain inventory in their warehouses that they then sell through their enterprise and retail sales teams to end customers, often on a subsidized or financed basis.

Our Industry

Communication, productivity and safety among task workers has always been a central requirement in business-critical and mission-critical environments. Organizations with remote and disparate workers—from police and firefighters to construction, oil rig and manufacturing workers—need an extremely durable solution that provides reliable and secure voice, data and workflow applications.

Ruggedized mobile devices are well-suited for industrial enterprise and other critical infrastructure applications due to their durability and functionality in a range of environments. Equipping workers with smarter mobile devices also enables more efficient communication with and between field employees, and enhances the information that decision-makers use to deploy resources within their organizations.

Industrial Enterprise Market Opportunity

We estimate that in the United States and Canada in 2018, there were 37.6 million task workers across verticals in our industrial enterprise end markets who could benefit from our solutions, including construction, energy and utility, facilities management, manufacturing and transportation and logistics. The extreme durability and enhanced voice and text communication capabilities of our devices enable these workers to be stationed in remote and hazardous environments, while remaining connected to their central command center at all times.

Public Sector Market Opportunity

Mobile devices enable public safety officers to gather real-time information collected across multiple systems and to respond and react to changing circumstances. Following the tragic events of September 11, 2001, Congress, U.S. public safety agencies and other critical infrastructure entities took action to ensure that the mobile devices of first responders remain fully functional and interoperable at all times. The establishment of FirstNet and other public safety-focused mobile networks has created a significant opportunity for us to be the leading mobile solution provider for public sector task workers.

Our Ruggedized Solution

- ***Durability and reliability.*** Our mobile devices can withstand a variety of harsh environments and are supported by our industry-leading three-year comprehensive manufacturer's warranty, which includes physical damage. Key features of our rugged devices include: (i) puncture, shock, pressure and impact resistance, (ii) waterproof and dustproof construction, (iii) dual-shift battery life, (iv) extra-loud audio, (v) glove-friendly design, (vi) operational in and resistant to extreme temperatures, and (vii) chemical resistance.
- ***Increased communication and visibility through an enterprise.*** Our solutions are used to track locations, update and manage various tasks and enable communication with and between task workers. In addition, our devices are specifically designed to capture, store and analyze multiple data types for enterprise needs, enabling them to make more informed decisions.
- ***Enhanced functionality through software and hardware configurations.*** Our solutions allow end customers and task workers to customize our mobile devices using Android-based applications and vertical-specific accessories to address their varying needs. Enterprises and agencies can leverage the millions of applications available on the Google Play Store, our dozens of device-specific APIs, and our industrial accessories to create a purpose-built solution to meet the specific use cases of their task workers.
- ***Ease of use.*** Our devices are designed to look and function similarly to the latest generation of consumer-focused mobile phones with additional features for various enterprise-specific purposes, and also run on the Android operating system which has a familiar and intuitive interface. They provide familiar characteristics to many single-purpose devices, such as dedicated physical buttons for PTT and barcode scanning, and offer a simplified user interface, which helps minimize the learning curve for task workers who are transitioning from LMR or data capture devices.
- ***Consolidation of devices.*** By combining commonly-used applications and functionality into one ruggedized device with the option foradd-ons, enterprises can reduce the need for multiple, single-purpose devices. We believe that replacing outdated single-purpose devices with a Sonim device can enhance fleets' mobility and economically streamline equipment updates or replacements.

Our Strategy

- ***Invest in sales channel partnerships and brand marketing to drive sales.*** We intend to continue to invest in our channel partnerships to further penetrate the industrial enterprise and public sector markets we target by leveraging their large direct sales forces. We are also increasing our investment in marketing the Sonim brand and our solutions to end customers in these target markets. In doing so, we believe that we will be able to raise brand awareness, deepen existing channel partnerships, and acquire and retain new channel and end customers of our solutions.
- ***Position Sonim as the leading solution for the public sector.*** We intend to leverage the large-scale deployment of our solutions over dedicated LTE networks in the public safety market to further position us as a trusted solution within the cities that we serve. As public safety agencies continue to shift to these dedicated LTE networks, we intend to deliver mobility solutions to increase security, safety and efficiency across their cities.
- ***Expand our subscription-based products and services.*** We intend to expand our cloud-based software platform to (i) deploy value-added applications like Sonim Scan, which integrates a barcode scanning engine with the native camera on our XP8 device, (ii) be the launching point for third-party application providers and (iii) provide data analytics and reporting to our end customers. We intend to continue investing in the capabilities of our software platform to create and expand subscription-based products and services for our end customers.
- ***Expand internationally.*** We are exploring public safety infrastructure projects in Australia and Europe. We will continue to invest in and expand our international sales teams to address the needs of the agencies involved and their wireless carriers that are expected to build public safety wireless networks similar to those being deployed in North America.
- ***Expand into adjacent target markets.*** We intend to market our solutions in large adjacent vertical end markets, such as retail enterprises and additional agencies within the federal government.

Our Target Markets

Our ruggedized mobility solutions are designed for two end markets: industrial enterprise and public sector. For the industrial enterprise, our target markets include: (i) construction, (ii) energy and utility, (iii) facilities management, (iv) manufacturing and (v) transportation and logistics. For the public sector, our target markets include (i) public safety and (ii) federal government.

Risks Affecting Our Business

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled “Risk Factors” immediately following this prospectus summary. These risks include, but are not limited to, the following:

- We have not been profitable in recent years and may not achieve or maintain profitability in the future.
- We rely on our channel partners to generate a substantial majority of our revenues. If these channel partners fail to perform or if we cannot enter into agreements with channel partners on favorable terms, our operating results could be materially and adversely affected.
- We are materially dependent on the adoption of our solutions by both the industrial enterprise and public sector markets, and if end customers in those markets do not purchase our solutions, our revenues will be adversely affected and we may not be able to expand into other markets.

- We participate in a competitive industry, which may become more competitive. Competitors with greater resources and significant experience in high-volume product manufacturing may be able to respond more quickly and cost-effectively than we can to new or emerging technologies and changes in customer requirements.
- Defects in our products could reduce demand for our products and result in a loss of sales, delay in market acceptance and injury to our reputation, which would adversely affect our business.
- If our business does not grow as we expect, or if we fail to manage our growth effectively, our operating results and business would suffer.
- We are required to undergo a lengthy customization and certification process for each carrier customer, which increases our operating expenses, and failure to obtain such certification would adversely affect our results of operations and financial condition.
- If we fail to adequately forecast demand for our inventory and supply needs, we could incur additional costs or experience manufacturing delays, which could reduce our gross margin or cause us to delay or even lose sales.
- We may not be able to continue to develop solutions to address user needs effectively in an industry characterized by ongoing change and rapid technological advances.
- In 2018, approximately % of our revenues were derived from our top five customers. The loss of, or significant reduction in orders from, any of these customers could significantly reduce our revenues and adversely impact our operating results.

Channels for Disclosure of Information

Investors, the media and others should note that, following the completion of this offering, we intend to announce material information to the public through filings with the Securities and Exchange Commission, or the SEC, the investor relations page on our website, press releases, and public conference calls and webcasts.

Corporate Information

We were incorporated in Delaware in August 1999 as NaviSpin.com, Inc. In December 2001, we changed our name to Sonim Technologies, Inc. Our principal executive offices are located at 1875 South Grant Street, Suite 750, San Mateo, California 94402 and our telephone number is (650) 378-8100. Our website address is www.sonimtech.com. Our website and the information contained therein or accessible through it is not incorporated into this prospectus or the registration statement of which it forms a part.

“Sonim,” the Sonim logo and other trademarks or service marks of Sonim appearing in this prospectus are our property. This prospectus contains additional trade names, trademarks, and service marks of other companies, which are the property of their respective owners. We do not intend our use or display of other companies’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies.

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 specified reduced reporting and related requirements that are otherwise generally applicable to public companies. These reduced requirements include:

- an exemption from compliance with the auditor attestation requirement on the effectiveness of our internal control over financial reporting;

- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding a supplement to the auditor's report providing additional information about the audit and the financial statements;
- reduced disclosure about executive compensation arrangements;
- an exemption from the requirements to obtain anon-binding advisory vote on executive compensation or golden parachute arrangements; and
- extended transition periods for complying with new or revised accounting standards.

We may take advantage of these provisions until we are no longer an emerging growth company. We would cease to be an "emerging growth company" upon the earliest to occur of: (i) the last day of the fiscal year in which we have more than $1.07 billion in annual revenues; (ii) the date we qualify as a large accelerated filer under the rules of the SEC, which means the market value of our shares of common stock that is held by non-affiliates with at least $700.0 million as of the prior June 30th; (iii) the date on which we have, in any three-year period, issued more than $1.0 billion in non-convertible debt securities and (iv) the last day of the fiscal year ending after the fifth anniversary of this offering. We may choose to take advantage of some or all of these reduced reporting burdens. We have taken advantage of certain reduced reporting burdens in this prospectus. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock.

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 until we are no longer an emerging growth company or until we affirmatively and irrevocably opt out of the extended transition period. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

THE OFFERING

Common stock offered by us	shares
Common stock to be outstanding after this offering	shares
Over-allotment option to purchase additional shares of common stock	shares
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $ million, or approximately $ million if the underwriters exercise their over-allotment option to purchase additional shares in full, assuming an initial public offering price of $ per share (which is the midpoint of the price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering primarily for general corporate purposes, including working capital, expanded sales and marketing activities, increased research and development expenditures and funding our growth strategies. We may also use a portion of the net proceeds from the offering to prepay principal amounts outstanding and accrued interest under the B. Riley Convertible Note, including prepayment penalties. See "Use of Proceeds."
Proposed Nasdaq trading symbol	"SONM"
Risk factors	See "Risk Factors" for a discussion of risks you should carefully consider before investing in our common stock.

The number of shares of common stock that will be outstanding immediately after this offering is based on 15,591,357 shares of common stock outstanding as of December 31, 2018, and excludes:

- 1,099,278 shares of common stock issuable upon the conversion of 75% of the aggregate principal amount and accrued interest outstanding as of December 31, 2018 under the subordinated secured convertible promissory note issued to B. Riley Principal Investments, LLC, or the B. Riley Convertible Note;
- 156,294 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2018 with a weighted-average exercise price of $0.19 per share;
- 1,331,147 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2018, with a weighted-average exercise price of $0.80 per share;
- 444,731 shares of common stock reserved for future issuance under our 2012 Equity Incentive Plan, as amended, or the 2012 Plan, as of December 31, 2018, which shares will cease to be available for issuance at the time our 2019 Equity Incentive Plan, or the 2019 Plan, becomes effective in connection with this offering;
- shares of our common stock reserved for future issuance under our equity compensation plans, which will become effective prior to the completion of this offering, consisting of:
    - shares of common stock reserved for future issuance under our 2019 Plan, which will become effective upon the execution of the underwriting agreement for this offering, as well as any

automatic increases in the number of shares of common stock reserved for future issuance under this plan; and

- shares of common stock reserved for issuance under our 2019 Employee Stock Purchase Plan, or ESPP, which will become effective upon the execution of the underwriting agreement for this offering as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan.

Except as otherwise indicated herein, all information in this prospectus, including the number of shares of common stock that will be outstanding after this offering, assumes or gives effect to:

- the one-for-fifteen reverse stock split for our common stock effected in November 2018;
- the conversion of each share of our then-outstanding preferred stock to one share of our common stock effected in November 2018, or the Share Conversion;
- the filing and effectiveness of our amended and restated certificate of incorporation in Delaware and the adoption of our amended and restated bylaws, each of which will be in effect upon the completion of this offering;
- no exercise of outstanding options or warrants subsequent to December 31, 2018; and
- no exercise by the underwriters of their over-allotment option to purchase additional shares of our common stock.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table summary is our consolidated financial and other data should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this prospectus. The consolidated statement of income data for the years ended December 31, 2017 and 2018 and the consolidated balance sheet data as of December 31, 2017 and 2018 are derived from, and qualified by reference to, our audited consolidated financial statements included elsewhere in this prospectus and should be read in conjunction with those consolidated financial statements and notes thereto.

	Year Ended December 31,	
	2017 (As Restated)	2018
	(in thousands, except per share data)	
Statements of Income Data:		
Revenues	$ 59,031	$
Cost of revenues	38,720	
Gross profit	20,311	
Operating expenses	27,081	
Loss from operations	(6,770)	
Interest expense	(820)	
Change in fair value of warrant liability	(460)	
Other expense, net	(335)	
Loss before income taxes	(8,385)	
Income tax expense	(134)	
Net loss	(8,519)	
Dividends on Series A, Series A-1 and Series A-2 preferred shares	(6,836)	
Net loss attributable to common stockholders	$ (15,355)	
Net loss per share attributable to common stockholders, basic and diluted(1)	$ (14.96)	$
Weighted average common stock outstanding	1,026,616	
Other Data:		
Net cash used by operating activities	$ (8,906)	
Net cash used by investing activities	(999)	
Net cash provided by financing activities	4,418	
Adjusted EBITDA(2)	(5,685)	

(1) See Note 1 to our consolidated financial statements for an explanation of the method used to compute pro forma basic and diluted net loss per share.

(2) Adjusted EBITDA is defined by us as net income (loss), adjusted to exclude the impact of stock-based compensation expense, depreciation and amortization, interest expense, net, income tax expense and change in fair value of warrant liability. Adjusted EBITDA is not a recognized term under U.S. GAAP and should not be considered as an alternative to net income (loss) or other measures of financial performance or liquidity derived in accordance with U.S. GAAP.

We believe that Adjusted EBITDA provides useful information to investors about us and our financial condition and results of operations for the following reasons: (i) Adjusted EBITDA is a key measure used by our management team to evaluate our operating performance and make day-to-day operating decisions; and (ii) Adjusted EBITDA is frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider such measure either in isolation or as a substitute for net income (loss), cash flow or other methods of analyzing our results as reported under U.S. GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect all cash expenditures, future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital;
- Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments; and
- other companies in our industry may define and/or calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as a measure of cash that will be available to us to meet our obligations and accomplish our business plans.

The following table provides a reconciliation of net income (loss), the most closely comparable U.S. GAAP financial measure, to Adjusted EBITDA:

	Year Ended December 31,	
	2017 (As Restated)	2018
	(in thousands)	
Net loss	$ (8,519)	$
Depreciation and amortization	1,316	
Stock-based compensation	104	
Interest expense, net	820	
Change in fair value of warrant liability (1)	460	
Income tax expense	134	
Adjusted EBITDA	$ (5,685)	$

(1) Prior to the Share Conversion (including the conversion of preferred stock issuable upon exercise of warrants), the fair value of outstanding warrants to purchase preferred stock was subject to periodic remeasurement, and any change in fair value was recognized as a change in fair value of warrant liability.

	As of December 31, 2018	
	Actual	As Adjusted (1)(2)
	(in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$	$
Working capital		
Total assets		
Total liabilities		
Stockholders' deficit		

(1) The as adjusted balance sheet data further reflects our receipt of net proceeds from the sale of shares of common stock by us at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(2) Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the amount of cash, cash equivalents and short-term investments, working capital, total assets and total stockholders' equity by approximately

$ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares of our common stock would increase or decrease the amount of cash, cash equivalents and short-term investments, working capital, total assets and stockholders' equity by approximately $ million, assuming an initial public offering price of $ 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 payable by us. The pro forma as adjusted information is illustrative only, and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

RISK FACTORS

Investing in our securities involves a great deal of risk. Careful consideration should be made of the following factors as well as other information included in this prospectus before deciding to purchase our securities. There are many risks that affect our business and results of operations, some of which are beyond our control. If any of the following risks actually occur, our business, financial condition or operating results could be materially harmed. This could cause the trading price of our common stock to decline, and you may lose all or part of your investment. Additional risks that we do not yet know of or that we currently think are immaterial may also affect our business and results of operations.

Risks Related to Our Business

We have not been profitable in recent years and may not achieve or maintain profitability in the future.

We have incurred significant net losses since 2013, including a net loss of $8.5 million in the year ended December 31, 2017. As of December 31, 2018, we had an accumulated deficit of $ million. While we have experienced stronger revenue growth in recent periods, we are not certain whether or when we will obtain a high enough volume of sales of our products to sustain or increase our growth or achieve or maintain profitability in the future. We also expect our costs to increase in future periods, which could negatively affect our future operating results if our revenues do not increase. In particular, we expect to continue to expend substantial financial and other resources on:

- research and development related to our solutions, including investments in our engineering and technical teams;
- expansion of our sales and marketing efforts;
- general and administrative expenses, including legal and accounting expenses preparing for and related to being a public company; and
- continued expansion of our business.

These investments may not result in increased revenues or growth in our business. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods. If we are unable to increase our revenues at a rate sufficient to offset the expected increase in our costs, our business, operating results and financial position may be harmed, and we may not be able to achieve or maintain profitability over the long term.

We rely on our channel partners to generate a substantial majority of our revenues. If these channel partners fail to perform or if we cannot enter into agreements with channel partners on favorable terms, our operating results could be materially and adversely affected.

A substantial majority of our revenues are generated through sales by our channel partners, which are primarily wireless carriers who sell our devices through their sales channels. To the extent our channel partners are unsuccessful in selling our products, or we are unable to obtain and retain a sufficient number of high-quality channel partners, our operating results could be materially and adversely affected.

Our channel partners may be unsuccessful in marketing, selling and supporting our solutions. They may also market, sell and support solutions that are competitive with ours, and may devote more resources to the marketing, sales and support of such products. They may have incentives to promote our competitors' products in lieu of our products, particularly for our competitors with larger volumes of orders, more diverse product offerings and a longer relationship with our channel partners. In these cases, our channel partners may stop selling our products completely. New sales channel partners may take several months or more to achieve significant sales. Our channel partner sales structure could subject us to lawsuits, potential liability and reputational harm if, for example, any of our channel partners misrepresents the functionality of our products or

services to customers, or violate laws or our corporate policies. Additionally, some of our master agreements with our wireless carrier customers contain most "favored nation" clauses. These clauses typically provide that if we enter into an agreement with another wireless carrier or customer on more favorable terms, we must offer some of those terms to our existing wireless carrier customers. These provisions may obligate us to provide different, more favorable, terms to our existing wireless carrier customers, which could, if applied, result in lower revenues or otherwise adversely affect our business, financial condition and results of operations. If we fail to effectively manage our existing or future sales channel partners, our channel partners fail to promote our products effectively or future agreements that we may enter into with wireless carrier customers have terms that are more favorable to the customer, our business would be adversely affected.

We are materially dependent on the adoption of our solutions by both the industrial enterprise and public sector markets, and if end customers in those markets do not purchase our solutions, our revenues will be adversely affected, and we may not be able to expand into other markets.

Our revenues have been primarily in the industrial enterprise market, and we are materially dependent on the adoption of our solutions by both the industrial enterprise and public sector markets. End customers in the public sector market may remain, for reasons outside our control, tied to LMR solutions or other competitive alternatives to our phones. Sales of our products to these buyers may also be delayed or limited by these competitive conditions. If our products are not widely accepted by buyers in those markets, we may not be able to expand sales of our products into new markets, and our business, results of operations and financial condition may be adversely affected.

We participate in a competitive industry, which may become more competitive. Competitors with greater resources and significant experience in high-volume product manufacturing may be able to respond more quickly and cost-effectively than we can to new or emerging technologies and changes in customer requirements.

We face significant competition in developing and selling our solutions. Our primary competitors in thenon-rugged mobile device market include Apple Inc. and Samsung Electronics Co. Ltd. Our primary competitors in the rugged mobile device market include Bullitt Mobile Ltd. and Kyocera Corporation. We also face competition from large system integrators and manufacturers of private and public wireless network equipment and devices. Competitors in this space include Harris Corporation, JVC KENWOOD Corporation, Motorola Solutions, Inc., or MSI, and Tait International Limited. For the Data Capture and RFID portion of our product offerings, competitors include companies that provide a broad portfolio of barcode scanning products that are suitable for the majority of global market applications, such as Datalogic USA, Inc., Honeywell International Inc., Panasonic Corporation and Zebra Technologies Corporation.

We cannot assure we will be able to compete successfully against current or future competitors. Increased competition in mobile computing platforms, data capture products, or related accessories and software developments may result in price reductions, lower gross profit margins, and loss of market share, and could require increased spending on research and development, sales and marketing, and customer support. Some competitors may make strategic acquisitions or establish cooperative relationships with suppliers or companies that produce complementary products, which may create additional pressures on our competitive position in the marketplace.

Most of our competitors have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical, sales, marketing and other resources and experience than we do. In addition, because of the higher volume of components that many of our competitors purchase from their suppliers, they are able to keep their supply costs relatively low and, as a result, may be able to recognize higher margins on their product sales than we do. Many of our competitors may also have existing relationships with the channel partners who we use to sell our products, or with our potential customers. This competition may result in reduced prices, reduced margins and longer sales cycles for our products. Our competitors may also be able to more quickly and cost-effectively respond to new or emerging technologies and changes in customer

requirements. The combination of brand strength, extensive distribution channels and financial resources of the larger vendors could cause us to lose market share and could reduce our margins on our products. If any of our larger competitors were to commit greater technical, sales, marketing and other resources to our markets, our ability to compete would be adversely affected. If we are unable to successfully compete with our competitors, our sales would suffer and as a result our financial condition will be adversely affected.

Defects in our products could reduce demand for our products and result in a loss of sales, delay in market acceptance and injury to our reputation, which would adversely affect our business.

Complex software, components and assemblies used in our products may contain undetected defects that are subsequently discovered at any point in the life of the product. For example, in 2018, we recalled one batch of our XP8 devices from two wireless carriers due to manufacturing defects. Defects in our products may result in a loss of sales, delay in market acceptance and injury to our reputation and increased warranty costs.

Additionally, our software may contain undetected errors, defects or bugs. Although we have not suffered significant harm from any errors, defects or bugs to date, we may discover significant errors, defects, or bugs in the future that we may not be able to correct or correct in a timely manner. It is possible that errors, defects or bugs will be found in our existing or future software products and related services with the potential for delays in, or loss of market acceptance of, our products and services, diversion of our resources, injury to our reputation, increased service and warranty expenses, and payment of damages.

Further, errors, defects or bugs in our solutions could be exploited by hackers or could otherwise result in an actual or perceived breach of our information systems. Alleviating any of these problems could require significant expense and could cause interruptions, delays or cessation of our product licensing, which would reduce demand for our products and result in a loss of sales, delay in market acceptance and injure our reputation and could adversely affect our business, results of operations and financial condition.

If our business does not grow as we expect, or if we fail to manage our growth effectively, our operating results and business would suffer.

Our ability to successfully grow our business depends on a number of factors including our ability to:

- accelerate the adoption of our solutions by new end customers;
- expand into new vertical markets;
- develop and deliver new products and services;
- increase awareness of the benefits that our solutions offer; and
- expand our international footprint.

As usage of our solutions grows, we will need to continue to make investments to develop and implement new or updated solutions, technologies, security features and cloud-based infrastructure operations. In addition, we will need to appropriately scale our internal business systems and our services organization, including the suppliers of our detection equipment and customer support services, to serve our growing customer base. Any failure of, or delay in, these efforts could impair the performance of our solutions and reduce customer satisfaction.

Further, our growth could increase quickly and place a strain on our managerial, operational, financial and other resources, and our future operating results depend to a large extent on our ability to successfully manage our anticipated expansion and growth. To manage our growth successfully, we will need to continue to invest in sales and marketing, research and development, and general and administrative functions and other areas. We are likely to recognize the costs associated with these investments earlier than receiving some of the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect, which could adversely affect our operating results.

If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities or develop new solutions or upgrades to our existing solutions, satisfy customer requirements, maintain the quality and security of our solutions or execute on our business plan, any of which could have a material adverse effect on our business, operating results and financial condition.

We are required to undergo a lengthy customization and certification process for each wireless carrier customer, which increases our operating expenses, and failure to obtain such certification would adversely affect our results of operations and financial condition.

Each wireless carrier requires each of our devices to complete a thorough technical acceptance process before it can be stocked and sold. Such acceptance processes impose rigorous and complex requirements on our devices, which result in a lengthy testing and certification process, typically taking up to six months to complete, during which we incur substantial operating expenses related to the wireless carrier's technical acceptance of our devices. Any delay in the acceptance process or failure to satisfy the device certification requirements would affect our ability to bring products to market and adversely affects our results of operations and financial condition.

If we fail to adequately forecast demand for our inventory and supply needs, we could incur additional costs or experience manufacturing delays, which could reduce our gross margin or cause us to delay or even lose sales.

Because our production volumes are based on a forecast of customer demand rather than purchase commitments from our major customers, there is a risk that our forecasts could be inaccurate and that we will be unable to sell our products at the volumes and prices we expect, which may result in excess inventory. We provide, and will continue to provide, forecasts of our demand to our third-party suppliers prior to the scheduled delivery of products to our end customers. If we overestimate our requirements, our contract manufacturers may have excess component inventory, which could increase our costs. If we underestimate our requirements, our contract manufacturers may have inadequate component inventory, which could interrupt the manufacturing of our products and result in delays in shipments and revenues or even lost sales, or could incur unplanned overtime costs to meet our requirements, resulting in significant cost increases. For example, certain materials and components used to manufacture our products may reach end of life during any of our product's life cycles, following which suppliers no longer provide such expired materials and components. This would require us to either source and qualify an alternative component, which could require a re-certification of the device by the wireless carriers and/or regulatory agencies, or forecast product demand for a final purchase of such materials and components that may reach end of life to ensure that we have sufficient product inventory through a product's life cycle. If we overestimate forecasted demand, we would hold excess end-of-life materials and components resulting in increased costs. If we underestimate forecasted demand, we could experience delays in shipments and loss of revenues.

In addition, if we underestimate our requirements and the applicable supplier becomes insolvent or is no longer able to timely supply our needs in a cost-efficient manner or at all, we may be required to acquire components, which may need to be customized for our products, from alternative suppliers, including at significantly higher costs. For example, in 2018, one of our suppliers became insolvent and ceased all production, requiring us to seek alternative supply of complex components in a very short time frame. If we cannot source alternative suppliers and/or alternative components, we may suffer delays in shipments or lost sales. Similarly, credit constraints at our suppliers could require us to accelerate payment of our accounts payable, impacting our cash flow. Further, lead times for materials and components that we order vary significantly and depend on factors such as the specific supplier, contract terms, customization needed for any particular component and demand for each component at a given time. Any such failure to accurately forecast demand and manufacturing and supply requirements, and any need to obtain alternative supply sources, could materially harm our business, results of operations and financial condition.

We may not be able to continue to develop solutions to address user needs effectively in an industry characterized by ongoing change and rapid technological advances.

To be successful, we must adapt to rapidly changing technological and application needs by continually improving our products, as well as introducing new products and services, to address user demands.

Our industry is characterized by:

- evolving industry standards;
- frequent new product and service introductions;
- evolving distribution channels;
- increasing demand for customized product and software solutions;
- rapid competitive developments; and
- changing customer demands.

Future success will depend on our ability to effectively and economically adapt in this evolving environment. We could incur substantial costs if we must modify our business to adapt to these changes, and may even be unable to adapt to these changes.

In 2018, approximately % of our revenues were derived from our top five customers. The loss of, or significant reduction in orders from, any of these customers could significantly reduce our revenues and adversely impact our operating results.

Historically, our revenues have been concentrated among a very small number of customers. In fiscal year2018, our top five customers accounted for approximately % of our revenues. The loss of one or more of these significant customers, would have a material adverse effect on our revenues and results of operation, and our growth could be limited.

The markets for our devices and related accessories may not develop as quickly as we expect, or may not develop at all.

Our future success is substantially dependent upon continued adoption of devices and related accessories in the industrial enterprise and public sector markets, including the transition from LMR and PTT, to smartphone and LTE networks. These market developments and transitions may take longer than we expect or may not occur at all, and may not be as widespread as we expect. If the market does not develop as we expect, our business, operating results and financial condition would be materially and adversely affected.

Our dependence on third-party suppliers for key components of our products could delay shipment of our products and reduce our sales.

We depend on certain suppliers for the delivery of components used in the assembly of our products, including machined parts, injection molded plastic parts, printed circuit boards and other miscellaneous custom parts for our products. Our reliance on third-party suppliers creates risks related to our potential inability to obtain an adequate supply of components and reduced control over pricing and timing of delivery of components. In particular, we have little to no control over the prices at which our suppliers sell materials and components to us. Certain supplies of our components are available only from a single source or limited sources and we may not be able to diversify sources in a timely manner. We have experienced shortages in the past that have negatively impacted our results of operations and may experience such shortages in the future. For example, in 2018, we experienced a shortage in supply of a camera part from one of our suppliers for our XP8 device, which resulted in delays in delivery of completed XP8 devices to certain of our customers.

We also do not have long-term supply agreements with any of our suppliers. Our current contracts with certain suppliers may be canceled or not extended by such suppliers and, therefore, do not afford us with sufficient protection against a reduction or interruption in supplies. Moreover, in the event any of these suppliers breach their contracts with us, our legal remedies associated with such a breach may be insufficient to compensate us for any damages we may suffer.

Any interruption of supply for any material components of our products, or inability to obtain required components from our third-party suppliers, could significantly delay the production and shipment of our products and have a material adverse effect on our revenues, profitability and financial condition.

Our future success is dependent on our ability to create independent brand awareness for our company and products with end customers, and our inability to achieve such brand awareness could limit our prospects.

We depend on a small number of wireless carriers to distribute our products. Our failure to establish stand-alone brand awareness with end customers of our products will leave us vulnerable to the marketing and selling success of others, and these developments could have a material adverse effect on our prospects. If we are unable to significantly increase the awareness of our brand and solutions with end customers, or effectively manage the costs associated with these efforts, our business, financial condition and results of operations could be materially and adversely affected.

We are dependent on the continued services and performance of a concentrated group of senior management and other key personnel, the loss of any of whom could adversely affect our business.

Our future success depends in large part on the continued contributions of a concentrated group of senior management and other key personnel. In particular, the leadership of key management personnel is critical to the successful management of our company, the development of our solutions and our strategic direction. We also depend on the contributions of key technical personnel.

We maintain “key person” insurance only for our Chief Executive Officer and do not maintain such insurance for any other member of our senior management team or any of our other key employees. Our senior management and key personnel are all employed on an at-will basis, which means that they could terminate their employment with us at any time, for any reason and without notice. The loss of any of our key personnel could significantly delay or prevent the achievement of our development and strategic objectives and adversely affect our business.

We compete in a rapidly evolving market, and the failure to respond quickly and effectively to changing market requirements could cause our business and operating results to decline.

The mobile device market is characterized by rapidly changing technology, changing customer needs, evolving industry standards and frequent introductions of new products and services. In order to deliver a competitive mobile device, our solutions must be capable of operating in an increasingly complex network environment. As new wireless devices are introduced and standards in the mobile device market evolve, we may be required to modify our devices and services to make them compatible with these new products and standards. Likewise, if our competitors introduce new devices and services that compete with ours, we may be required to reposition our solutions or introduce new devices and solutions in response to such competitive pressure. We may not be successful in modifying our current devices or introducing new ones in a timely or appropriately responsive manner, or at all. If we fail to address these changes successfully, our business and operating results could be materially harmed.

If dedicated public safety LTE networks are not deployed at the rate we anticipate or at all, demand for our solutions may not grow as expected.

A key part of our strategy is to further expand the use of our solutions over dedicated LTE networks in the public safety market. If the deployment of dedicated LTE networks is delayed or such networks are not adopted

at the rate we anticipate, demand for our solutions may not develop as we anticipate, which would have a negative effect on our revenues.

If we are unable to sell our solutions into new markets, our revenues may not grow.

Any new market into which we attempt to sell our solutions may not be receptive. Our ability to penetrate new markets depends on the quality of our solutions, the continued adoption of our public safety solution by first responders, the perceived value of our solutions as a risk management tool and our ability to design our solutions to meet the demands of our customers and end users. If the markets for our solutions do not develop as we expect, our revenues may not grow.

Our ability to successfully face these challenges depends on several factors, including increasing the awareness of our solutions and their benefits, the effectiveness of our marketing programs, the costs of our solutions, our ability to attract, retain and effectively train sales and marketing personnel, and our ability to develop relationships with wireless carriers and other partners. If we are unsuccessful in developing and marketing our solutions into new markets, new markets for our solutions might not develop or might develop more slowly than we expect, either of which would harm our revenues and growth prospects.

If we are unable to attract, integrate and retain additional qualified personnel, including top technical talent, our business could be adversely affected.

Our future success depends in part on our ability to identify, attract, integrate and retain highly skilled technical, managerial, sales and other personnel. We face intense competition for qualified individuals from numerous other companies, including other software and technology companies, many of whom have greater financial and other resources than we do. Some of these characteristics may be more appealing to high-quality candidates than those we have to offer. In addition, new hires often require significant training and, in many cases, take significant time before they achieve full productivity. We may incur significant costs to attract and retain qualified personnel, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and we may lose new employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training them. Moreover, new employees may not be or become as productive as we expect, as we may face challenges in adequately or appropriately integrating them into our workforce and culture. If we are unable to attract, integrate and retain suitably qualified individuals who are capable of meeting our growing technical, operational and managerial requirements on a timely basis or at all, our business will be adversely affected.

Volatility or lack of positive performance in our stock price may also affect our ability to attract and retain our key employees. Many of our senior management personnel and other key employees have become, or will soon become, vested in a substantial amount of stock or stock options. Employees may be more likely to leave us if the shares they own or the shares underlying their vested options have significantly appreciated in value relative to the original purchase prices of the shares or the exercise prices of the options, or, conversely, if the exercise prices of the options that they hold are significantly above the market price of our common stock. If we are unable to appropriately incentivize and retain our employees through equity compensation, or if we need to increase our compensation expenses in order to appropriately incentivize and retain our employees, our business, operating results and financial condition would be adversely affected.

Our existing IT systems may not be adequate to manage our growth, and our implementation of updated IT systems could result in significant disruptions to our operations.

Our existing IT systems may be inadequate to manage our growth, and we are planning to implement various upgrades to our enterprise resource planning, or ERP, systems, as well as other complementary IT systems, over the next several years. Implementation of these solutions and systems is highly dependent on coordination of numerous software and system providers and internal business teams. The interdependence of these solutions and systems is a significant risk to the successful completion of the initiatives and the failure of any one system

could have a material adverse effect on the implementation of our overall IT infrastructure. We may experience difficulties as we transition to these new or upgraded systems and processes, including loss or corruption of data, delayed shipments, decreases in productivity as our personnel and third-party providers implement and become familiar with new systems, increased costs and lost revenues.

In addition, transitioning to these new systems requires significant capital investments and personnel resources. Difficulties in implementing new or upgraded information systems or significant system failures could disrupt our operations and have a material adverse effect on our capital resources, financial condition, results of operations or cash flows. Implementation of this new IT infrastructure has a significant impact on our business processes and information systems across a significant portion of our operations. As a result, we will be undergoing significant changes in our operational processes and internal controls as our implementation progresses, which in turn will require significant change management, including recruiting and training of qualified personnel. If we are unable to successfully manage these changes as we implement these systems, including harmonizing our systems, data, processes and reporting analytics, our ability to conduct, manage and control routine business functions could be negatively affected and significant disruptions to our business could occur. In addition, we could incur material unanticipated expenses, including additional costs of implementation or costs of conducting business. These risks could result in significant business disruptions or divert management's attention from key strategic initiatives and have a material adverse effect on our capital resources, financial condition and results of operations.

The application development ecosystem supporting our devices and related accessories is new and evolving.

The application development ecosystem supporting our devices and related accessories is new and evolving. Specifically, the number of application developers in the ecosystem supporting our devices and accessories is small. If the market or the application development ecosystem does not develop, timely or at all, demand for our products may be limited, and our business and results of operations will be materially harmed.

Our business is difficult to evaluate because we have a limited operating history in our markets.

We have a limited operating history based on which you can evaluate our present business and future prospects. For example, in March 2018, we launched our XP5s and XP8 devices in the public safety market and also have limited operating history in the industrial enterprise market. Because of this limited operating history, we face challenges in predicting our business and evaluating its prospects. These challenges present risks and uncertainties relating to our ability to implement our business plan successfully. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by newly-public companies that have recently launched a new product into a new market. If we are unsuccessful in addressing these risks and uncertainties, our business, results of operations and financial condition will be materially harmed.

The impact of potential changes in customs, tariffs, and trade policies in the United States and the potential corresponding actions by other countries, including recent trade initiatives announced by the U.S. presidential administration against China, in which we do business could adversely affect our financial performance.

The U.S. government has made proposals that are intended to address trade imbalances, which include encouraging increased production in the United States. These proposals could result in increased customs duties and tariffs, and the renegotiation of some U.S. trade agreements. We import a significant percentage of our products into the United States, and an increase in customs duties and tariffs with respect to these imports could negatively impact our financial performance. If such customs duties and tariffs are implemented, it also may cause U.S. trading partners to take actions with respect to U.S. imports or U.S. investment activities in their respective countries. Any potential changes in trade policies in the United States and the potential corresponding actions by other countries in which we do business could adversely affect our financial performance. Given the level of uncertainty over which provisions will be enacted, we cannot predict with certainty the impact of the proposals.

For example, in 2018, the U.S. presidential administration and Chinese government imposed significant tariffs on exports between the two countries. This evolving policy dispute between China and the United States is likely to have significant impact on the industries in which we participate, directly and indirectly, and no assurance can be given that any individual customer, or significant groups of companies or a particular industry, will not be adversely affected by any governmental actions taken by either China or the United States. In addition, we manufacture our mobile devices at our facility in Shenzhen, China, which could result in significant additional costs to us when shipping our products to various customers in the United States. It is not possible to predict with any certainty the outcome of the trade dispute between the United States and China, and prolonged or increased tariffs on imports from China to the United States would adversely affect our business, results of operations and financial condition.

Operating outside of the United States presents specific risks to our business, and we have substantial operations outside of the United States.

Most of our employee base and operations are located outside the United States, primarily in China and India. Most of our software development, third-party contract manufacturing, and product assembly operations are conducted outside the United States.

Risks associated with operations outside the United States include:

- effectively managing and overseeing operations that are distant and remote from corporate headquarters may be difficult and may impose increased operating costs;
- fluctuating foreign currency rates could restrict sales, increase costs of purchasing, and impact collection of receivables outside of the United States;
- volatility in foreign credit markets may affect the financial well-being of our customers and suppliers;
- violations of anti-corruption laws, including the Foreign Corrupt Practices Act and the U.K. Bribery Act could result in large fines and penalties;
- violations of privacy and data security laws could result in large fines and penalties;
- tax disputes with foreign taxing authorities, and any resultant taxation in foreign jurisdictions associated with operations in such jurisdictions, including with respect to transfer pricing practices associated with such operations;
- adverse changes in, or uncertainty of, local business laws or practices, including the following:
  - foreign governments may impose burdensome tariffs, quotas, taxes, trade barriers, or capital flow restrictions;
  - restrictions on the export or import of technology may reduce or eliminate the ability to sell in or purchase from certain markets;
  - political and economic instability, including deterioration of political relations between the United States and other countries, may reduce demand for our solutions or put our non-U.S. assets at risk;
  - potentially limited intellectual property protection in certain countries may limit recourse against infringing on our solutions or cause us to refrain from selling in certain geographic territories;
  - staffing may be difficult along with higher turnover at international operations;
  - a government-controlled exchange rate and limitations on the convertibility of currencies, including the Chinese yuan;
  - transportation delays and customs related delays that may affect production and distribution of our products; and
  - integration and enforcement of laws vary significantly among jurisdictions and may change significantly over time.

Our failure to manage any of these risks successfully could harm our international operations and adversely affect our business, operating results and financial condition.

A security breach or other significant disruption of our IT systems or those of our partners, suppliers or manufacturers, caused by cyberattacks or other means, could have a negative impact on our operations, sales, and operating results.

All IT systems are potentially vulnerable to damage, unauthorized access or interruption from a variety of sources, including but not limited to, cyberattacks, cyber intrusions, computer viruses, security breaches, energy blackouts, natural disasters, terrorism, sabotage, war, insider trading and telecommunication failures. A cyberattack or other significant disruption involving our IT systems or those of our outsource partners, suppliers or manufacturers could result in the unauthorized release of proprietary, confidential or sensitive information of ours or result in virus and malware installation on our devices. Such unauthorized access to, or release of, this information or other security breaches could: (i) allow others to unfairly compete with us, (ii) compromise safety or security, (iii) subject us to claims for breach of contract, tort, and other civil claims, and (iv) damage our reputation. Any or all of the foregoing could have a negative impact on our business, financial condition and results of operations.

We experience lengthy sales cycles for our products and the delay of an expected large order could result in a significant unexpected revenue shortfall.

The purchase of our products is often an enterprise-wide decision for prospective end customers, which requires us to engage in sales efforts over an extended period of time and provide a significant level of education to prospective end customers regarding the uses and benefits of such devices. Prospective customers, especially the wireless carriers that sell our products, often undertake a prolonged evaluation process that may take from several months to several years in certain cases. Consequently, if our forecasted sales from a specific customer are not realized, we may not be able to generate revenues from alternative sources in time to compensate for the shortfall. The loss or delay of an expected large order could also result in a significant unexpected revenue shortfall. Moreover, to the extent we enter into and deliver our products pursuant to significant contracts earlier than we expected, our operating results for subsequent periods may fall below expectations. We may spend substantial time, effort and money on our sales and marketing efforts without any assurance that our efforts will produce any sales. If we are unable to succeed in closing sales with new and existing end customers, our business, operating results and financial condition will be harmed.

We may require additional capital to fund our business and support our growth, and our inability to generate and obtain such capital on acceptable terms, or at all, could harm our business, operating results, financial condition and prospects.

We intend to continue to make substantial investments to fund our business and support our growth. In addition, we may require additional funds to respond to business challenges, including the need to develop new features or enhance our solutions, improve our operating infrastructure or acquire or develop complementary businesses and technologies. As a result, in addition to the revenues we generate from our business and the proceeds from this offering, we may need to engage in additional equity or debt financings to provide the funds required for these and other business endeavors. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing that we may secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. We may not be able to obtain such additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be adversely affected. In addition, our inability to generate or obtain the financial resources needed may require us

to delay, scale back, or eliminate some or all of our operations, which may have a material adverse effect on our business, operating results and financial condition.

We have a limited history of high-volume commercial production of our devices, and we may face manufacturing capacity constraints.

We have limited history and experience in high-volume commercial production of our devices. For example, we launched our first high-volume products in March 2018. Because of this limited production history, we face challenges in predicting our business and evaluating its prospects, which may result in breakdowns of our ability to timely supply our devices to our end customers. Moreover, we face manufacturing capacity constraints that present further risks to our business. If overall demand of our devices increases in the future, we will need to expand our manufacturing capacity in a cost-efficient manner. Failing to meet customer demand due to our failure to successfully address these risks and challenges could adversely affect our reputation and future sales, which would materially harm our business, results of operations and financial condition.

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

As of December 31, 2018, we had U.S. federal and state net operating loss carryforwards, or NOLs, of $ million due to prior period losses, a portion of which expire in various years beginning in if not utilized. In general, under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its NOLs to offset future taxable income. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to offset future income tax liabilities. Under the Tax Cuts and Jobs Act, or the Tax Act, the amount of post 2017 NOLs that we are permitted to deduct from U.S. federal income taxes in any taxable year is limited to 80% of our taxable income in such year, where taxable income is determined without regard to the NOL deduction itself. The Tax Act generally eliminates the ability to carry back any NOL to prior taxable years, while allowing post 2017 unused NOLs to be carried forward indefinitely without expiration. Additionally, state NOLs generated in one state cannot be used to offset income generated in another state. For these reasons, we may not be able to realize a tax benefit from the use of our NOLs, whether or not we attain profitability.

The unfavorable outcome of any future litigation, arbitration or administrative action could have a material adverse effect on our financial condition or results of operations.

From time to time we are a party to litigation, arbitration, or administrative actions. Our financial results and reputation could be negatively impacted by unfavorable outcomes to any future litigation or administrative actions, including those related to the Foreign Corrupt Practices Act, the U.K. Bribery Act, or other anti-corruption laws. There can be no assurances as to the favorable outcome of any litigation or administrative proceedings. In addition, it can be very costly to defend litigation or administrative proceedings and these costs could negatively impact our financial results.

The nature of our business may result in undesirable press coverage or other negative publicity, which would adversely affect our brand identity, future sales and results of operations.

Our solutions are used to assist law enforcement and other public safety personnel in situations involving public safety. The incidents in which our solutions are deployed may involve injury, loss of life and other negative outcomes, and such events are likely to receive negative publicity. Such negative publicity could have an adverse impact on new sales or renewals or expansions of coverage areas by existing customers, which would adversely impact our financial results and business.

Changes in the availability of federal funding to support local public safety or other public sector efforts could impact our opportunities with public sector end customers.

Many of our public sector end customers rely to some extent on funds from the U.S. federal government in order to purchase and pay for our solutions. Any reduction in federal funding for local public safety or other public sector efforts could result in our end customers having less access to funds required to continue, renew, expand or pay for our solutions. For example, changes in policies with respect to "sanctuary cities" may result in a reduction in federal funds available to our current or potential end customers. Additionally, the recent U.S. government partial shutdown, and any future U.S. government shutdowns, could result in delayed public safety spending or re-allocation of funding into other areas of public safety. If federal funding is reduced or eliminated and our end customers cannot find alternative sources of funding to purchase our solutions, our business will be harmed.

Economic uncertainties or downturns, or political changes, could limit the availability of funds available to our customers and potential customers, which could materially adversely affect our business.

Current or future economic uncertainties or downturns could adversely affect our business and operating results. Negative conditions in the general economy both in the United States and abroad, including conditions resulting from changes in gross domestic product growth, financial and credit market fluctuations, political deadlock, natural catastrophes, warfare and terrorist attacks in North America, Europe, the Asia Pacific region or elsewhere, could cause a decrease in funds available to our customers and potential customers and negatively affect the growth rate of our business.

These economic conditions may make it extremely difficult for our customers and us to forecast and plan future budgetary decisions or business activities accurately, and they could cause our customers to reevaluate their decisions to purchase our solutions, which could delay and lengthen our sales cycles or result in cancellations of planned purchases. Furthermore, during challenging economic times or as a result of political changes, our customers may tighten their budgets and face constraints in gaining timely access to sufficient funding or other credit, which could result in an impairment of their ability to make timely payments to us. In turn, we may be required to increase our allowance for doubtful accounts, which would adversely affect our financial results.

We cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry, or the impact of political changes. If the economic conditions of the general economy or industries in which we operate worsen from present levels, or if recent political changes result in less funding being available to purchase our solutions, our business, operating results and financial condition could be adversely affected.

We are subject to anti-corruption, anti-bribery, anti-money laundering, economic sanctions, export control, and similar laws.Non-compliance with such laws can subject us to criminal or civil liability and harm our business, revenues, financial condition and results of operations.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, and other anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies and their employees and third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. As we increase our international presence, we may engage with distributors and third-party intermediaries to market our solutions and to obtain necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners and agents, even if we do not explicitly authorize such activities.

The United States has imposed economic sanctions that affect transactions with designated foreign countries, nationals and others. In particular, the United States prohibits U.S. persons from engaging with individuals and entities identified as "Specially Designated Nationals," such as terrorists and narcotics traffickers. These prohibitions are administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, or OFAC. OFAC rules prohibit U.S. persons from engaging in, or facilitating a foreign person's engagement in, transactions with or relating to the prohibited individual, entity or country, and require the blocking of assets in which the individual, entity or country has an interest. Blocked assets (e.g., property or bank deposits) cannot be paid out, withdrawn, set off or transferred in any manner without a license from OFAC. Other countries in which we operate, including Canada and the United Kingdom, also maintain economic and financial sanctions regimes.

Some of our solutions, including software updates and third-party accessories, may be subject to U.S. export control laws, including the Export Administration Regulations; however, the vast majority of our products are non-U.S.-origin items, developed and manufactured outside of the United States, and therefore not subject to these laws. For third-party accessories, we rely on manufactures to supply the appropriate export control classification numbers that determine our obligations under these laws.

We cannot assure you that our employees and agents will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. As we increase our international presence, our risks under these laws, rules, and regulations may increase. Further, any change in the applicability or enforcement of these laws, rules, and regulations could adversely affect our business operations and financial results.

Detecting, investigating and resolving actual or alleged violations can require a significant diversion of time, resources, and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, anti-money laundering, or economic sanctions laws, rules, and regulations could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and/or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, revenues, financial condition, and results of operations would be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. Enforcement actions and sanctions could further harm our business, financial condition and results of operations.

Foreign currency fluctuations may reduce our competitiveness and sales in foreign markets.

The relative change in currency values creates fluctuations in product pricing for international customers. These changes in foreignend-customer costs may result in lost orders and reduce the competitiveness of our products in certain foreign markets. These changes may also negatively affect the financial condition of some foreign customers and reduce or eliminate their future orders of our products.

We are subject to a wide range of product regulatory and safety, consumer, worker safety and environmental laws and regulations.

Our operations and the products we manufacture and/or sell are subject to a wide range of product regulatory and safety, consumer, worker safety and environmental laws and regulations. Compliance with such existing or future laws and regulations could subject us to future costs or liabilities, impact our production capabilities, constrict our ability to sell, expand or acquire facilities, restrict what solutions we can offer and generally impact our financial performance. Our products are designed for use in potentially explosive or hazardous environments. If our product design fails for any reason in such environments, we may be subject to product liabilities and future costs. In addition, some of these laws are environmental and relate to the use, disposal,

remediation, emission and discharge of, and exposure to hazardous substances. These laws often impose liability and can require parties to fund remedial studies or actions regardless of fault. Environmental laws have tended to become more stringent over time and any new obligations under these laws could have a negative impact on our operations or financial performance.

Laws focused on the energy efficiency of electronic products and accessories, recycling of both electronic products and packaging, reducing or eliminating certain hazardous substances in electronic products, and the transportation of batteries continue to expand significantly. Laws pertaining to accessibility features of electronic products, standardization of connectors and power supplies, the transportation of lithium-ion batteries, and other aspects are also proliferating. There are also demanding and rapidly changing laws around the globe related to issues such as product safety, radio interference, radio frequency radiation exposure, medical related functionality, and consumer and social mandates pertaining to use of wireless or electronic equipment. These laws, and changes to these laws, could have a substantial impact on whether we can offer certain products, solutions, and services, and on what capabilities and characteristics our products or services can or must include.

These laws and regulations impact our products and could negatively affect our ability to manufacture and sell products competitively. In addition, we anticipate that we will see increased demand to meet voluntary criteria related to reduction or elimination of certain constituents from products, increasing energy efficiency and providing additional accessibility.

Changes in laws and regulations concerning the use of telecommunication bandwidth could increase our costs and adversely affect our business.

Our business depends on our ability to sell devices that use telecommunication bandwidth allocated to licensed and unlicensed wireless services, and that use of that bandwidth is subject to laws and regulations that are subject to change over time. Changes in the permitted uses of telecommunication bandwidth, reallocation of such bandwidth to different uses, and new or increased regulation of the capabilities, manufacture, importation, and use of devices that depend on such bandwidth could increase our costs, require costly modifications to our products before they are sold, or limit our ability to sell those products in to our target markets. In addition, we are subject to regulatory requirements for certification and testing of our products before they can be marketed or sold. Those requirements may be onerous and expensive. Changes to those requirements could result in significant additional costs and could adversely affect our ability to bring new products to market in a timely fashion.

Failure of our suppliers, subcontractors, distributors, resellers, and representatives to use acceptable legal or ethical business practices, or to fail for any other reason, could negatively impact our business.

We do not control the labor and other business practices of our suppliers, subcontractors, distributors, resellers and third-party sales representatives, or TPSRs, and cannot provide assurance that they will operate in compliance with applicable rules, and regulations regarding working conditions, employment practices, environmental compliance, anti-corruption, and trademark a copyright and patent licensing. If one of our suppliers, subcontractors, distributors, resellers, or TPSRs violates labor or other laws or implements labor or other business practices that are regarded as unethical, the shipment of finished products to us could be interrupted, orders could be canceled, relationships could be terminated, and our reputation could be damaged. If one of our suppliers or subcontractors fails to procure the necessary license rights to trademarks, copyrights or patents, legal action could be taken against us that could impact the saleability of our products and expose us to financial obligations to a third party. Any of these events could have a negative impact on our sales and results of operations.

Moreover, any failure of our suppliers, subcontractors, distributors, resellers and TPSRs, for any reason, including bankruptcy or other business disruption, could disrupt our supply or distribution efforts and could have a negative impact on our sales and results of operations.

Natural or man-made disasters and other similar events may significantly disrupt our business, and negatively impact our operating results and financial condition.

Any of our facilities may be harmed or rendered inoperable by natural orman-made disasters, including earthquakes, tornadoes, hurricanes, wildfires, floods, nuclear disasters, acts of terrorism or other criminal activities, infectious disease outbreaks, and power outages, which may render it difficult or impossible for us to operate our business for some period of time. For example, our corporate headquarters is located in the San Francisco Bay Area, a region known for seismic activity. Our facilities would likely be costly to repair or replace, and any such efforts would likely require substantial time. Any disruptions in our operations could negatively impact our business and operating results, and harm our reputation. In addition, we may not carry business insurance or may not carry sufficient business insurance to compensate for losses that may occur. Any such losses or damages could have a material adverse effect on our business, operating results and financial condition. In addition, the facilities of significant vendors may be harmed or rendered inoperable by such natural or man-made disasters, which may cause disruptions, difficulties or material adverse effects on our business.

We are subject to a wide range of privacy and data security laws, regulations and other legal obligations.

Personal privacy and information security are significant issues in the United States and the other jurisdictions in which we operate or make our products and applications available. The legislative and regulatory framework for privacy and security issues worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Our handling of data is subject to a variety of laws and regulations, including regulation by various government agencies, including the U.S. Federal Trade Commission, or FTC, and various state, local and foreign agencies. We may collect personally identifiable information, or PII, and other data from our customers and users. We use this information to provide services to our customers and users and to support, expand and improve our business. We may also share customers' or users' PII with third parties as allowed by applicable law and agreements and authorized by the customer or as described in our privacy policy.

The U.S. federal and various state and foreign governments have adopted or proposed limitations on the collection, distribution, transfer, use and storage of PII. In the United States, the FTC and many state attorneys general are applying federal and state consumer protection laws as imposing standards for the online collection, use and dissemination of data. Many foreign countries and governmental bodies, including Canada, the European Union and other relevant jurisdictions, have laws and regulations concerning the collection and use of PII obtained from their residents or by businesses operating within their jurisdiction. These laws and regulations often are more restrictive than those in the United States. Laws and regulations in these jurisdictions apply broadly to the collection, use, storage, disclosure and security of data that identifies or may be used to identify or locate an individual, such as names, email addresses and, in some jurisdictions, Internet Protocol, or IP, addresses. Within the European Union, legislators have adopted the General Data Protection Regulation, or GDPR, effective May 2018 which may impose additional obligations and risk upon our business and which may increase substantially the penalties to which we could be subject in the event of any non-compliance. We may incur substantial expense in complying with the obligations imposed by the governments of the foreign jurisdictions in which we do business or seek to do business and we may be required to make significant changes in our business operations, all of which may adversely affect our revenues and our business overall.

Although we are working to comply with those federal, state, and foreign laws and regulations, industry standards, contractual obligations and other legal obligations that apply to us, those laws, regulations, standards and obligations are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another, other requirements or legal obligations, our practices or the features of our products or applications. At state level, lawmakers continue to pass new laws concerning privacy and data security. Particularly notable in this regard is the California Consumer Privacy Act, or CCPA, which will become effective on January 1, 2020. The CCPA will introduce significant new disclosure obligations and provide California consumers with significant new privacy rights. Any failure or perceived failure by us to comply with federal, state or foreign laws or regulations, industry standards, contractual

obligations or other legal obligations, or any actual or suspected security incident, whether or not resulting in unauthorized access to, or acquisition, release or transfer of PII or other data, may result in governmental enforcement actions and prosecutions, private litigation, fines and penalties or adverse publicity and could cause our customers or end users to lose trust in us, which could have an adverse effect on our reputation and business. Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable laws, regulations, policies, industry standards, contractual obligations, or other legal obligations could result in additional cost and liability to us, damage our reputation, inhibit sales and adversely affect our business.

We also expect that there will continue to be new proposed laws, regulations and industry standards concerning privacy, data protection and information security in the United States, the European Union and other jurisdictions, and we cannot yet determine the impact such future laws, regulations and standards may have on our business. New laws, amendments to or re-interpretations of existing laws and regulations, industry standards, contractual obligations and other obligations may require us to incur additional costs and restrict our business operations. Such laws and regulations may require companies to implement privacy and security policies, permit users to access, correct and delete personal information stored or maintained by such companies, inform individuals of security breaches that affect their personal information, and, in some cases, obtain individuals' consent to use PII for certain purposes. In addition, a foreign government could require that any PII collected in a country not be disseminated outside of that country, and we are not currently equipped to comply with such a requirement.

We are exposed to risks associated with strategic acquisitions and investments.

We may consider strategic acquisitions of companies with complementary technologies or intellectual property in the future. Acquisitions hold special challenges in terms of successful integration of technologies, products, services and employees. We may not realize the anticipated benefits of these acquisitions or the benefits of any other acquisitions we have completed or may complete in the future, and we may not be able to incorporate any acquired services, products or technologies with our existing operations, or integrate personnel from the acquired businesses, in which case our business could be harmed.

Acquisitions and other strategic decisions involve numerous risks, including:

- problems integrating and divesting the operations, technologies, personnel, services or products over geographically disparate locations;
- unanticipated costs, taxes, litigation and other contingent liabilities;
- continued liability for discontinued businesses andpre-closing activities of divested businesses or certain post-closing liabilities which we may agree to assume as part of the transaction in which a particular business is divested;
- adverse effects on existing business relationships with suppliers and customers;
- cannibalization of revenues as customers may seek multi-product discounts;
- risks associated with entering into markets in which we have no, or limited, prior experience;
- incurrence of significant restructuring charges if acquired products or technologies are unsuccessful;
- significant diversion of management's attention from our core business and diversion of key employees' time and resources;
- licensing, indemnity or other conflicts between existing businesses and acquired businesses;
- inability to retain key customers, distributors, suppliers, vendors and other business relations of the acquired business; and
- potential loss of our key employees or the key employees of an acquired organization or as a result of discontinued businesses.

Financing for future acquisitions may not be available on favorable terms, or at all. If we identify an appropriate acquisition candidate for any of our businesses, we may not be able to negotiate the terms of the acquisition successfully, finance the acquisition or integrate the acquired business, products, service offerings, technologies or employees into our existing business and operations. Future acquisitions and divestitures may not be well-received by the investment community, which may cause the value of our stock to fall. We cannot ensure that we will be able to identify or complete any acquisition, divestiture or discontinued business in the future. Further, the terms of our indebtedness constrain our ability to make and finance additional acquisitions or divestitures.

If we acquire businesses, new products, service offerings or technologies in the future, we may incur significant acquisition-related costs. In addition, we may be required to amortize significant amounts of finite-lived intangible assets and we may record significant amounts of goodwill or indefinite-lived intangible assets that would be subject to testing for impairment. We have in the past and may in the future be required to write off all or part of the intangible assets or goodwill associated with these investments that could harm our operating results. If we consummate one or more significant future acquisitions in which the consideration consists of stock or other securities, our existing stockholders' ownership could be significantly diluted. If we were to proceed with one or more significant future acquisitions in which the consideration included cash, we could be required to use a substantial portion of our cash and investments. Acquisitions could also cause operating margins to fall depending on the businesses acquired.

Our strategic investments may involve joint development, joint marketing, or entry into new business ventures, or new technology licensing. Any joint development efforts may not result in the successful introduction of any new products or services by us or a third party, and any joint marketing efforts may not result in increased demand for our products or services. Further, any current or future strategic acquisitions and investments by us may not allow us to enter and compete effectively in new markets or enhance our business in our existing markets and we may have to impair the carrying amount of our investments.

The effects of the Tax Cuts and Jobs Act on our business have not yet been fully analyzed and could have an adverse effect on our results of operations.

On December 22, 2017, U.S. President Donald Trump signed into law the Tax Act that significantly reforms the Code. The Tax Act, among other things, includes changes to U.S. federal corporate income tax rate, imposes significant additional limitations on the deductibility of interest, allows for the accelerated expensing of capital expenditures, and puts into effect the migration from a "worldwide" system of taxation to a territorial system. We continue to analyze the impact that the Tax Act may have on our business. Notwithstanding the reduction in the U.S federal corporate income tax rate, the overall impact of the Tax Act is uncertain, and our business and financial condition could be adversely affected.

We could be adversely impacted by changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters.

Generally accepted accounting principles and related accounting pronouncements, implementation guidelines, and interpretations with regard to a wide range of matters that are relevant to our businesses, including, but not limited to, revenue recognition, asset impairment, inventories, customer rebates and other customer consideration, tax matters, and litigation and other contingent liabilities are highly complex and involve many subjective assumptions, estimates and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgments could significantly change our reported or expected financial performance or financial condition. New accounting guidance may also require systems and other changes that could increase our operating costs and/or change our financial statements. For example, implementing future accounting guidance related to revenue, accounting for leases and other areas could require us to make significant changes to our accounting systems, impact existing debt agreements and result in adverse changes to our financial statements.

Risks Related to Our Intellectual Property

If we are unable to successfully protect our intellectual property, our competitive position may be harmed.

Our ability to compete is heavily affected by our ability to protect our intellectual property. We rely on a combination of patents, patent applications, copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our proprietary rights. We also enter, and plan to continue to enter, into confidentiality, invention assignment or license agreements with our employees, consultants and other parties with whom we contract, and control access to and distribution of our software, documentation and other proprietary information. The steps we take to protect our intellectual property may be inadequate, and it is possible that some or all of our confidentiality agreements will not be honored and certain contractual provisions may not be enforceable. Existing trade secret, trademark and copyright laws offer only limited protection. Unauthorized parties may attempt to copy aspects of our products or obtain and use information which we regard as proprietary. Policing unauthorized use of our products is difficult, time consuming and costly, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the United States. We cannot assure you that our means of protecting our proprietary rights will be adequate or that our competitors will not independently develop similar technology, the effect of either of which would harm our competitive position in the market. Furthermore, disputes can arise with our strategic partners, customers or others concerning the ownership of intellectual property.

Others may claim that we infringe on their intellectual property rights, which may result in costly and time-consuming litigation and could delay or otherwise impair the development and commercialization of our products.

In recent years, there has been a significant increase in litigation in the United States involving patents and other intellectual property rights, and because our products are comprised of complex technology, we are often involved in or impacted by assertions, including both requests to take licenses and litigation, regarding infringement of patent and other intellectual property rights of third parties. Third parties have asserted, and in the future may assert, intellectual property infringement claims against us and against our customers and suppliers. Many of these assertions are brought by non-practicing entities whose principal business model is to secure patent licensing revenues from product manufacturing companies. Claims for alleged infringement and any resulting lawsuit, if successful, could subject us to significant liability for damages and invalidation of our intellectual property rights. Defending any such claims, with or without merit, including pursuant to indemnity obligations, could be time consuming, expensive, cause product shipment delays or require us to enter into a royalty or licensing agreement, any of which could delay the development and commercialization of our products or reduce our margins. If we are unable to obtain a required license, our ability to sell or use certain products may be impaired. In addition, if we fail to obtain a license, or if the terms of the license are burdensome to us, our operations could be materially harmed.

Our use of open source software could subject us to possible litigation or otherwise impair the development of our products.

A portion of our technologies incorporates open source software, including open source operating systems such as Android, and we expect to continue to incorporate open source software into our platform in the future. Few of the licenses applicable to open source software have been interpreted by courts, and their application to the open source software integrated into our proprietary technology platform may be uncertain. If we fail to comply with these licenses, then pursuant to the terms of these licenses, we may be subject to certain requirements, including requirements that we make available the source code for our software that incorporates the open source software. We cannot assure you that we have not incorporated open source software in our software in a manner that is inconsistent with the terms of the applicable licenses or our current policies and procedures. If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could incur significant legal expenses defending against such allegations. Litigation could be costly for us to defend, have a negative effect on our operating

results and financial condition or require us to devote additional research and development resources to change our technology platform.

With respect to open source operating systems, if third parties cease continued development of such operating systems or restrict our access to such operating system, our business and financial results could be adversely impacted. We are dependent on third parties' continued development of operating systems, software application ecosystem infrastructures, and such third parties' approval of our implementations of their operating and system and associated applications. If such parties cease to continue development or support of such operating systems or restrict our access to such operating systems, we would be required to change our strategy for our devices. As a result, our financial results could be negatively impacted because a resulting shift away from the operating systems we currently use and the associated applications ecosystem could be costly and difficult.

Our inability to obtain and maintain any third-party license required to develop new products and product enhancements could seriously harm our business, financial condition and results of operations.

From time to time, we are required to license technology from third parties to develop new products or product enhancements. For example, we have entered into worldwide intellectual property cross license agreements or other technology license agreements with a number of global technology companies in the mobile telecommunications market. Third-party licenses may not be available to us on commercially reasonable terms, or at all. If we fail to renew any intellectual property license agreements on commercially reasonable terms, or any such license agreements otherwise expire or terminate, we may not be able to use the patents and technologies of these third parties in our products, which are critical to our success. We cannot assure you that we will be able to effectively control the level of licensing and royalty fees paid to third parties, and significant increase in such fees could have a material and adverse impact on our future profitability. Seeking alternative patents and technologies may be difficult and time-consuming, and we may not be successful in finding alternative technologies or incorporating them into our products. Our inability to obtain any third-party license necessary to develop new products or product enhancements could require us to obtain substitute technology of lower quality or performance standards, or at greater cost, which could seriously harm our business, financial condition and results of operations.

Risks Related to this Offering and Our Common Stock

We expect that our stock price will fluctuate significantly, and you may not be able to resell your shares at or above the initial public offering price.

The trading price of our common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market in general, or in our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products and services by us or our competitors;
- sales, or anticipated sales, of large blocks of our stock;
- issuance of new or changed securities analysts' reports or recommendations;
- failure of industry or securities analysts to maintain coverage of our company, changes in financial estimates by any industry or securities analysts that follow our company, or our failure to meet such estimates;
- additions or departures of key personnel;
- regulatory or political developments;
- changes in accounting principles or methodologies;

- acquisitions by us or by our competitors;
- litigation and governmental investigations; and
- economic, political and geopolitical conditions or events.

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

The initial public offering price of our common stock may not accurately reflect its future market performance.

The initial public offering price of our common stock has been determined based on negotiations between the underwriters and us. The initial public offering price may not be indicative of future market performance and may bear no relationship to the price at which our common stock will trade.

An active market for our common stock may not develop, which may inhibit the ability of our stockholders to sell common stock following this offering.

Prior to this offering, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on The Nasdaq Stock Market LLC, or Nasdaq, or how liquid that market may become. If an active trading market does not develop, you may have difficulty selling any of our common stock that you purchase. The initial public offering price of shares of our common stock is, or will be, determined by negotiation between us and the underwriters and may not be indicative of prices that will prevail following the completion of this offering. The market price of shares of our common stock may decline below the initial public offering price, and you may not be able to resell your shares of our common stock at or above the initial public offering price.

Our executive officers and directors, and their affiliated entities, along with our two other largest stockholders, own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval.

Upon consummation of this Offering (based on shares outstanding as of , 2019), our executive officers and directors, together with entities affiliated with such individuals, along with our two other largest stockholders, will beneficially own approximately % of our common stock (approximately % if the underwriters' over-allotment option is exercised in full). Accordingly, these stockholders may, as a practical matter, continue to be able to control the election of a majority of our directors and the determination of all corporate actions after this offering. This concentration of ownership could delay or prevent a change in control of the Company.

New investors in our common stock will experience immediate and substantial dilution after this offering.

The initial public offering price of our common stock will be substantially higher than the pro forma net tangible book value per share of the outstanding common stock immediately after this offering. Based on an assumed initial public offering price of $ per share (which is the midpoint of the price range set forth on the cover of this prospectus) and our net tangible book value as of December 31, 2018, if you purchase our common stock in this offering you will pay more for your shares than the amounts paid by our existing stockholders for their shares and you will suffer immediate dilution of approximately $ per share in pro forma net tangible book value. As a result of this dilution, investors purchasing stock in this offering may receive significantly less than the full purchase price that they paid for the shares purchased in this offering in the event of a liquidation.

Immediately prior to the consummation of this offering, we expect to have approximately outstanding stock options to purchase our common stock with exercise prices that are below the assumed initial public offering price of our common stock. To the extent that these options are exercised, there will be further dilution.

If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our common stock could decline.

If our existing stockholders sell substantial amounts of our common stock in the public market following this offering, the market price of our common stock could decrease significantly. The perception in the public market that our existing stockholders might sell shares of common stock could also depress our market price. Upon completion of this offering, we will have outstanding shares of common stock, assuming no exercise by the underwriters of their option to purchase additional shares, and options to purchase shares of our common stock, based on our shares and options to be outstanding as of immediately prior to the consummation of this offering. Our directors, executive officers and other holders of our common stock will be subject to the lock-up agreements described in "Underwriting" and the Rule 144 holding period requirements described in "Shares Eligible for Future Sale." After all of these lock-up periods have expired and the holding periods have elapsed, up to additional shares will be eligible for sale in the public market.

In addition, the holders of shares of common stock will have the right, subject to certain exceptions and conditions, to require us to register their shares of common stock under the Securities Act, and they will have the right to participate in future registrations of securities by us. Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. Further, we intend to file one or more registration statements on Form S-8 under the Securities Act to register shares of our common stock or securities convertible into or exchangeable for shares of our common stock issued pursuant to our 2019 Equity Incentive Plan. Any such Form S-8 registration statements will automatically become effective upon filing, and shares registered under such registration statements will be available for sale in the open market. The market price of shares of our common stock may drop significantly when the restrictions on resale by our existing stockholders lapse or upon registration of our common stock on Form S-8. A decline in the price of shares of our common stock might impede our ability to raise capital through the issuance of additional shares of our common stock or other equity securities.

Since we do not expect to pay any cash dividends for the foreseeable future, investors in this offering may be forced to sell their stock in order to obtain a return on their investment.

We do not anticipate declaring or paying in the foreseeable future any cash dividends on our capital stock. Instead, we plan to retain any earnings to finance our operations and growth plans discussed elsewhere or incorporated by reference in this prospectus. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase our common stock.

If securities or industry analysts do not publish research or reports about our business, or if they change their recommendations regarding our stock adversely, our stock price and trading volume could decline.

The trading market for our 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 the analysts who cover us downgrade our stock or describe us or our business in a negative manner, our stock price would likely decline. If one or more of these analysts cease coverage of our company or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Management may apply our net proceeds from this offering to uses that do not increase our market value or improve our operating results.

The timing and amount of our use of the proceeds from this offering will be based on many factors, including the amount of our cash flows from operations and the anticipated growth of our business. Our management will

have considerable discretion in applying our net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether we are using our net proceeds appropriately. Until the net proceeds we receive are used, they may be placed in investments that do not produce income or that lose value. We may use our net proceeds for purposes that do not result in any increase in our results of operations, which could cause the price of our common stock to decline.

If we fail to maintain proper and effective internal controls or are unable to remediate any deficiencies or weaknesses in our internal controls, our ability to produce accurate financial statements on a timely basis could be impaired.

After the closing of this offering, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, and the rules and regulations of Nasdaq. Section 302 of the Sarbanes-Oxley Act requires, among other things, that we report on the effectiveness of our disclosure controls and procedures in our quarterly and annual reports and, beginning with our annual report for the year ending 2020, Section 404 of the Sarbanes-Oxley Act requires that we perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting in our Form 10-K filing for that year. This will require that we incur substantial additional professional fees and internal costs to expand our accounting and finance functions and that we expend significant management efforts. Prior to this offering, we have never been required to test our internal control within a specified period, and, as a result, we may experience difficulty in meeting these reporting requirements in a timely manner.

As a public company, we will be required to maintain internal control over financial reporting and to report any material weaknesses in those internal controls. With respect to the year ended December 31, 2017, we identified a material weakness in our internal controls over financial reporting related to accounting for revenue recognition. In addition, for the year ended December 31, 2017, we identified three significant deficiencies in our internal controls over financial reporting. Although we are making efforts to remediate these issues, these efforts may not be sufficient to avoid similar material weakness or deficiencies in the future.

If the material weakness in our internal controls is not fully remediated or if additional material weaknesses are identified, those material weaknesses could cause us to fail to meet our future reporting obligations, reduce the market's confidence in our financial statements, harm our stock price and subject us to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. In addition, our common stock may not be able to remain listed on Nasdaq or any other securities exchange. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

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

We are an "emerging growth company" as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company."

Following the completion of this offering, we will be required to comply with various regulatory and reporting requirements, including those required by the SEC. Complying with these reporting and other regulatory requirements will be time-consuming and will result in increased costs to us and could have a negative effect on our results of operations, financial condition or business.

As a public company, we will be subject to the reporting requirements of the Exchange Act and requirements of the Sarbanes-Oxley Act. These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and improve the effectiveness of our disclosure controls and procedures, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. Sustaining our growth also will require us to commit additional management, operational and financial resources to identify new professionals to join our firm and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our results of operations, financial condition or business.

As an "emerging growth company" as defined in the JOBS Act, we intend to take advantage of certain temporary exemptions from various reporting requirements including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. In addition, we have elected under the JOBS Act to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

When these exemptions cease to apply, we expect to incur additional expenses and devote increased management effort toward ensuring compliance with them. We cannot predict or estimate the amount of additional costs we may incur as a result of becoming a public company or the timing of such costs.

Some provisions of Delaware law and our certificate of incorporation and bylaws may delay or prevent a change in control, and may discourage bids for our common stock at a premium over its market price.

Our certificate of incorporation and bylaws provide for, among other things:

- the authorization of undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval;
- advance notice requirements for stockholder proposals; and
- certain limitations on convening special stockholder meetings.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions than you desire.

Additionally, we are subject to the provisions of Section 203 of the Delaware General Corporation Law, or the DGCL. These provisions prohibit large stockholders, in particular a stockholder owning 15% or more of the

outstanding voting stock, from consummating a merger or combination with a corporation unless this stockholder receives board approval for the transaction or 66 2/3% of the shares of voting stock not owned by the stockholder approve the merger or transaction. These provisions of Delaware law may have the effect of delaying, deferring or preventing a change in control, and may discourage bids for our common stock at a premium over its market price.

Our amended and restated certificate of incorporation will designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our 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 will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees, agents or trustees to us or our stockholders, (iii) any action asserting a claim against us or any director or officer or other employee of ours arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our bylaws or (iv) any action asserting a claim against us or any director or officer or other employee of ours that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our amended and restated certificate of incorporation described in the preceding sentence. 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 our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our results of operations or financial condition.

You should not rely upon our forward-looking statements.

Some of the statements made in this prospectus discuss future events and developments, including our future business strategy and our ability to generate revenues, income and cash flow. In some cases, you can identify forward-looking statements by words or phrases such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," "our future success depends," "seek to continue," or the negative of these words or phrases, or comparable words or phrases. These statements are only predictions. Actual events or results may differ materially. In evaluating these statements, you should specifically consider various facts, including the risks outlined under "Risk Factors." These factors may cause our actual results to differ materially from any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by law, we are under no duty to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results.

Our future quarterly results of operations may fluctuate significantly due to a wide range of factors, including reliance on our carrier distribution channels, significant competition and seasonality in our business, which makes our future results difficult to predict.

Our revenues and results of operations could vary significantly from quarter to quarter as a result of various factors, many of which are outside of our control, including:

- the expansion of our customer base;
- the renewal of subscription agreements with, and expansion of coverage areas by, existing customers;
- the size, timing and terms of our sales to both existing and new customers;

- the introduction of products or services that may compete with us for the limited funds available to our customers, and changes in the cost of such products or services;
- changes in our customers' and potential customers' budgets;
- our ability to control costs, including our operating expenses;
- our ability to hire, train and maintain our direct sales force;
- the timing of satisfying revenue recognition criteria in connection with initial deployment and renewals;
- fluctuations in our effective tax rate; and
- general economic and political conditions, both domestically and internationally.

Any one of these or other factors discussed elsewhere in this prospectus may result in fluctuations in our revenues and operating results, meaning that quarter-to-quarter comparisons of our revenues, results of operations and cash flows may not necessarily be indicative of our future performance.

In addition, we have experienced, and expect to continue to experience, first quarter seasonality due, among other things, to customer capital spending patterns and the timing of our planned expenses. Such seasonality could have a material adverse effect on our results of operations, particularly for our quarters ending March 31.

Because of the fluctuations described above, our ability to forecast revenues is limited and we may not be able to accurately predict our future revenues or results of operations. In addition, we base our current and future expense levels on our operating plans and sales forecasts, and our operating expenses are expected to be relatively fixed in the short term. Accordingly, we may not be able to reduce our costs sufficiently to compensate for an unexpected shortfall in revenues, and even a small shortfall in revenues could disproportionately and adversely affect our financial results for that quarter. The variability and unpredictability of these and other factors could result in our failing to meet or exceed financial expectations for a given period.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" 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:

- our future financial performance, including our revenues, cost of revenues, gross profit, operating expenses, ability to continue to generate positive cash flow, and ability to be profitable;
- anticipated trends, such as the use of and demand for our products;
- our ability to attract and retain customers to purchase and use our products;
- our ability to attract wireless carriers as customers for our products;
- the evolution of technology affecting our products and markets;
- our ability to introduce new products and enhance existing products;
- our ability to successfully enter into new markets;
- our ability to maintain existing market share;
- the attraction and retention of qualified employees and key personnel;
- our ability to effectively manage our growth and future expenses and maintain our corporate culture;
- our anticipated investments in sales and marketing and research and development;
- our ability to maintain, protect, and enhance our intellectual property rights;
- our ability to successfully defend litigation brought against us;
- the sufficiency of our cash and cash equivalents to meet our liquidity needs;
- our ability to comply with modified or new laws and regulations applying to our business;
- the increased expenses associated with being a public company; and
- our use of the net proceeds from this offering.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this prospectus. You should not place undue reliance 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 and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. 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. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will 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, "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement of which this prospectus is a part with the understanding that our actual future results, levels of activity, performance, and events and circumstances may be materially different from what we expect.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on information from various sources, on assumptions that we have made that are based on those data and other similar sources, and on our knowledge of the markets for our solutions. This information involves a number of assumptions and limitations and is inherently imprecise, and you are cautioned not to give undue weight to these estimates. In addition, the industry in which we operate, as well as the projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate, are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled “Risk Factors” and elsewhere in this prospectus, that could cause results to differ materially from those expressed in these publications and reports. We believe that these external sources and estimates are reliable, but have not independently verified them.

USE OF PROCEEDS

We estimate that the net proceeds from our issuance and sale of shares of common stock in this offering will be approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares of common stock in full, based upon an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the amount of cash, cash equivalents and short-term investments, working capital, total assets and total stockholders' equity by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares of our common stock offered by us would increase or decrease the amount of cash, cash equivalents and short-term investments, working capital, total assets and stockholders' equity by approximately $ million, assuming an initial public offering price of $ 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.

The principal purposes of this offering are to obtain additional capital to support our operations, establish a public market for our common stock and thereby enable access to the public equity markets for our employees and stockholders and increase our visibility in the marketplace. We intend to use the net proceeds of this offering for general corporate purposes, including working capital, expanded sales and marketing activities, increased research and development expenditures and funding our growth strategies. We may use a portion of the net proceeds to prepay principal amounts outstanding and accrued interest under the B. Riley Convertible Note (including a prepayment penalty of up to 2.0% of the outstanding principal amount prepaid). The B. Riley Convertible Note has an interest rate of 10.0% per year, matures on December 1, 2020, and had an outstanding principal balance, including accrued interest, of $13.0 million as of December 31, 2018. We may also use a portion of the net proceeds to acquire or invest in complimentary businesses, although we currently have no agreements or understandings with respect to any such acquisitions or investments. Pending their application, we intend to invest the net proceeds in short-term, interest-bearing, investment-grade investments, certificates of deposit or guaranteed obligations of the U.S. government.

DIVIDEND POLICY

We have not declared or paid any cash dividends on our capital stock. Any future determinations relating to our dividends and earning retention policies will be made at the discretion of our board of directors, who will review such policies from time to time in light of our earnings, cash flow generation, financial position, results of operations, the terms of our indebtedness and other contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash, cash equivalents and capitalization as of December 31, 2018 on an:

- actual basis;
- as adjusted basis giving effect to the issuance and sale by us of shares of our common stock in this offering by us based on an assumed initial public offering price of $ 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.

The as adjusted information set forth in the table below is illustrative only of our capitalization following the closing of this offering and will be adjusted based on the actual initial public offering price and other final terms of this offering. You should read this table together with the sections titled "Use of Proceeds," "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes appearing elsewhere in this prospectus.

	December 31, 2018	
	Actual	As Adjusted
Cash and cash equivalents	$	$
Long-term debt	$	$
Stockholders' equity:		
Common stock, $0.001 par value per share, 100,000,000 shares authorized, 15,591,357 shares outstanding, actual; shares authorized and shares outstanding, pro forma; and shares outstanding, pro forma as adjusted		
Additional paid-in capital		
Total stockholders' equity	$	$
Total capitalization	$	$

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

If the underwriters' over-allotment option were exercised in full, as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' deficit, total capitalization and shares of our common stock outstanding as of December 31, 2018 would be $, $, $, $ and , respectively.

The as adjusted column in the table above, is based on 15,591,357 shares of common stock outstanding as of December 31, 2018, and excludes:

- 1,099,278 shares of common stock issuable upon the conversion of 75% of the aggregate principal amount and accrued interest outstanding as of December 31, 2018 under the B. Riley Convertible Note;
- 156,294 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2018 with a weighted-average exercise price of $0.19 per share;

- 1,331,147 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2018, with a weighted-average exercise price of $0.80 per share;
- 444,731 shares of common stock reserved for future issuance under the 2012 Plan, as of December 31, 2018, which shares will cease to be available for issuance at the time the 2019 Plan, becomes effective in connection with this offering;
- shares of our common stock reserved for future issuance under our equity compensation plans, which will become effective prior to the completion of this offering, consisting of:
  - shares of common stock reserved for future issuance under our 2019 Plan, which will become effective upon the execution of the underwriting agreement for this offering, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan; and
  - shares of common stock reserved for issuance under the ESPP, which will become effective upon the execution of the underwriting agreement for this offering as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan.

DILUTION

If you invest in our common stock in this offering, your ownership interest will be diluted immediately to the extent of the difference between the initial public offering price per share of our common stock and the as adjusted net tangible book value per share of our common stock immediately after the closing of this offering. Net tangible book value dilution per share to new investors represents the difference between the amount per share paid by purchasers of shares of our common stock in this offering and the as adjusted net tangible book value per share of our common stock immediately after completion of this offering. Net tangible book value per share is determined by dividing our total tangible assets less our total liabilities by the number of shares of our common stock outstanding.

Our net tangible book value of our common stock as of was $ million, or $ per share, based on the total number of shares of our common stock outstanding as of .

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

The following table illustrates this dilution on a per share basis to new investors:

Assumed initial public offering price per share		$
Net tangible book value per share as of December 31, 2018	$	
Increase in net tangible book value (deficit) per share attributable to new investors purchasing shares in this offering		
As adjusted net tangible book value per share after this offering		
Dilution per share to investors purchasing shares in this offering		$

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, our as adjusted net tangible book value per share after this offering by $ per share and the dilution to new investors by $ per share, assuming 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. Similarly, each increase or decrease of 1.0 million shares of our common stock offered by us would increase or decrease, respectively, the as adjusted net tangible book value by $ per share and the dilution to new investors by $ 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.

If the underwriters exercise their option to purchase additional shares in full, the as adjusted net tangible book value per share after giving effect to this offering would be $ per share, and the dilution in as adjusted net tangible book value per share to new investors in this offering would be $ per share.

The following table presents, on an as adjusted basis, as of December 31, 2018:

- the total number of shares of our common stock purchased from us by our existing stockholders and by new investors purchasing shares in this offering;
- the total consideration paid or to be paid to us by our existing stockholders and by new investors purchasing shares in this offering; and

- the average price per share paid or to be paid by existing stockholders and by new investors purchasing shares in this offering, assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting the underwriting discounts and commissions and estimated offering expenses payable by us in connection with this offering.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors					
Total		100.0%	$	100.0%	

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, respectively, the total consideration paid by new investors by $ million and increase or decrease, respectively, the total consideration paid by new investors by %, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Except as otherwise indicated, the above discussion and tables assume no exercise of the underwriters' option to purchase additional shares. If the underwriters exercise their option to purchase additional shares in full, our existing stockholders would own % and our new investors would own % of the total number of shares of our common stock outstanding upon the closing of this offering.

The dilution information above is for illustration purposes only. Our net tangible book value following the consummation of this offering is subject to adjustment based on the actual initial public offering price of our shares and other terms of this offering determined at pricing.

The number of shares of common stock that will be outstanding immediately after this offering is based on 15,591,357 shares of common stock outstanding as of December 31, 2018, and excludes:

- 1,099,278 shares of common stock issuable upon the conversion of 75% of the aggregate principal amount and accrued interest outstanding as of December 31, 2018 under the B. Riley Convertible Note;
- 156,294 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2018 with a weighted-average exercise price of $0.19 per share;
- 1,331,147 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2018, with a weighted-average exercise price of $0.80 per share;
- 444,731 shares of common stock reserved for future issuance under the 2012 Plan, as of December 31, 2018, which shares will cease to be available for issuance at the time the 2019 Plan, becomes effective in connection with this offering;
- shares of our common stock reserved for future issuance under our equity compensation plans, which will become effective prior to the completion of this offering, consisting of:
  - shares of common stock reserved for future issuance under our 2019 Plan, which will become effective upon the execution of the underwriting agreement for this offering, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan; and
  - shares of common stock reserved for issuance under the ESPP, which will become effective upon the execution of the underwriting agreement for this offering as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan.

To the extent that additional options or other securities are issued under our equity incentive plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering. In addition, we may choose to raise additional capital because of market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data of Sonim Technologies, Inc. should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. The consolidated statement of income data for the years ended December 31, 2017 and 2018 and the consolidated balance sheet data as of December 31, 2017 and 2018 are derived from, and qualified by reference to, our audited consolidated financial statements included elsewhere in this prospectus and should be read in conjunction with those consolidated financial statements and notes thereto.

	Year Ended December 31,	
	2017	2018
	(As Restated)	
	(in thousands, except per share data)	
Statements of Income Data:		
Revenues	$ 59,031	$
Cost of revenues	38,720	
Gross profit	20,311	
Operating expenses	27,081	
Loss from operations	(6,770)	
Interest expense	(820)	
Change in fair value of warrant liability	(460)	
Other expense, net	(335)	
Loss before income taxes	(8,385)	
Income tax expense	(134)	
Net loss	(8,519)	
Dividends on Series A, Series A-1 and Series A-2 preferred shares	(6,836)	
Net loss attributable to common stockholders	$ (15,355)	
Net loss per share attributable to common stockholders, basic and diluted(1)	$ (14.96)	$
Weighted average common stock outstanding	1,026,616	
Other Data:		
Net cash used by operating activities	$ (8,906)	$
Net cash used by investing activities	(999)	
Net cash provided by financing activities	4,418	

(1) See Note 1 to our consolidated financial statements for an explanation of the method used to compute pro forma basic and diluted net loss per share.

	As of December 31,	
	2017	2018
	(As Restated)	
Balance Sheet Data:		
Cash and cash equivalents	$ 1,581	$
Working capital	(664)	
Total assets	30,247	
Total liabilities	39,761	
Stockholders' deficit	(89,911)	

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 the section titled "Selected Consolidated Financial and Other Data" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the section titled "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Company Overview

We are a leading U.S. provider of ultra-rugged mobility solutions designed specifically for task workers physically engaged in their work environments, often in mission-critical roles. We currently sell our ruggedized mobile devices and solutions to three of the four largest wireless carriers in the United States—AT&T, Sprint and Verizon—as well as the three largest wireless carriers in Canada—Bell, Rogers and Telus Mobility. Our devices and solutions connect workers with voice, data and workflow applications in two end-markets: industrial enterprise and public sector.

We generate revenues from sales of our (i) mobile devices, (ii) industrial-grade accessories and (iii) beginning in 2019, cloud-based software and application services. We sell our mobile devices and accessories primarily to wireless carriers in both the United States and Canada, who then resell our products in conjunction with network services to end customers.

Our first mobile device was introduced and began shipping in low volumes in 2006, primarily in Europe, and in increasing volumes in 2012 in Canada through Bell. In late 2012, we first shipped to U.S. wireless carriers, AT&T and Sprint, but between 2012 and 2017, we had (i) only one or two mobile devices in our product portfolio being sold at any one time, (ii) only a handful of wireless carriers selling such devices and (iii) such devices being sold generally as a non-stocked product. In 2018, three of the four largest U.S. wireless carriers and the three largest Canadian wireless carriers, decided to stock our entire next generation product portfolio, for the first time in our history, resulting in our revenues increasing by more than 100% from the year ended December 31, 2017 to the year ended December 31, 2018.

Because our U.S. sales channel is primarily comprised of large wireless carriers, the number of customers that we sell to is limited. For the year ended December 31, 2018, approximately % of our revenues came from this channel and % came from our top five customers.

Revenues have grown from $59.0 million for the year ended December 31, 2017 and to $ million for the year ended December 31, 2018. For the year ended December 31, 2018, our smartphones accounted for approximately % of our revenues and our feature phones accounted for approximately % of our revenues.

To help control and manage the quality, cost and reliability of our supply chain, we directly manage the procurement of all final assembly materials used in our products, which include LCDs, housings, camera modules and antennas. In addition, we complete the final assembly of our devices in our Shenzhen, China facility.

To continue to develop differentiated products to attract and retain customers, we have made significant investments in research and development. While the hardware design of our devices remains generally the same for all wireless carriers, each product must be configured specifically to conform to the requirements of each

carrier's network, resulting in higher development expenses as the number of wireless carriers we sell through increases. In addition to the unique configurations, we must go through a technical acceptance process for each device at each wireless carrier before it can be stocked. The acceptance process for each device at each wireless carrier has historically cost up to $1.7 million. Since this task tends to be cyclical in nature, we employ third-party experts on a carrier-by-carrier and product-by-product basis to assist with this acceptance process.

Key Metrics

We review a variety of key financial metrics to help us evaluate growth trends, establish budgets, measure the effectiveness of our business strategies and assess operational efficiencies. In addition to our financial results determined in accordance with GAAP, we believe the following non-GAAP and operational measures are useful in evaluating our performance.

	Year Ended December 31,	
	2017	2018
	(in thousands)	
Smartphones	58	
Feature Phones	88	
Total Units Sold	146	
Adjusted EBITDA	$(5,685)	$

Units Sold

We define units sold as the total number of devices delivered to our customers during the calendar year, including both smartphones and feature phones. We believe that our ability to increase the number of units sold is an indicator of our market penetration, the growth of our business and our potential future business opportunities.

Our smartphones include the XP6, XP7 and XP8 models, and our feature phones include the XP5 and XP5s (and in 2019, XP3) models.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) adjusted to exclude the impact of stock-based compensation expense, depreciation and amortization, interest expense, net, income tax expense and change in fair value of warrant liability. Adjusted EBITDA is a useful financial metric in assessing our operating performance from period to period by excluding certain items that we believe are not representative of our core business, such as certain material non-cash items and other adjustments such as stock-based compensation and changes in the fair value of the warrant liability.

We believe that Adjusted EBITDA, viewed in addition to, and not in lieu of, our reported GAAP results, provides useful information to investors regarding our performance and overall results of operations for various reasons, including:

- non-cash equity grants made to employees at a certain price do not necessarily reflect the performance of our business at such time, and as such, stock-based compensation expense is not a key measure of our operating performance; and
- costs associated with certain one-time events, such as changes in fair value of warrant liability, are not considered a key measure of our operating performance.

We use Adjusted EBITDA:

- as a measure of operating performance;

- for planning purposes, including the preparation of budgets and forecasts;
- to allocate resources to enhance the financial performance of our business;
- to evaluate the effectiveness of our business strategies;
- in communications with our board of directors concerning our financial performance; and
- as a consideration in determining compensation for certain key employees.

Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations include:

- Adjusted EBITDA does not reflect all cash expenditures, future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments; and
- other companies in our industry may define and/or calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Set forth below is a reconciliation from net income (loss) to Adjusted EBITDA for the years ended December 31, 2017 and 2018.

	Year Ended December 31,	
	2017 (As Restated)	2018
	(in thousands)	
Net loss	$ (8,519)	$
Depreciation and amortization	1,316	
Stock-based compensation	104	
Interest expense, net	820	
Change in fair value of warrant liability(1)	460	
Income tax	134	
Adjusted EBITDA	$ (5,685)	

(1) Prior to the Share Conversion (including the conversion of preferred stock issuable upon exercise of warrants), the fair value of outstanding warrants to purchase preferred stock was subject to periodic remeasurement, and any change in fair value was recognized as a change in fair value of warrant liability.

Factors Affecting Our Results of Operations

We believe that the growth and future success of our business depend on many factors. While these factors present significant opportunities for our business, they also pose important challenges that we must successfully address in order to sustain our growth and improve our results of operations.

Research and Development

We believe that our performance is significantly dependent on the investments we make in research and development and that we must continue to develop and introduce innovative new products on a two to three year cycle. While the hardware design of our devices is generally the same for all wireless carriers, each device must be configured to conform to the requirements of each wireless carrier's network, resulting in higher

development expenses as the number of wireless carriers we sell through increases. In addition to the design and configuration costs, each device must undergo a multi-month technical approval process at each carrier before it can be stocked. The approval process for each device for each carrier has historically cost up to $1.7 million. Since the timing of when we seek technical approval with our wireless carriers tends to be cyclical in nature, quarter-over-quarter expenditures may vary significantly depending on the number of approvals in process during the quarter. If we fail to innovate and enhance our product offerings, our brand, market position and revenues may be adversely affected. If our research and development efforts are not successful, we will not recover these investments that we make.

New Customer Acquisitions

We are focused on continuing to acquire new customers, both in North America and overseas, to support our long-term growth. Historically, we have been dependent on a small number of customers and wireless carriers distributing our products. We have invested, and expect to continue to invest, heavily in our sales and marketing efforts to drive new customer acquisition. In particular, a key part of our strategy is to further expand the use of our solutions over dedicated LTE networks in the public safety market. We will also continue to invest in and expand our international sales teams. As a result, we expect our sales and marketing costs to increase as we seek to acquire new customers. Sales and marketing investments will often occur in advance of any sales benefits from these activities, and it may be difficult for us to determine if we are efficiently allocating our sales and marketing resources.

Customer Concentration

While we have had success in achieving a stocked status for a number of our devices at several of the largest wireless carriers in the United States and Canada, our customer base is concentrated among a relatively small number of wireless carriers. In 2017 and 2018, our five largest wireless carrier customers accounted for 72% and % of our revenues, respectively. The demand from our wireless carriers for our products will depend on their resources committed to, and success in, marketing, selling and supporting our solutions compared to other products, including those of our competitors. As a result, our revenues from sales of our products through these wireless carriers may fluctuate period over period.

Seasonality

Historically, we have delivered the largest unit volumes in the third and fourth quarters of the year. We have chosen to introduce new products and features early in the calendar year to coincide with the wireless carriers' product decision-making cycle. As a result, we tend to deliver the smallest unit volumes in our first quarter each year as old products are phased out and new products are released.

Components of Our Results of Operations

The following describes the line items set forth in our consolidated statements of operations.

Revenues

Revenues are recognized on the date that the customer receives the products sold. Any discounts, marketing development funds, product returns or other revenue reductions are treated as offsets to revenues. We have also historically entered into customer agreements that include a combination of products and non-recurring engineering services, or NRE services. When a customer agreement includes NRE services which involve significant design modification and customization of the product software that is essential to the functionality of the hardware, revenues are also recognized according to the contractual milestones in the agreements. If a milestone is deemed non-substantive, we defer, if applicable, and recognize such non-substantive milestones over the estimated period of performance applicable to each agreement on a straight-line basis, as appropriate. All of our revenues are derived from a single segment.

Cost of Revenues and Gross Profit/Gross Margin

Cost of revenues primarily consists of the following:

- Direct costs consist of raw materials, supplies and sub-assemblies used in the production of our products. We purchase all materials and sub-assemblies from our supply chain directly and do all final assembly and testing at our facility in Shenzhen, China. Direct materials represent the majority of our direct manufacturing expenses.
- Direct labor costs expended in the final assembly and testing of our products. Labor is charged to each product based on the actual time required to build that specific product.
- Other direct costs related to the shipment of the final product to the customer, including such items as shipping costs, royalties on third-party technology included in the product, warranty cost accruals and packaging and handling costs.
- Indirect manufacturing expense associated with producing our products, such as rent on production facilities, depreciation on production equipment and tooling, engineering and support salaries and other indirect manufacturing costs.

Gross profit is defined as revenues less cost of revenues. Gross margin is gross profit expressed as a percentage of revenues. We expect that our gross margin may fluctuate from period to period, primarily as a result of changes in average selling price, revenue mix among our devices, and manufacturing costs. In addition, we may reserve against the value at which we carry our inventory based upon the device's lifecycle and conditions in the markets in which we sell.

Operating Expenses

Our operating expenses consist of the following categories:

Research and development. Research and development expenses consist primarily of personnel-related expenses, including salaries, bonuses, stock-based compensation and employee benefits. Research and development expenses also include the costs of developing new products and supporting existing products. Research and development activities include the design of new products, refinement of existing products and design of test methodologies to ensure compliance with required specifications, as well as all costs associated with achieving technical acceptance with each product at each carrier. All research and development costs are expensed as incurred. We expect our research and development expenses to increase in absolute dollars as we continue to expand our available solutions.

Sales and marketing. Sales expenses consist primarily of personnel-related expenses, including salaries, bonuses, stock-based compensation, commissions to independent sales representatives, travel costs and employee benefits, as well as field support and customer training costs. Marketing expenses include all social media and collateral print media, and brand development expenses. We expect our sales and marketing costs to increase in absolute dollars as we seek to expand our product lines and customer base.

General and administrative. General and administrative expenses consist primarily of personnel-related expenses, including salaries, bonuses, stock-based compensation, travel costs and employee benefits, as well as professional and consulting fees, legal fees, trade shows, depreciation expense and occupancy costs. We expect our general and administrative expenses to increase in absolute dollars as we expand our organization to better support our customers and our anticipated growth. Additionally, these expenses will increase as we establish the necessary infrastructure to operate effectively as a public company.

Income taxes. On December 22, 2017, the 2017 Tax Act was enacted into law. The Tax Act contains several key tax provisions that affect us, including the reduction of the corporate income tax rate to 21% that went

effective on January 1, 2018. We are required to recognize the effect of the tax law changes in the period of enactment. As a result of the reduction in the federal corporate income tax rate, we recorded a non-cash deferred tax expense of approximately $4.1 million related to the remeasurement of our deferred tax assets, fully offset by our valuation allowance, in 2017.

On December 22, 2017, the Securities and Exchange Commission, or SEC, staff issued Staff Accounting Bulletin No. 118, or SAB 118, to address the accounting implications of the Tax Act. SAB 118 allows a company to record provisional amounts during a measurement period not to extend beyond one year of the enactment date. The Financial Accounting Standards Board, or FASB, staff has stated that if a private company entity applies SAB 118, it would be in compliance with GAAP. Subsequently, in May 2018, the FASB issued ASU 2018-05 – Income Taxes (Topic 740), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118 (SEC Update). The amendment represents changes to certain SEC material in Topic 740 for the income tax accounting implications of the Tax Act. The ASU was effective upon issuance. In accordance with SAB 118, the we have determined that the $4.1 million of deferred tax remeasurement (offset by the our full valuation allowance) recorded in connection with the reduction of the U.S. corporate tax rate enacted as part of the Tax Act was a provisional amount and a reasonable estimate at December 31, 2017. Additionally, as a result of the Tax Act, no estimate can currently be made and no provisional amounts were recorded in the consolidated financial statements for the impact of the Global Intangible Low-Taxed Income (GILTI) provision of the Tax Act. The GILTI provision imposes taxes on foreign earnings in excess of a deemed return on tangible assets. This tax is effective for us beginning in 2018. We have elected to treat GILTI related book-tax differences as a period cost. Additionally, in our valuation allowance analysis, we will elect the Incremental Cash Tax Savings Approach in determining its U.S. valuation allowance with respect to the GILTI.

Historically, we have operated at a net loss from operations and have accumulated approximately $ million in net operating loss carryforwards as of December 31, 2018. Our facility in Shenzhen, China, which we opened in 2014, has also operated at a loss until 2018. If the facility becomes profitable in the future, we expect that we will start paying income taxes.

Results of Operations

Years Ended December 31, 2017 and 2018

The following table summarizes our results of operations for the years ended December 31, 2017 and 2018:

	Year Ended December 31,		Change
	2017	2018	(%)
	(As Restated) (in thousands, except per share data)		
Revenues	$ 59,031	$	
Cost of revenues	38,720		
Gross profit	20,311		
Operating expenses:			
Research and development	13,008		
Sales and marketing	7,361		
General and administrative	6,712		
Total operating expense	27,081		
Loss from operations	(6,770)		
Interest expense	(820)		
Change in fair value of warrant liability	(460)		
Other expense, net	(335)		
Loss before income taxes	(8,385)		
Income tax expense	(134)		
Net loss	$ (8,519)	$	

Total revenues. Total revenues increased by $ million, or %, from $59.0 million for the year ended December 31, 2017 to $ million for the year ended December 31, 2018. The increase in revenues can be attributed to both the introduction of two new phone products in the first quarter of 2018, the XP8 smartphone and the XP5s feature phone, comprising $ million of revenues for the year ended December 31, 2018, and the acceptance of those two products as stocked phones at several of the major wireless carriers in both the United States and Canada, comprising $ million of revenues for the year ended December 31, 2018.

Cost of revenues. Total cost of revenues increased $ million, or %, from $38.7 million, or 65.6% of revenues, for the year ended December 31, 2017 to $ million, or % of revenues, for the year ended December 31, 2018. The increase resulted from a combination of increased shipment volumes of $ million, and change in product mix.

Gross profit and margin. Gross profit increased $ million, or %, from $20.3 million, or 34.4% of revenues, for the year ended December 31, 2017 to $ million, or % of revenues, for the year ended December 31, 2018. The increase resulted primarily from an increase in volume of $ million, partially offset by a change in product mix of $ million, discounts on older products shipped just prior to the introduction of the two new products of $ million and market development fund expenditures of $ million committed to and paid early in 2018 to our first XP5s and XP8 customers.

Research and development. Research and development expenses increased by $ million or %, from $13.0 million for the year ended December 31, 2017 to $ million for the year ended December 31, 2018. The increase resulted primarily from development costs of $ million related to the design of the XP5s and the XP8 for multiple wireless carriers. While the hardware design remains generally the same for all carriers, each product must be configured specifically to conform to the technical requirements of each carrier's network, resulting in higher development expenses as the number of wireless carriers we sell through increases.

Sales and marketing. Sales and marketing expenses increased by $ million, or %, from $7.4 million for the year ended December 31, 2017 to $ million for the year ended December 31, 2018. These expenses increased to support the year-over-year revenue growth in 2018, and resulted primarily from increased salaries and commissions of $ million, increased amount of demo units of $ million and increased travel and third-party marketing expenses of $ million.

General and administrative. General and administrative expenses increased by $ million, or %, from $6.7 million for the year ended December 31, 2017 to $ million for the year ended December 31, 2018. The increase resulted from additional personnel and increased facility costs related to the year over year growth.

Interest expense/Other expense, net. Interest expense/other expense increased by $ million, or %, from $1.2 million for the year ended December 31, 2017 to $ million for the year ended December 31, 2018. The increase was due almost entirely to an increase in interest expense resulting from the issuance of the B. Riley Convertible Note, in October 2017. The original principal amount outstanding under the note was $10.0 million, which amount was increased to $12.0 million in March 2018. As of December 31, 2018, $ million principal amount remained outstanding under the B. Riley Convertible Note, including $1.0 million of deferred accrued interest.

Net income (loss). We had a net loss of $8.5 million for the year ended December 31, 2017 and a net income of $ million for the year ended December 31, 2018, an increase in profitability of $ million. The increase resulted from the increase in revenues and the corresponding increase in gross margin, partially offset by the increases in operating expenses discussed above.

Liquidity and Capital Resources

We had working deficit of $0.7 million as of December 31, 2017 and $ million as of December 31, 2018. The increase in working capital from December 31, 2017 to December 31, 2018 resulted from cash generated from operations of $ million, additional borrowing on the B. Riley Convertible Note of $6.7 million and the proceeds from a private equity financing of shares of our common stock for an aggregate of $8.3 million in November 2018. Historically, we have funded operations from a combination of private equity financings, convertible loans from existing investors and borrowings under loan agreements. As of December 31, 2018, we had an aggregate of $13.0 million principal and deferred accrued interest outstanding under the B. Riley Convertible Note.

Under the B. Riley Convertible Note, we have borrowed $12.0 million aggregate principal amount on a subordinated secured basis. Borrowings bear interest at 10% per year; interest amounts accrued and compounded into principal outstanding until October 2018, following which we are required to pay periodic interest in cash. The B. Riley Convertible Note matures on September 1, 2022. Borrowings under the B. Riley Convertible Note are secured by a subordinated lien on substantially all of our assets, subject to permitted liens. The principal amount of indebtedness under the B. Riley Convertible Note is convertible into shares of our common stock at $8.87 per share. Between the second and the third anniversary of the original issue date of the note, following the third anniversary of the original issue date of the note and following the fourth anniversary of the original issue date of the note, B. Riley Principal Investments, LLC may elect to convert 50.0%, 25.0% and 12.5%, respectively, of the then-outstanding total principal amount and accrued interest outstanding under the note at the conversion price per share of $8.87. We have the right to prepay amounts under the B. Riley Convertible Note at any time with a 2.0% prepayment fee if paid off before October 2019, a 1.0% prepayment fee if paid off between October 2019 and October 2020 and no prepayment fee thereafter.

We maintain a credit line with East West Bank, or EWB, pursuant to a loan and security agreement, as amended from time to time, or the Loan Agreement. During 2016, we repaid outstanding amounts of $1.6 million in full under the Loan Agreement. In the future, we may borrow up to $8.0 million under the line

of credit available under the Loan Agreement. As of December 31, 2018, no amounts were outstanding under the Loan Agreement. Borrowings under the Loan Agreement bear interest at 1.0% plus the prime lending rate. Borrowings under the Loan Agreement are secured by a senior lien on substantially all of our assets, including inventory and receivables, subject to permitted liens.

Based on our current plans and market conditions, we believe that our existing cash, cash equivalents and short-term investments, together with cash generated from operations, will be sufficient to satisfy our anticipated cash requirements for at least the next 12 months. However, we may require or desire additional funds to support our operating expenses and capital requirements or for other purposes, such as acquisitions, and may seek to raise such additional funds through equity or debt financings or from other sources. We cannot assure you that additional financing will be available at all or that, if available, such financing would be obtainable on terms favorable to us and would not be dilutive. Our future liquidity and cash requirements will depend on numerous factors, including the introduction of new products and potential acquisitions of related businesses or technologies.

Cash Flows

The following table summarizes our sources and uses of cash for the period presented:

	2017 (As Restated)	2018
Net cash used in operating activities	$ (8,906)	$
Net cash used in investing activities	(999)	
Net cash provided by financing activities	4,418	

Cash flows from operating activities

For the year ended December 31, 2017, cash used in operating activities was $8.9 million, attributable to a net loss of $8.5 million and a net change in our net operating assets and liabilities of $2.5 million, partially offset by non-cash charges of $2.1 million. Non-cash charges primarily consisted of $1.3 million in depreciation and amortization, $0.5 million in change in fair value of warrant liability, $0.4 million in interest expense and $0.1 million in stock-based compensation, partially offset by $0.3 million in income tax expense. The change in our net operating assets and liabilities was primarily due to a $3.7 million increase in accounts receivables, $3.4 million decrease in inventory, a $2.2 million increase in prepaid expenses and other current assets, $2.6 million increase in deferred revenue and a $3.4 million decrease in accounts payable.

Cash flows from investing activities

For the year ended December 31, 2017, cash used in investing activities was $1.0 million, attributable to hardware development and purchases of software licenses of $1.0 million and purchases of property and equipment of $0.2 million, partially offset by the collection of $0.2 million from a related party loan.

Cash flows from financing activities

For the year ended December 31, 2017, cash provided by financing activities was $4.4 million, attributable primarily to net proceeds from additional net borrowings under the B. Riley Convertible Note and other financings of $6.9 million, partially offset by net repayments on our lines of credit of $2.2 million and repayments of other long-term debt.

Contractual Obligations and Commitments

The table below presents a summary of our contractual obligations as of December 31, 2017 (in thousands):

	Total	Less than 1 yr	1-3 yrs	3-5 yrs	More than 5 years
B. Riley Convertible Note(1)	7,100	$ —	$ —	$ —	$ 7,100
Other long-term borrowing(2)	3,346	3,013	333	—	—
Operating leases(3)	2,370	14	1,626	730	—
Purchase obligations(4)	5,800	5,800	—	—	—
Total	$18,616	$ 8,827	$1,959	$ 730	$ 7,100

(1) Represents principal maturity of the B. Riley Convertible Note, including $0.1 million of interest that is compounded into principal. See Note 5 to our consolidated financial statements.

(2) Represents principal maturity on the line of credit under a credit agreement, royalty payments under promissory notes and principal under other financing arrangements. Amounts exclude interest. See Note 5 to our consolidated financial statements.

(3) Represents minimum lease payments under noncancelable operating leases and excludes maintenance, insurance and taxes. See Note 10 to our consolidated financial statements.

(4) Represents noncancelable commitments to purchase inventory components. See Note 10 to our consolidated financial statements.

We are required to pay per unit royalties to wireless essential patent holders and other providers of integrated technologies on mobile devices delivered, which, in aggregate, amount to less than 5% of net revenues associated with each unit.

Off-Balance Sheet Arrangements

As of December 31, 2018, we had not entered into anyoff-balance sheet arrangements and did not have any holdings in variable interest entities.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities. We had cash and cash equivalents of $1.6 million and $ million as of December 31, 2017 and 2018, respectively, which consist of bank deposits, money market funds and marketable securities. Such interest-earning instruments carry a degree of interest rate risk; however, historical fluctuations in interest income have not been significant for us.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenues, expenses and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

While our significant accounting policies are more fully described in the Note 1 to our consolidated financial statements appearing elsewhere in this prospectus, we believe the following discussion addresses our most critical accounting policies, which are those that are most important to our financial condition and results of operations and require our most difficult, subjective and complex judgments.

Revenue Recognition

We recognize revenues primarily from the sale of products. We also enter into multiple-element agreements that include a combination of products and NRE services.

Revenues from the sale of our mobile devices and accessories is recognized when all of the following conditions per Accounting Standards Codification, or ASC, Topic 605, *Revenue Recognition*, or ASC 605, are met: (i) there is persuasive evidence of an arrangement; (ii) the product has been delivered to the customer; (iii) the collection of the fees is reasonably assured; and (iv) the amount of fees to be paid by the customer is fixed or determinable. Terms of product sales are generally FOB destination. Revenue recognition also incorporates allowances for discounts, price protection, returns and customer incentives that can be reasonably estimated.

When revenue arrangements involve multiple elements, each element, referred to as a deliverable, is evaluated to determine whether it represents a separate unit of accounting in accordance with ASC 605-25, *Revenue Recognition – Multiple-Element Arrangements*. We perform this evaluation at the inception of an arrangement and as each item is delivered in the arrangement. Generally, we account for a deliverable separately if the delivered item has stand-alone value to the customer and delivery or performance of the undelivered item or service is probable and substantially in our control. When multiple elements can be separated into separate units of accounting, arrangement consideration is allocated at the inception of the arrangement, based on each unit's relative selling price, and recognized based on the method most appropriate for that unit. When an arrangement includes NRE services which involve significant production, modification or customization of the product software that is essential to the functionality of the hardware, revenues are recognized according to the milestone method in accordance with the provisions of ASC Topic 605-35, *Construction-Type and Production-Type Contract.* Under this method, we recognize revenues from milestone payments when: (i) the milestone event is substantive and its achievability was not reasonably assured at the inception of the agreement, and (ii) we do not have ongoing performance requirements related to the achievement of the milestone earned. Milestone payments are considered substantive if all of the following conditions are met: the milestone payment (i) is commensurate with either our performance to achieve the milestone or the enhancement of the value of the delivered item or items as a result of a specific outcome resulting from our performance to achieve the milestone, (ii) relates solely to past performance, and (iii) is reasonable relative to all of the deliverables and payment terms (including other potential milestone consideration) within the arrangement. If a milestone is deemed non-substantive, we defer, if applicable, and recognize such non-substantive milestones over the estimated period of performance applicable to each agreement on a straight-line basis, as appropriate.

Stock-Based Compensation

We account for stock-based payments at fair value. The fair value of stock options is measured using the Black-Scholes option-pricing model. For share-based awards that vest subject to the satisfaction of a service requirement, the fair value measurement date for stock-based compensation awards is the date of grant and the expense is recognized on a straight-line basis, over the vesting period. We account for forfeitures as they occur.

The fair value of each stock option grant is determined using the methods and assumptions discussed below (see "—Fair Value of Common Stock"). Each of these inputs is subjective and generally requires significant judgment and estimation by management.

- *Expected term*. The expected term represents the period that stock-based awards are expected to be outstanding. Our historical share option exercise information is limited due to a lack of sufficient data points and does not provide a reasonable basis upon which to estimate an expected term. The expected term for option grants is therefore determined using the simplified method. The simplified method deems the expected term to be the midpoint between the vesting date and the contractual life of the stock-based awards.

- *Expected volatility*. The expected volatility is derived from the historical stock volatilities of comparable peer public companies within our industry that are considered to be comparable to our business over a period equivalent to the expected term of the stock-based awards, since there has been no trading history of our common stock.
- *Risk-free interest rate.* The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the date of grant forzero-coupon U.S. Treasury notes with maturities approximately equal to the stock-based awards' expected term.
- *Expected dividend yield.* The expected dividend yield is zero as we have not paid nor do we anticipate paying any dividends on our common stock in the foreseeable future.

For the year ended December 31, 2017, stock-based compensation was $104,000. As of December 31, 2017, we had $364,000 of total unrecognized stock-based compensation, which we expect to recognize over a weighted-average period of 2.72 years. Based upon the assumed initial public offering price of $ per share (which is the midpoint of the estimated price range set forth on the cover of this prospectus), the aggregate intrinsic value of options outstanding as of December 31, 2018 was $ million, of which $ million related to vested options and $ million related to unvested options.

Fair Value of Common Stock

Historically, for all periods prior to this initial public offering, the fair values of the shares of our common stock underlying our share-based awards were estimated on each grant date by our board of directors. In order to determine the fair value of our common stock underlying option grants, our board of directors considered, among other things, valuations of our common stock prepared by an independent third-party valuation firm in accordance with the guidance provided by the American Institute of Certified Public Accountants Practice Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*.

For our valuations performed prior to December 31, 2017, the fair value of our common stock was estimated by first estimating our aggregate implied equity value using a weighting of discounted cash flows method (income approach) and comparable public companies method (market approach). An option pricing model, or OPM, was then used to allocate the total equity value to the different classes of equity according to their rights and privileges. To apply the OPM, we estimated the expected time to liquidity, volatility and risk-free rate.

Given the absence of a public trading market for our common stock, our board of directors exercised their judgment and considered a number of objective and subjective factors to determine the best estimate of the fair value of our common stock, including valuations performed by an independent third party, developments in our operations, sales of preferred stock, the prices, rights, preferences and privileges of our preferred stock relative to the common stock, actual operating results and financial performance and capital resources, the conditions in the our industry and the economy and capital markets in general, the stock price performance and volatility of comparable public companies, the likelihood of achieving a liquidity event for shares of our common stock underlying these stock options, such as an initial public offering or sale of our company, and the lack of liquidity of our common stock, among other factors. After the closing of this offering, our board of directors will determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the date of the grant. Our board of directors intended all options granted to be exercisable at a price per share not less than the per share fair value of our common stock underlying those options on the grant date.

Provision for Income Taxes

The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to

taxable income in effect for the years in which those tax assets are expected to be realized or settled. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations in multiple tax jurisdictions. We may be periodically reviewed by domestic and foreign tax authorities regarding the amount of taxes due. These reviews may include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various filing positions, we record estimated reserves when it is more likely than not that an uncertain tax position will not be sustained upon examination by a taxing authority. Such estimates are subject to change.

Inventory Valuation

We report inventories at the lower of cost or net realizable value, in accordance with the adoption of Accounting Standards Update (ASU) No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory.* Cost is determined using a first-in, first-out method, or FIFO, and includes materials, labor, shipping and manufacturing overhead related to the purchase and production of inventories. Net realizable value is the estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal and transportation.

Warranty Reserves

We provide standard warranty coverage on our accessories and devices for one and three years, respectively, providing labor and parts necessary to repair the systems during the warranty period. We account for the estimated warranty cost as a charge to cost of revenues when revenue is recognized. The estimated warranty cost is based on historical product performance and field expenses. We update this estimate periodically. The actual product performance and/or field expense profiles may differ, and in those cases we adjust warranty accruals accordingly.

Convertible Preferred Stock Warrant Liability

We have accounted for our freestanding warrants to purchase shares of our convertible preferred stock as liabilities at fair value upon issuance primarily because the shares underlying the warrants contain contingent redemption features outside our control. The warrants are subject to re-measurement at each balance sheet date and any change in fair value is recognized as the change in fair value of warrant liability. We will continue to adjust the carrying value of the warrants until such time as these instruments are exercised, expire or convert into warrants to purchase shares of our common stock. At that time, the liabilities will be reclassified to additional paid-in capital, a component of stockholders' equity (deficit). The consummation of this offering will result in this reclassification.

Recent Accounting Pronouncements

See Note 1 to our consolidated financial statements included elsewhere in this prospectus for more information.

BUSINESS

Overview

We are a leading U.S. provider of ultra-rugged mobility solutions designed specifically for task workers physically engaged in their work environments, often in mission-critical roles. We currently sell our ruggedized mobile devices and solutions to three of the four largest wireless carriers in the United States—AT&T, Sprint and Verizon—as well as the three largest wireless carriers in Canada—Bell, Rogers and Telus Mobility. Our devices and solutions connect workers with voice, data and workflow applications in two end markets: industrial enterprise and public sector.

Task workers in these end markets have historically been limited to pen and paper and single-purpose electronic devices, such as barcode scanners, location-tracking devices and sensors, to accomplish specific tasks. These single-purpose devices have historically run on proprietary networks, such as LMR networks that enable PTT services for voice communications. We provide Android-based devices that consolidate and integrate multiple functions into a single ruggedized solution running on commercial wireless networks at a total cost of ownership that we believe is significantly lower with improved productivity and safety of task workers.

Our solutions fall into three main categories: (i) ultra-rugged mobile devices based on the Android platform which are capable of attaching to both public and private wireless networks, (ii) industrial-grade accessories and (iii) cloud-based software and application services. End customers of our solutions include construction, energy and utility, hospitality, logistics, manufacturing, public sector and transportation entities that primarily purchase our devices and accessories through their wireless carriers. The key attributes of our solutions are specifically tailored for the needs of our end users, including impact resistance, waterproof and dustproof construction, extended battery life and extra loud audio, supported by a three-year comprehensive warranty. All of our devices run on the Android operating system, providing a familiar and intuitive user interface, and our smartphones have access to a library of millions of applications available through the Google Play Store. We have also implemented dozens of application programming interfaces, or APIs, specific to our mobile devices and have partnered with over 800 application developers to create a purpose-built experience for our end users using these applications on our mobile devices.

As of January 2019, we were the only privately held mobile phone provider to have a stocked product with three of the four largest U.S. wireless carriers: AT&T, Sprint and Verizon, meaning that these carriers test and certify our mobile devices on their networks and maintain inventory in their warehouses that they then sell through their enterprise and retail sales teams to end customers, often on a subsidized or financed basis.

For the years ended December 31, 2017 and 2018, our revenues were $59.0 million, and $ million, respectively, representing year-over-year growth of %. For the years ended December 31, 2017 and 2018, our net loss was $8.5 million and $ million, respectively.

Our Industry

Communication, productivity and safety among task workers has always been a central requirement in business-critical and mission-critical environments. Organizations with remote and disparate workers—from police and firefighters to construction, oil rig and manufacturing workers—need an extremely durable solution that provides reliable and secure voice, data and workflow applications. Historically, task workers had limited options, and in many cases resorted to using pen and paper. In the 1930s, public safety organizations introduced LMR networks that enabled PTT services, allowing workers to instantly and reliably initiate communications. In the 1970s, proprietary bar code scanners and other proprietary single-purpose tools were introduced to assist task workers in accomplishing specific tasks. In addition, in the mid-1990s, Nextel’s iDEN service provided organizations the benefits of PTT without the upfront equipment and infrastructure investments required with LMR. The advent and proliferation of LTE and advancements in smartphone technologies led to the start of the

decommissioning of the Nextel iDEN network in the United States by Sprint in 2013. These developments paved the way for commercial wireless carriers to deliver mobility solutions that rival the speed, reliability and durability of those offered by traditional LMR networks and other proprietary devices and applications.

Rugged smartphones and handheld computers comprise the largest share of the rugged display market, which is expected to reach $10.3 billion by 2023 according to MarketsandMarkets. Ruggedized mobile devices are well-suited for industrial enterprise and other critical infrastructure applications due to their durability and functionality in a range of environments. Equipping workers with smarter mobile devices also enables more efficient communication with and between field employees, and enhances the information that decision-makers use to deploy resources within their organizations.

Industrial Enterprise Market Opportunity

Within the industrial enterprise market, we primarily focus on providing our solutions for business-critical tasks. We estimate that in the United States and Canada in 2018, there were 37.6 million task workers across verticals in our industrial enterprise end market, including transportation and logistics, construction, manufacturing, facilities management and energy and utility, who could benefit from our products. Our purpose-built solutions offer functions such as time sheet automation, job dispatch and various other data and workflow capabilities, which can meaningfully increase task worker productivity. The extreme durability and enhanced voice and text communication capabilities of our devices, enable these workers to be stationed in remote and hazardous environments, while remaining connected to their central command center at all times.

The functionality and durability requirements for workers in the industrial enterprise market significantly differ from that provided by a consumer-focused mobile device. Our solutions provide enterprises with the ability to centrally manage and control device functions and data stored on the phone remotely. Enterprises seeking to reduce their operating expenses by optimizing workflows can enhance their workers' productivity by leveraging specialized, purpose-built rugged platforms with functions such as PTT, location tracking, barcode scanning and extra-loud audio. These features are especially crucial for business-critical applications across the industrial enterprise.

Public Sector Market Opportunity

Public Safety and Critical Infrastructure. Historically, U.S. public safety agencies and other critical infrastructure entities like utilities and municipalities have utilized rugged two-way radios running on proprietary LMR networks to ensure reliable and immediate communication. As these closed networks were locally funded, built and controlled, they were designed not to be interoperable across cities and states and other agencies. Over time, these users have incrementally augmented their LMR radios with mobile devices running on commercial wireless networks. These mobile devices enabled public-safety officers to gather real-time information, collected across multiple systems, to respond and react to changing circumstances.

On September 11, 2001, many firefighters perished in part due to the lack of interoperability between the LMR systems of the multiple responding agencies in New York City and surrounding areas. Additionally, commercial cellular communications were halted due to the significant increase in call volumes. Based on the 9/11 Commission Report's recommendations, Congress passed legislation in 2012 to establish the First Responder Network Authority under the Department of Commerce, which was tasked with deploying a nationwide public safety broadband network.

In 2017, the Department of Commerce and the First Responder Network Authority awarded AT&T a contract to build, maintain and operate a nationwide high-speed broadband network for public safety, or FirstNet, for 25 years. The contract provided AT&T with 20 MHz of spectrum and $6.5 billion in funding to support this network and established subscriber targets, milestone buildouts and disincentive fees to help ensure that AT&T fulfills its commitments to public safety. The contract provides AT&T a 25-year lease of FirstNet spectrum subject to AT&T enlisting a minimum number of emergency responders across the United States. As of

October 2018, AT&T had signed on 3,600 public safety agencies, representing 250,000 users, to FirstNet. Due to AT&T's focus on growing its number of public safety users, other major U.S. wireless carriers including Sprint and Verizon have been focused on defending their market positions, creating a highly competitive market for public safety users among the major U.S. wireless carriers. In the first quarter of 2018, we commenced sales of our latest-generation devices to AT&T and other wireless carriers in the United States focused on servicing the public safety market. We believe that the general momentum to convert to LTE-based systems, either dedicated or prioritized for public safety, is a global trend where Western European countries and Australia are considering similar networks.

Municipalities and Smart Cities. Historically, cities' communications systems have been dictated by their public safety agencies requirements. As these agencies convert to LTE/Broadband-based systems, city managers are leveraging this shift to use these same networks to introduce applications for smart cities, which use different types of electronic data collection sensors to supply information to manage assets and resources efficiently. These networks will be used to support initiatives related to Internet of Things, or IoT, that smart cities plan to deploy to manage traffic and streetlights, utilities, parking, security and other services.

Our Ruggedized Solution

- ***Durability and reliability.*** Our mobile devices can withstand a variety of harsh environments and are supported by our industry-leading three-year comprehensive manufacturer's warranty, which includes physical damage. Key features of our rugged devices include:
  - *Puncture, shock, pressure and drop and impact resistance.* Durable rubber and Gorilla Glass construction protects against damage from sharp objects, falls, vigorous movements and compression by heavy weights.
  - *Waterproof and dustproof construction.* Reinforced seals and waterproof mesh membranes prevent potential damage caused by moisture and debris.
  - *Dual-shift battery life*. Replaceable battery designed to provide sufficient power to last through a dual eight-hour shift in most real-world conditions.
  - *Extra-loud audio*. Produces high sound quality at high volumes and uses noise cancellation technology for loud background noise environments.
  - *Glove-friendly design.* Screens and buttons are responsive to touch through gloves and water.
  - *Operational in and resistant to extreme temperatures.* Protective exterior prevents damage to our devices' hardware from very cold and hot temperatures.
  - *Chemical resistance.* Ability to effectively sterilize and sanitize, regardless of potential contaminants.
- ***Increased communication and visibility through an enterprise.*** Our solutions are used to track locations, update and manage various tasks and enable communication with and between task workers. For example, location tracking and data analytics enable fleet optimization, help enterprises make asset allocation and deployment decisions and ensure that fleets are at the right place at the right time. In addition, our solutions are specifically designed to capture, store and analyze multiple data types for enterprise needs, enabling them to make decisions. For example, by leveraging this data, task workers such as first responders can more strategically plan their logistics resulting in decreased response times. Finally, by providing a reliable mode of communication between employees, supervisors and command centers, those not in the field have crucial insight into the status and performance of task workers in the field. This can also result in improved safety for employees that work in high-risk environments.
- ***Enhanced functionality through software and hardware configurations.*** Our solutions allow end customers and task workers to customize our mobile devices using Android-based applications and vertical-specific accessories to address their varying needs. Enterprises and agencies can leverage the millions of applications available on the Google Play Store, our dozens of device-specific APIs, and our

industrial accessories to create a purpose-built solution to meet the specific use cases of their task workers. For example, school bus operators can combine our ruggedized devices, an industrial car kit, a PTT application that leverages our APIs and a location-tracking application to ensure that they have a solution that enables constant communication with dispatchers that is compliant with the U.S. Department of Transportation's hands-free driving regulations and that can also automatically alert parents of route delays. The ability for enterprises and agencies to customize their solutions allows their task workers to use a single device for tasks that would previously require multiple and often more costly devices.

- ***Ease of use.*** Our devices are designed to look and function similarly to the latest generation of consumer-focused mobile phones with additional features for various enterprise-specific purposes, and also run on the Android operating system which has a familiar and intuitive interface. They provide familiar characteristics to many single-purpose devices, such as dedicated physical buttons for PTT and barcode scanning, and offer a simplified user interface which helps minimize the learning curve for task workers who are transitioning from LMR or data capture devices. Furthermore, all of our mobile devices come equipped with our SCOUT application, which helps IT administrators more quickly provision and deploy our devices to task workers, reducing the cost and effort associated with converting to our solutions.
- ***Consolidation of devices.*** A large number of devices can lead to excess bulk carried by task workers and can inhibit their mobility in the field. These specialized devices can also be expensive and typically require full replacement after end-of-life, which can be a cumbersome and costly process. By combining commonly-used applications and functionality into one ruggedized device with the option for add-ons, enterprises can reduce the need for multiple, single-purpose devices. We believe that replacing outdated single-purpose devices with a Sonim device can enhance fleets' mobility and economically streamline equipment updates or replacements.

As a result of these key attributes, we believe that our ruggedized, purpose-built mobile devices can increase the productivity of task workers and significantly reduce total cost of ownership for entities deploying our solutions.

Our Strategy

- ***Invest in sales channel partnerships and brand marketing to drive sales.*** Our channel partners are leading global wireless carriers and communications system integrators. These channel partners have large sales forces who sell our solutions to end customers in our target markets. They enable us to cost-effectively scale our business without employing a large direct sales force of our own. We intend to continue to invest in our channel partnerships to further penetrate the public sector and industrial enterprise markets we target by leveraging their large direct sales forces. We are also increasing our investment in marketing the Sonim brand and our solutions to end customers in these target markets. In doing so, we believe that we will be able to raise brand awareness, deepen existing channel partnerships, and acquire and retain new channel and end customers of our solutions.
- ***Position Sonim as the leading solution for the public sector.*** We believe that we are at the forefront of a public safety market that has a current need for dedicated LTE networks, such as AT&T's FirstNet, and the devices that enable their use. We intend to leverage the large-scale deployment of our solutions over dedicated LTE networks in the public safety market to further position us as a trusted solution within the cities that we serve. As public safety agencies continue to shift to these dedicated LTE networks, we intend to deliver mobility solutions to increase security, safety and efficiency across their cities. By successfully deploying our solutions in the public safety market within cities, we believe that city managers will increasingly look to us to provide communication capabilities and enable location information and data analytics for their entire municipality to improve efficiency and safety of all their task workers, taking the first steps toward "smart cities."
- ***Expand our subscription-based products and services.*** We intend to expand our cloud-based software platform to (i) deploy value-added applications like Sonim Scan, (ii) be the launching point for third-party

application providers and (iii) provide data analytics and reporting to our end customers. We intend to continue investing in the capabilities of our software platform to create and expand subscription-based products and services for our end customers.

- ***Expand internationally.*** The transition from existing LMR network infrastructure toLTE-based replacements for public safety has commenced outside of the United States and Canada. We are exploring public safety infrastructure projects in Australia and Europe. We will continue to invest in and expand our international sales teams to address the needs of the agencies involved and their wireless carriers that are expected to build dedicated public safety wireless networks similar to those being deployed in North America.
- ***Expand into adjacent target markets.*** We intend to market our solutions in large adjacent vertical end markets, such as retail enterprises and the federal government. Within the retail industry, onsite workers are traditionally equipped with multiple devices to perform on-the-job tasks and track efficiency. For these workers, our solutions offer an all-in-one consolidated option with the multi-functionality of a radio, barcode scanner and mobile phone, among other functions. In addition, our devices offer solutions such as time sheet automation, real-time tracking and data collection, which can help streamline processes and deepen operational insight. For federal government, we believe that multiple agencies, including the U.S. Department of Defense and Department of Homeland Security, can utilize our ruggedized devices, enabling more connected and cost-effective operations.

Our Target Markets

We believe our solutions can improve communication reliability, operational efficiency and safety for end customers in both commercial and public sectors. Our ruggedized mobility solutions target two end markets: industrial enterprise and public sector. These markets include:

Industrial Enterprise

Transportation and Logistics. Enterprises and fleet workers across supply chain, delivery services and field management rely on mobile devices to operate safely and efficiently in environments that are often susceptible to inclement weather. For enterprises looking to improve supply chain functionality, our mobile resource management applications such as location tracking, mileage tracking and job dispatch can help businesses monitor operations more efficiently. We believe that a weather-resistant and long-battery ruggedized device, combined with productivity applications and services like Sonim Scan —which integrates a barcode scanning engine with the native camera on our XP8 device—provides a more reliable communication device for an estimated 6.5 million transportation and logistics workers in the United States and Canada in 2018. In addition, our solutions reduce the number of devices and tools that these task workers carry in the field by consolidating the functionality of multiple single-purpose devices into one purpose-built mobile device.

Construction. We estimate that there were more than 8.8 million workers in the construction industry spread across the United States and Canada in 2018. We offer these workers a crush-, puncture-, scratch- and impact-resistant device, which we believe to be crucial in environments where there is a high risk of such occurrences. Additionally, we believe our devices help promote worker safety and productivity, with support for lone-worker safety applications and with features such as extended battery life and extra-loud speakers. For business decision-makers, we offer a consolidated device with a total cost of ownership that we believe is significantly lower versus comparable offerings, that enables real-time reporting, which can help eliminate costly delays by capturing verbal, visual and location data from job sites.

Manufacturing. As market demand and competition in the manufacturing sector require more nimble production lines, equipment for reliable communication and safety standard compliance are necessary to improve efficiency and keep workers safe. Our devices' PTT functionality and extra-loud speakerphones are designed to keep lines of communication open and functional in fast-changing and loud environments, while

our glove-friendly touch screen displays allow for workers to have access to real-time data, thus reducing production down time. Additionally, our devices are designed to survive blunt force and can be sanitized and sterilized for safe use in food or medical processing facilities. We believe that these features can enhance the productivity of workers in the manufacturing industry in the United States and Canada, which totaled an estimated 14.5 million workers in 2018.

Facilities Management. We estimate the facilities management industry employed 4.6 million workers across the United States and Canada in 2018. Service-based operations in large indoor and outdoor facilities require management of mobile teams. Our mobile devices consolidate radio, guard tour verification, panic button systems and scanners, which otherwise would require separate and single-purpose equipment. Our devices can improve business operations through functionalities such as automated work order dispatch and job completion verification tools delivered via proprietary third-party applications integrated with our devices.

Energy and Utility. The safety standards for mobile devices used in the energy and utility industry are more stringent due to the reactive characteristics of the natural resources being procured and serviced, as well as the potentially high-voltage or explosive environments. In 2018, there were an estimated 3.2 million energy and utility workers in the United States and Canada. We believe we are uniquely positioned to serve these workers because our devices are designed for use in potentially explosive or hazardous environments (rated Non-Incendive or Intrinsically Safe by either the CSA Group, ATEX or IECEx notified bodies), and their resistance to various chemicals and extreme temperatures. Reliable communication devices are often mission-critical for workers to stay safe while performing energy- and utility-related operations.

Public Sector

Public Safety. We estimate there were more than 5.9 million workers in the public safety sectors in the United States and Canada in 2017. In the United States, AT&T's FirstNet network provides one of several reliable networks for this sector. Due to AT&T's focus on growing its number of public safety users, other major U.S. wireless carriers, including Sprint and Verizon, have been forced to defend their market positions, creating a highly competitive market for public safety users among the major U.S. wireless carriers. Through our partnerships with AT&T and other wireless carriers that provide similar networks, we believe we are in a strong position to provide mission-critical solutions to the public safety market as FirstNet and competing public safety networks mature. In the first quarter of 2018, we commenced sales of our latest-generation devices to AT&T and other wireless carriers in the United States focused on servicing the public safety market. Through enhanced communication capabilities, we believe our devices can decrease the response time of first responders and help public safety workers stay safe and connected in hazardous, isolated or emergency conditions. We believe that the durability of our phones combined with their purpose-built functionality, provide a lower total cost of ownership compared to similar products, which is highly attractive to city and state decision-makers.

Federal Government. We believe that the estimated 3.3 million federal government task workers in the United States and Canada as of 2018 can improve the efficiency and quality of their services to citizens and residents by leveraging our solutions. Whether during natural disasters or day-to-day operations, our devices provide functionality and reliability that is crucial for federal workers to protect and serve their nation. Our mobile solutions support purpose-built voice communications and data capture applications that allow federal workers to stay connected and quickly make more informed decisions while in the field.

Products and Technology

Features of Our Ruggedized Mobile Devices

Our mobile devices can withstand a variety of harsh environments and are supported by our industry-leading three-year comprehensive manufacturer's warranty. We developed our devices to meet industry standards for protection from the ingress of water and/or micro-particles (IEC standard 60529). Our devices are rated a

minimum of IP-68, allowing them to be submersed in up to six and a half feet of water for up to 30 minutes, and our XP8 smartphone has been further tested and certified to withstand sprays of high pressure streams (up to 1,450 PSI) of hot (80°C) water (IPx9K). We have additionally designed and manufactured our devices to withstand repeated drops to concrete across all angles and faces, which in 2011 earned the Sonim XP3300 the title of World's Toughest Phone by the Guinness Book of World Records after surviving a fall from 82 feet 11.7 inches to concrete. Engineered with a protective glass lens that is up to three times thicker than that of other cellular devices in the market and a unique blend of plastic and rubber used in the housings, our ultra-rugged mobile devices are designed to be resistant to punctures caused by impacts from external objects up to 2J on the display lens and 4J on the housing. Furthermore, we understand that the jobs of our end users often take them into extreme environments. As a result, we have designed our devices to operate from -4°F to +131°F, be usable while wearing work gloves (glove-friendly touch display, large physical buttons), be audible in noisy environments with loud 100+ dB loudspeakers and multiple microphone noise-cancellation technology, and, for our XP5s and XP8 devices, to last throughout an average day based on ordinary use without needing to be recharged with large, extended-life batteries. We have also designed, manufactured and certified our devices to be safe for use in potentially hazardous or explosive environments.

In addition, our devices provide a wide range of connectivity options for our end customers (including LTE, 3G, GSM, WiFi, NFC, location tracking and Bluetooth for certain of our devices), and our XP5s and XP8 devices support a wide range of global frequencies allowing them to be used almost anywhere in the world where there is cellular coverage. Our XP5s and XP8 devices are certified to work on multiple mobile network operators and come equipped with LTE Band 14 to support FirstNet. We continue to explore how and when to best support the latest technologies, including 5G, and we plan to incorporate them into our product roadmap when our end market segments require such functionality and the technology has reached a reasonable level of maturity.

Our Devices

Sonim XP8. The Sonim XP8 is an Android-based LTE smartphone that is certified as Android Enterprise Recommended by Google. The Sonim XP8 comes equipped with a five-inch durable, glove-friendly display, an ultra-rugged exterior, physical programmable buttons (including a large PTT button), and unique accessory ports and connectors that enable modular capabilities and functionality.

Sonim XP5s. The Sonim XP5s is a purpose-built LTE feature phone designed for task workers who have a "no frills" attitude about their communications tool. It comes equipped with a 2.64-inch non-touch display, dual front-facing loudspeakers, a large PTT button, and the same XPand and SecureAudio connector ports, enabling full access to our complete ecosystem of industrial accessories.

Sonim XP3. The Sonim XP3 is an LTE feature phone in a clamshell form factor that offers our customers a cost-effective voice and/or PTT solution without distracting end users from doing their jobs with things like an application store or email. Built with an over-sized PTT button, a physical numeric keypad and a loud front-facing speaker, the Sonim XP3 delivers a reliable voice-centric experience to those who operate in these industrial environments.

Accessories

Our portfolio of industrial-grade accessories extends beyond the traditional consumer cellular ecosystem of wall chargers and cases. We work with a number of accessory manufacturers and design partners to deliver innovative purpose-built accessories that enhance the functionality and usability of our devices. Our audio accessories take advantage of our SecureAudio Connector, which allows for accessories, like a Remote Speaker Microphone, or RSM, to be physically secured to the device via a screw mechanism that prevents accidental disconnection. Our multi-bay charging accessories allow for enterprises and agencies to charge multiple devices at once via a single unit, ensuring that at the start of a shift, the device is fully charged and ready to go. We also support a wide range of in-vehicle solutions that enable hands-free voice communications for those customers

who work from the road. For end users who operate outside of traditional public or private wireless coverage, we have solutions to help them stay connected. From a Direct Mode solution which utilizes the innovative XPand Connector on our devices and unlicensed 900MHz ISM bands to allow end users to speak, text and share location with each other over short distances without needing any cellular or wireless connectivity, to our Rapid Deployment kits that enable first responder agencies to quickly bring in LTE coverage via satellite when they are operating in low- or no-cellular coverage environments.

Cloud-based Applications

In addition to the ecosystem of Android developers and their applications, which are supported on our devices, we have developed our own cloud-based applications and back-end systems and services aimed at (i) making it easier for our end users to do their jobs and (ii) providing visibility to and analysis of data which previously had not existed. For example, our Sonim Scan application aims to address the former by integrating a barcode scanning engine with the native camera on the Sonim XP8, allowing end users to scan up to 45 1D or 2D barcodes per minute. This disruptive technology allows enterprises to consolidate devices and transition from a capital expenditure-based model to an operating expenses-based model by paying a monthly subscription fee.

Sales and Marketing

As of December 31, 2018, our sales and marketing team consisted of 35 professionals located in the United States, Canada and Europe. We sell our products directly to wireless carriers, through distributors and resellers to wireless carriers and other customers and also directly to end customers. Our marketing efforts consist of product marketing, channel partner/carrier marketing and corporate marketing. Product marketing focuses on ensuring that carrier requirements related to product specifications are in-line with our brand requirements. Channel partner marketing focuses on go-to-market strategy as well as developing supplemental sales tools, carrier and non-carrier marketing campaigns, industry trade show materials and brand awareness. Corporate marketing consists of public relations, social and digital marketing and lead generation operations.

Manufacturing

To help control and manage the quality, cost and reliability of our supply chain, we directly manage the procurement of all final assembly materials used in our products, which include LCDs, housings, camera modules and antennas. In addition, we complete the final assembly of our devices in our Shenzhen, China facility.

In our final assembly facility, we assemble and perform quality assurance on our devices, across three production lines. The assembly of each of our products requires over 800 components, primarily related to mounting components onto circuit boards, and requires multiple custom components for ruggedization of the device, which includes housing, display and glass lens, printed circuit board assembly, camera function, battery, speakers and unique accessory ports, among others. Some of the components used to assemble our products are custom-made and obtained through single-source suppliers.

This facility currently has capacity to produce up to 70,000 units per month. We believe that the capacity of this facility is sufficient to support demand through the near term; however, we have started to explore options within the United States and in other non-U.S. locations for additional manufacturing capacity.

Competition

We operate in a highly competitive environment serving end customers in the industrial enterprise and public sector markets. These markets are highly fragmented, evolving and increasingly competitive. Competition in our industry is intense and has been characterized by rapidly changing technologies, evolving industry standards, frequent new product introductions and rapid changes in end user requirements.

We face competition from manufacturers of non-rugged mobile devices, such as Apple Inc. and Samsung Electronics Co. Ltd., to the extent end users decide to purchase traditional devices for use in environments that we believe are better suited for ruggedized mobile devices. We also face competition from manufacturers of rugged mobile devices such as Bullitt Mobile Ltd. and Kyocera Corporation as well as from large system integrators and manufacturers of private and public wireless network equipment and devices. Competitors in this space include Harris Corporation, JVC KENWOOD Corporation, Motorola Solutions, Inc. and Tait International Limited. For the Data Capture and RFID portion of our product offerings, competitors include companies that provide a broad portfolio of barcode scanning products that are suitable for the majority of global market applications, such as Datalogic USA, Inc., Honeywell International Inc., Panasonic Corporation and Zebra Technologies Corporation.

We believe the principal competitive factors affecting the market for our products are the products' performance, features (including security features), quality, design innovation, reliability, price, customer service, reputation in the industry, brand loyalty and a strong third-party software and accessories ecosystem. We believe that our strongest competitive advantages are our products' durability and reputation in the industry. In order to compete, we will be required to continue to respond promptly and effectively to the challenges of technological changes and our competitors' innovations.

Intellectual Property

Our competitiveness and future success are dependent on our ability to protect our own proprietary technology and to access other important intellectual property. We protect our freedom to operate in the markets and mitigate intellectual property costs by proactively securing licenses with key patent holders, filing our own patents, trademarks, and copyrights and participating in defensive patent pools. As of January 1, 2019, we held 28 utility and design patents in the United States and 11 outside the United States and have filed six utility and design patent applications in the United States and one outside the United States. We also have contractual rights to standard essential patents for 2G, 3G, 4G and 5G wireless technologies, some of which require significant royalty payments. In addition, as of January 1, 2019, we held eight trademarks in the United States and 27 trademarks outside the United States, and have filed 10 trademark applications in the United States and 10 outside the United States. We opportunistically negotiate licenses with other patent holders where appropriate for our technology.

Our products are built to conform to wireless standards which are covered by numerous essential patents held by third parties. Our wireless customers require us to provide patent indemnification for the products we sell to them, and in turn we secure intellectual property indemnification from our suppliers.

We do not believe that our products infringe on the proprietary rights of any third parties. There can be no assurance, however, that third parties will not claim such infringement by us or our customers with respect to current or future products. In the past, we have had third parties assert exclusive patent or other intellectual property rights to technologies that are important to our business. Any such claims, with or without merit, could be time consuming, result in costly litigation, cause product shipment delays or require us to enter into a royalty or licensing agreement, any of which could delay the development and commercialization of our products.

Our devices use the Android operating system based on the Android Open Source Project. We additionally integrate third-party licensed software on commercially reasonable terms. Several Android-based apps and extension enablers of Android are developed internally by our employees.

Certain License Agreements

In September 2008, we entered into a multi-year patent license agreement, as amended in January 2019, or the Nokia Agreement, with Nokia Corporation, or Nokia, pursuant to which Nokia granted us a license to certain Nokia-owned cellular standard essential patents for our devices that include such cellular standard technology. The Nokia Agreement is currently effective and contains customary termination clauses.

In January 2017, we entered into an amended and restated global patent license agreement, as amended in December 2018, or the Ericsson Agreement, with Telefonaktiebolaget LM Ericsson (Publ), or Ericsson, pursuant to which Ericsson granted us a license under certain Ericsson patents to manufacture and sell mobile devices that comply with certain telecommunications standards. Under the agreement, we made a one-time payment to Ericsson to partially settle royalty arrears and are obligated to pay Ericsson (i) single-digit U.S. dollar amounts per unit, which amounts are based on the particular product sold and the standards with which such products are compliant, and (ii) quarterly payments to cover the remaining royalty arrears. The Ericsson Agreement continues until January 1, 2024, unless terminated earlier by the parties. Ericsson has the right to terminate in the event (i) we materially breach the agreement and do not cure such breach within 30 days, or (ii) in the event of a change of control of our company, where the successor does not agree to the terms of the agreement. Further, Ericsson may terminate certain rights under the agreement with respect to third-party manufacturers if a third-party manufacturer files an infringement suit relating to any patents owned by Ericsson.

Legislation and Regulation

Wireless communication devices use radio spectrum, which is regulated by government agencies throughout the world. In the United States, use of spectrum is regulated by the Federal Communications Commission, or FCC, and the National Telecommunications and Information Administration, or NTIA, for non-federal government entities and federal government entities, respectively. The FCC and NTIA allocate spectrum for various uses, including commercial wireless services and public safety services, and regulate the use of that spectrum and the devices, such as our products, that operate on that spectrum. The FCC and NTIA also adopt requirements that affect wireless equipment, such as limits on radio emissions and rules requiring that handsets have specified capabilities, such as providing location information to 911 operators. The FCC also regulates the testing and certification for the import and/or sale of certain wireless devices.

Other countries also have regulatory bodies that define and implement the rules for using radio spectrum, pursuant to their respective national laws and international coordination under the International Telecommunications Union. Our ability to manufacture and sell products in other countries could be affected by such rules. In addition, any significant variations between the rules in the United States and rules in other countries, including differences in available spectrum bands for wireless communication, could increase the costs of designing and manufacturing our products.

Research and Development

We allocate a significant amount of resources and funds to developing robust and innovative solutions for the end users of our products and ensuring that these solutions meet their exacting requirements for functionality and reliability. Our research and development initiatives are led by our internal teams and are supported by third-party original design manufacturers as needed. Our product management team and our sales and marketing team spend their time interacting with a combination of end users and IT administrators in our target markets, wireless carriers and application and accessory ecosystem partners to better understand the market requirements for our solution. Once defined, our engineering organization develops and tests the solution against these requirements and works to achieve technical certification and approval from the wireless carriers which allows the solutions to be sold to our end users.

Employees

As of December 31, 2018, we had 321 full-time employees, including 30 in sales and marketing and business development, 37 in general and administrative, 200 in research and development and 54 in supply chain manufacturing, and 378 full-time independent contractors, including five in sales and marketing and business development, five in general and administrative, 153 in research and development and 215 in supply chain manufacturing. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

Facilities

We maintain our corporate functions, along with sales support, marketing and finance at a leased facility totaling 8,416 square feet in San Mateo, California. The lease expires in August 2025. Our final assembly and testing facility is located in Shenzhen, China. We also have a software development center in Bangalore, India and a research and development center in Beijing, China. We believe that our facilities are suitable to meet our current needs. We may expand our existing facilities or move them to other locations in the future, and we believe that suitable additional or alternative space will be available as needed to accommodate any such growth or moves. However, we expect to incur additional expenses in connection with any such new or expanded facilities.

Legal Proceedings

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

MANAGEMENT

Executive Officers and Directors

The following table sets forth information concerning our executive officers and directors, including their ages as of February 14, 2019.

Name	Age	Position
Executive Officers		
Robert Plaschke	55	Chief Executive Officer and Director
James Walker	70	Chief Financial Officer
Jeffrey Pon	31	Senior Vice President of Product
Charles Becher	51	Chief Sales and Marketing Officer
Peter Liu	51	Senior Vice President of Operations
Bengt Jonassen	56	Senior Vice President of Engineering
Directors		
Bryant Riley	51	Director
Maurice Hochschild	56	Director
Alan Howe	57	Director
Kenny Young	55	Director
Toru Amakasu	50	Director

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Member of the Nominating and Corporate Governance Committee.

Executive Officers

Robert Plaschke has served as our Chief Executive Officer and Chairman of our board of directors since December 2005. From 2002 to 2005, Mr. Plaschke served in multiple roles at Sonim, including Chief Financial Officer, Chief Marketing Officer and Head of Business Development. From 2001 to 2002, Mr. Plaschke served as Entrepreneur in Residence at Sutter Hill Ventures, a venture capital firm, where he served as a senior executive for a venture capital fund. Mr. Plaschke received a M.B.A. from the University of Chicago and a B.S. in Computer Engineering from Northwestern University.

We believe that Mr. Plaschke is qualified to serve as a member of our board of directors based on the perspective and experience he brings as our Chief Executive Officer.

James Walker has served as our Chief Financial Officer since January 2018. From March 2014 to November 2017, Mr. Walker served as a consulting chief financial officer of The Brenner Group, LLC, a professional services and consulting company. From January 2012 to March 2014, Mr. Walker served as the Chief Financial Officer of Spigit, Inc., a management software provider. Mr. Walker received a M.B.A. from Santa Clara University and a B.A. in Mathematics from San Jose State University.

Jeffrey Pon has served as our Senior Vice President of Product since January 2017. From May 2008 to January 2017, Mr. Pon served in numerous other roles at Sonim with increasing levels of responsibility, the most recent of which was as Senior Vice President of Global Sales. Mr. Pon received his B.S. in Business Administration from the University of California, Berkeley.

Charles Becher has served as our Chief Sales and Marketing Officer since December 2016. From 2000 to December 2016, Mr. Becher served in numerous roles at Kyocera Communications, Inc., a mobile phone manufacturer, including as Senior Vice President and General Manager of Sales and Marketing from April

2013 to December 2016, and prior to that, as Senior Director of Strategic Account Sales, United States, Senior Director of Sales, International, and Director of Sales and Regional Sales Manager, Latin America. Mr. Becher received a B.B.A. in Finance from the University of Michigan.

Peter Liu has served as our Senior Vice President of Operations since September 2010. From 2007 to 2010, Mr. Liu served as Global Quality Director for LOM/Perlos, an international VI supplier of mobile phones. From 2005 to 2007, Mr. Liu was the Head of Quality for the Strategic Growth Engine business at Motorola Solutions, Inc., a multinational telecommunications company. Mr. Liu received a M.B.A. from Lawrence Technological University and a Bachelor's in Engineering from Tianjin University.

Bengt Jonassen has served as our Senior Vice President of Engineering since July 2016 and as our Head of Platform since January 2014. Mr. Jonassen has also headed our Beijing, China site as General Manager and is currently overseeing all engineering development in both Beijing, China and Bangalore, India. From 2001 to 2014, Mr. Jonassen served as a Research and Development Manager and Concepting Product Program Manager at Nokia Corporation, a multinational telecommunications, IT and consumer electronics company. Mr. Jonassen received a Bachelor's in Electrical Engineering from Frankfurt University of Applied Sciences.

Non-Employee Directors

Maurice Hochschild has served as a member of our board of directors since November 2012. Since 2001, Mr. Hochschild served in various roles at Investec Bank plc, an international specialist banking and asset management group, including Global Head of Project and Infrastructure Finance and head of commercial and institutional banking in North America. Mr. Hochschild received a B.A. from the University of Pennsylvania.

We believe that Mr. Hochschild's extensive experience in project development and public infrastructure qualifies him to serve on our board of directors.

Alan Howe has served as a member of our board of directors since October 2017. Since April 2001, Mr. Howe has served as co-founder and Managing Partner of Broadband Initiatives, LLC, a boutique corporate development and strategic consulting firm. Previously, Mr. Howe held various executive management positions at Covad Communications, Inc., a provider of broadband voice and data communications, Teletrac, Inc., a location-tracking software company, Sprint Corporation, a telecommunications company, and Manufacturers Hanover Trust Company, a commercial bank. Mr. Howe currently serves on the boards of directors of WidePoint Corporation, a provider of technology products and services, Resonant Inc., a hardware development company for mobile devices, Data I/O Corporation, a systems manufacturer for integrated circuits (as Chairman), and Determine, Inc., a provider of life cycle management solutions software (as Vice Chairman). Mr. Howe previously served on the boards of directors of magicJack VocalTec Ltd., a cloud communications company, CafePress Inc., an online retailer, Urban Communications, Inc., a provider of fiber optic services, and Qualstar Corporation, a data storage products manufacturer. Mr. Howe received a M.B.A. in Finance from the Kelley School of Business, Indiana University, and a B.S. in Business Administration from the University of Illinois, Urbana-Champaign.

We believe that Mr. Howe's extensive financial, executive and board experience with multiple private and public companies qualifies him to serve on our board of directors.

Bryant Riley has served as a member of our board of directors since June 2018. Since February 1997, Mr. Riley has served as co-founder, Chairman and Chief Executive Officer of B. Riley Financial, Inc., a full service investment bank. Mr. Riley currently serves on the board of directors of Liberty Tax Inc., a provider of tax services. Mr. Riley previously served on the board of directors of Cadiz, Inc., a natural resources company. Mr. Riley received a B.A. in Finance from Lehigh University.

Our board of directors believes that Mr. Riley's extensive financial, board and investing experience with multiple private and public companies qualifies him to serve on our board of directors.

Kenny Young has served as a member of our board of directors since April 2018. Since July 2018, Mr. Young has served as President of B. Riley Financial, Inc. Since October 2017, Mr. Young also served as Chief Executive Officer of Babcock & Wilcox Enterprises Inc., a provider of energy and environmental technologies and services. Since October 2016, Mr. Young has served as Chief Executive Officer of B. Riley Principal Investments, a wholly owned subsidiary of B. Riley Financial, Inc. In addition, since November 2018, Mr. Young has served as Chief Executive Officer of magicJack VocalTec Ltd., a cloud communications company. Since 2016, Mr. Young has served as Chief Executive Officer of United Online, Inc., an internet and communications services provider. Each of magicJack VocalTec Ltd. and United Online, Inc. is a wholly-owned subsidiary of B. Riley Financial, Inc. From 2008 to 2016, Mr. Young served in numerous leadership roles at Lightbridge Communications Corporation, a telecommunications services company, including as President and Chief Executive Officer of Lightbridge Communications Corporation International and President of Americas and Chief Operating Officer of Lightbridge Communications Corporation. Mr. Young currently serves on the boards of directors of Liberty Tax Inc., a provider of tax services, Bebe Stores, Inc., a women's apparel retailer, and Orion Energy Systems, a LED lighting and intelligent controls company. Mr. Young previously served on the boards of directors of Imagine Communications Corporation, a media services company, Global Star, Inc., a satellite communications company, B. Riley Financial Inc., a full service investment bank, Standard Diversified Inc., a holding company for various industrial businesses, and Proxim Wireless Corporation, a broadband wireless networking company. Mr. Young received a M.B.A. in Business from Southern Illinois University, Edwardsville, and a B.S. in Computer Science and Mathematics from Graceland University.

We believe that Mr. Young's extensive operational, executive and board experience with numerous companies primarily within the communications and finance industries qualifies him to serve on our board of directors.

Toru Amakasu has served as a member of our board of directors since November 2018. Since July 2018, Mr. Amakasu has served as a deputy senior manager of the Solution Business Department of JVC KENWOOD Corporation, a multinational electronics company. From 2013 to June 2018, Mr. Amakasu served as a general manager of the Corporate Planning Division and ICT Business Division of ITX Corporation, a mobile handset distributor. Mr. Amakasu received a Bachelor of Laws from Keio University.

We believe that Mr. Amakasu's extensive leadership experience in the telecommunications and mobile device industry qualifies him to serve on our board of directors.

Family Relationships

Our executive officers are appointed by, and serve at the discretion of, our board of directors. There are no family relationships between our board of directors and our executive officers.

Board of Director Composition

Certain members of our board of directors were elected pursuant to the provisions of an amended and restated voting agreement, which terminated in November 2018 in connection with the Share Conversion, following which time none of our stockholders have had any special rights regarding the election or designation of members of our board of directors.

Our board of directors will consist of members upon the closing of this offering. At each annual meeting of stockholders, each of our directors' terms will expire and our entire board of directors will stand for election.

After this offering, the number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and amended and restated bylaws that will become effective immediately prior to the completion of this offering. Each of our current directors will continue to serve as a director until the election and qualification of his or her successor, or until his or her earlier death, resignation or removal.

Director Independence

In connection with this offering, we intend to list our common stock on Nasdaq. Under the listing requirements and rules of Nasdaq, independent directors must comprise a majority of our board of directors as a listed company within one year of the closing of this offering. In addition, the rules of Nasdaq require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent. Under the rules of Nasdaq, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Our board of directors has undertaken a review of its composition, the composition of its committees and the independence of each director. Based upon information requested from and provided by each director concerning his background, employment and affiliations, including family relationships, our board of directors has determined that , and do not have any relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the applicable rules and regulations of the SEC and the listing requirements and rules of Nasdaq. Mr. Plaschke is not independent given his position as our Chief Executive Officer. In making this determination, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including their beneficial ownership of our capital stock.

Committees of the Board of Directors

Our board of directors will establish, effective prior to the completion of this offering, an audit committee, a compensation committee and a nominating and corporate governance committee, each of which will have the composition and responsibilities described below. Members will serve on the committees until their resignation or until as otherwise determined by our board of directors. From time to time, the board may establish other committees to facilitate the management of our business.

Audit Committee

Our audit committee consists of , and , with serving as the chairperson of the audit committee. Our board of directors has determined that is an audit committee financial expert, as defined by SEC rules and regulations.

Our board of directors has determined that each of , and is an independent director under Nasdaq listing rules is independent under Rule 10A-3 of the Exchange Act. Our board of directors has further determined that each of the members of the audit committee satisfy the financial literacy and sophistication requirements of the SEC and Nasdaq listing rules. In addition, our board of directors has determined that qualifies as an audit committee financial expert, as defined in Item 407(d)(5) of Regulation S-K promulgated under the Securities Act.

The principal duties and responsibilities, among others, of our audit committee include:

- recommending and retaining an independent registered public accounting firm to serve as independent auditor to audit our financial statements, overseeing the independent auditor's work and determining the independent auditor's compensation;
- approving in advance all audit services and non-audit services to be provided to us by our independent auditor;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls, auditing or compliance matters, as well as for the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters;

- overseeing our risk assessment and risk management processes;
- reviewing and ratifying all related party transactions, based on the standards set forth in our related party transactions policy;
- reviewing and discussing with management and our independent auditor the results of the annual audit and the independent auditor's review of our quarterly financial statements; and
- conferring with management and our independent auditor about the scope, adequacy and effectiveness of our internal accounting controls, the objectivity of our financial reporting and our accounting policies and practices.

Both our independent registered public accounting firm and management periodically will meet privately with our audit committee.

Compensation Committee

Our compensation committee consists of , , and , each of whom is a non-employee member of our board of directors as defined in Rule 16b-3 under the Exchange Act. will be the chairperson of the compensation committee. Our compensation committee will review and determine, or recommend to the full board of directors for approval of, the compensation of all our executive officers.

The principal duties and responsibilities, among others, of our compensation committee include:

- establishing and approving, and making recommendations to the board of directors regarding, performance goals and objectives relevant to the compensation of our chief executive officer, evaluating the performance of our chief executive officer in light of those goals and objectives and setting, or recommending to the full board of directors for approval, the chief executive officer's compensation, including incentive-based and equity-based compensation, based on that evaluation;
- setting the compensation of our other executive officers, based in part on recommendations of the chief executive officer;
- exercising administrative authority under our equity incentive plan and employee benefit plans;
- establishing policies and making recommendations to our board of directors regarding director compensation;
- overseeing risks and exposures associated with executive and director compensation plans and arrangements;
- reviewing and discussing with management the compensation discussion and analysis that we may be required from time to time to include in SEC filings; and
- preparing a compensation committee report on executive and director compensation as may be required from time to time to be included in our annual proxy statements or annual reports on Form 10-K filed with the SEC.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of , and . will be the chairperson of the nominating and corporate governance committee.

The principal duties and responsibilities, among others, of our nominating and corporate governance committee will include:

- assessing the need for new directors and identifying individuals qualified to become directors;

- recommending to the board of directors the persons to be nominated for election as directors and to each of the board's committees;
- assessing individual director performance, participation and qualifications;
- developing, recommending, overseeing the implementation of and monitoring compliance with, our corporate governance guidelines, and periodically reviewing and recommending any necessary or appropriate changes to our corporate governance guidelines;
- monitoring the effectiveness of the board and the quality of the relationship between management and the board; and
- overseeing an annual evaluation of the board's performance.

Code of Business Conduct and Ethics for Employees, Executive Officers and Directors

We will adopt a Code of Business Conduct and Ethics, or the Code of Conduct, applicable to all of our employees, executive officers and directors. The Code of Conduct will be available on our website at www.sonimtech.com. The nominating and corporate governance committee of our board of directors will be responsible for overseeing the Code of Conduct and must approve any waivers of the Code of Conduct for employees, executive officers and directors. We expect that any amendments to the Code of Conduct, or any waivers of its requirements, will be disclosed on our website.

Compensation Committee Interlocks and Insider Participation

None of our directors who serve as a member of our compensation committee is, or has at any time during the past year been, one of our officers or employees. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any other entity that has one or more executive officers serving on our board of directors or compensation committee. See the section titled "Certain Relationships and Related Party Transactions" for information about related-party transactions involving members of our compensation committee or their affiliates.

Non-Employee Director Compensation

Prior to the closing of this offering, we expect to implement a formal policy pursuant to which our non-employee directors will be eligible to receive compensation for service on our board of directors and committees of our board of directors.

The following table sets forth information regarding compensation earned during the year ended December 31, 2018 by our non-employee directors who served as directors during such year. Mr. Plaschke, our Chief Executive Officer, serves on our board of directors but did not receive compensation for his service as a director and the compensation paid to Mr. Plaschke as an employee during the year ended December 31, 2018 is set forth in the "Summary Compensation Table" below.

Name	Fees Earned or Paid in Cash	Option Awards (1)(2)	Total
Maurice Hochschild	$ 50,000 (3)	$ —	$ 50,000
Alan Howe	35,000 (4)		35,000
Kenny Young	200,000 (5)	—	200,000

(1) As of December 31, 2018, Mr. Howe held an option to purchase 2,333 shares of our common stock. None of our other non-employee directors held outstanding equity awards as of December 31, 2018.

(2) This column reflects the full grant date fair value for options granted during the year ended December 31, 2018 as measured pursuant to ASC Topic 718 as stock-based compensation in our consolidated financial statements. The assumptions we used in valuing options are described in Note to our consolidated financial statements included elsewhere in this prospectus.

(3) Commencing in 2018, Mr. Hochschild receives an annual retainer of $50,000 for continued service on the board of directors. Mr. Hochschild has directed that his 2018 retainer of $50,000 be remitted to Investec Bank plc.

(4) Commencing in 2018, Mr. Howe receives an annual retainer of $35,000 for continued service on the board of directors.

(5) Fees for Mr. Young's service as a director are paid to B. Riley Principal Investments, LLC, Mr. Young's employer, pursuant to a management services agreement entered into in October 2017.

We currently reimburse our directors for theirreasonable out-of-pocket expenses in connection with attending board of directors meetings. In January 2018, we entered into a board services agreement with Mr. Hochschild pursuant to which we pay an annual retainer of $50,000 to Mr. Hochschild for his continued service on our board of directors. Mr. Hochschild has directed that his 2018 retainer of $50,000 be remitted to Investec Bank plc. In November 2017, we entered into a board services agreement with Mr. Howe pursuant to which we pay an annual retainer of $35,000 to Mr. Howe for his continued service on our board of directors. In addition, pursuant to the board services agreement with Mr. Howe, in September 2018, we granted Mr. Howe an option to purchase 2,333 shares of our common stock with an exercise price of $0.90 per share. 25% of the shares of common stock underlying the option vested on October 31, 2018, and the remainder vest in 36 equal monthly installments thereafter, with full acceleration upon a change in control of the Company. In October 2017, we entered into a management services agreement with B. Riley Principal Investments, LLC pursuant to which, among other things, Mr. Young serves as a member of our board of directors. We pay B. Riley Principal Investments, LLC an annual fee of $200,000 for services provided, including for Mr. Young's continued service on our board of directors.

EXECUTIVE COMPENSATION

Our named executive officers for the year ended December 31, 2018, consisting of our principal executive officer and the next two most highly compensated executive officers who were serving as executive officers as of December 31, 2018, were:

- Robert Plaschke, our Chief Executive Officer;
- James Walker, our Chief Financial Officer; and
- Charles Becher, our Chief Sales and Marketing Officer.

Summary Compensation Table for Year Ended December 31, 2018

The following table sets forth information regarding compensation earned during the year ended December 31, 2018 by our named executive officers.

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards (1)	Non-Equity Incentive Plan Compensation (2)	All Other Compensation	Total
Robert Plaschke *Chief Executive Officer*	2018	$381,250	$ —	$ —	$	$	$ 22,500 (5)	$
James Walker *Chief Financial Officer*	2018	291,667 (3)	—	—			—	
Charles Becher *Chief Sales and Marketing Officer*	2018	350,000	—	—		(4)	—	

(1) This column reflects the full grant date fair value for options granted during the year ended December 31, 2018 as measured pursuant to ASC Topic 718 as stock-based compensation in our consolidated financial statements. The assumptions we used in valuing options are described in Note to our consolidated financial statements included elsewhere in this prospectus.

(2) Represents payments made under our Executive Bonus Plan for 2018 as well as a revenue-based bonus for Mr. Becher. Under the Executive Bonus Plan for 2018, Mr. Plaschke, Mr. Walker and Mr. Becher were paid bonus amounts equal to %, % and % of each of their annual base salaries, respectively. No discretionary bonus amounts were paid to any of our executive officers in 2018. See "—Executive Bonus Plan." Mr. Becher was also paid an additional $ in sales commissions in the form of a revenue-based bonus pursuant to the terms of his employment agreement. See "—Agreements with Our Named Executive Officers—Mr. Becher."

(3) From January 2018 through July 2018, Mr. Walker served as our interim Chief Financial Officer and was paid prorated salary amounts based on an annual salary of $300,000. From August 2018 through the end of 2018, Mr. Walker became a full-time Chief Financial Officer and was paid prorated salary amounts based on an annual salary of $275,000.

(4) Amount includes sales commissions based on revenue targets.

(5) Pursuant to his employment agreement, Mr. Plaschke is entitled to receive up to $22,500 in funds each year from us for his participation in World Presidents Organization activities. In 2018, he received $22,500 for such activities.

Outstanding Equity Awards at December 31, 2018

The following table provides information about outstanding equity awards held by each of our named executive officers at December 31, 2018. All awards were granted under our 2012 Plan, the terms of which are described below under "—2012 Equity Incentive Plan."

		Option Awards (1)				
		Number of Securities Underlying Unexercised Options (#)		Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options(#)	Option Exercise Price	Option Expiration Date
Name	Grant Date	Exercisable	Unexercisable			
Robert Plaschke	6/10/2013	103,703 (2)	—	—	$ 0.45	6/9/2023
	10/26/2017	44,722 (3)	108,611 (3)	—	0.45	10/9/2027
James Walker	9/10/2018	— (4)	201,666 (4)	—	0.90	9/9/2028
Charles Becher	2/14/2017	95,833 (5)	104,167 (5)	—	0.75	2/13/2027
	9/10/2018	— (6)	133,333 (6)	—	0.90	9/9/2028

(1) All option awards listed in this table were granted pursuant to our 2012 Plan, the terms of which are descried below under "—2012 Equity Incentive Plan."

(2) Shares underlying this option vested on an annual basis upon the achievement by us of certain performance-based metrics based on operating profit up to the date of completion of our audit for fiscal year 2015. Following such time, all unvested shares underlying this option expired. All remaining 103,703 shares underlying this option are exercisable immediately.

(3) 25% of the shares of common stock underlying the option, or 38,333 shares, vested in October 2018, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Plaschke's continuous service through the relevant vesting dates. In the event of a change in control, vesting of this option will accelerate in full immediately prior to the effective date of the change in control.

(4) 25% of the shares of common stock underlying the option, or 50,416 shares, vested in January 2019, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Walker's continuous service through the relevant vesting dates. During the 13 months following a change in control, if we terminate Mr. Walker's employment without cause or if Mr. Walker resigns for good season, all remaining shares underlying this option will immediately vest. Following the listing of our shares of common stock on Nasdaq, (i) 50% of the shares underlying the option will vest once our enterprise value (as defined in Mr. Walker's employment agreement) is at least $125.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 25% or more of the shares of our capital stock held as of August 2018 by financial investors, and (ii) 100% will vest once our enterprise value is at least $150.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 50% or more of the shares of our capital stock held as of August 2018 by financial investors, or immediately prior to a change in control.

(5) 25% of the shares of common stock underlying the option, or 50,000 shares, vested in January 2018, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Becher's continuous service through the relevant vesting dates. During the 13 months following a change in control, if we terminate Mr. Becher's employment without cause or if Mr. Becher resigns for good season, vesting of this option will accelerate with respect to such number of shares that would have vested had Mr. Becher remained employed for 24 months following the date of termination.

(6) 33,333 shares of common stock underlying this option will vest at the end of each fiscal year in which the revenue plan set forth in Mr. Becher's employment agreements is exceeded by at least 25%, 33,333 shares underlying this option will vest at the end of each fiscal year in which our gross margin exceeds 39%, and 33,333 shares underlying this option will vest at the end of each fiscal year in which our gross margin exceeds 42%. During the 13 months following a change in control, if we terminate Mr. Becher's employment without cause or if Mr. Becher resigns for good reason, 25% of the shares underlying this option will accelerate.

Agreements with Our Named Executive Officers

Set forth below are descriptions of our employment agreements with our named executive officers. For a discussion of the severance pay and other benefits to be provided in connection with a termination of employment and/or a change in control under the arrangements with our named executive officers, see "—Potential Payments upon Termination or Change in Control."

Mr. Plaschke. In August 2018, we entered into an employment agreement with Mr. Plaschke. Under the terms of the employment agreement, Mr. Plaschke is entitled to an annual base salary of $400,000 and is eligible to receive an annual performance bonus with a target of 100% of his base salary based on our performance against EBITDA objectives, as determined by our board of directors. In addition, Mr. Plaschke is entitled to receive up to $22,500 in funds each year from us for his participation in World Presidents Organization activities. Mr. Plaschke is also eligible to participate in the employee benefit plans generally available to our employees. Upon the listing of our common stock on Nasdaq in connection with this offering, Mr. Plaschke is entitled to a restricted stock award, or the Liquidity Bonus, to be granted immediately prior to the closing of this offering for a number of shares equal to 2% of our fully-diluted capital stock as of the date of grant, including the shares to be issued in this offering. 50% of the shares underlying the award will vest once our enterprise value (as defined in Mr. Plaschke's employment agreement) is at least $125 million or if our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 25% or more of the shares of our capital stock held as of August 2018 by financial investors, and 100% will vest once our enterprise value is at least $150 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 50% or more of the shares of our capital stock held as of August 2018 by financial investors, or immediately prior to a change in control (as defined in Mr. Plaschke's employment agreement). In addition, Mr. Plaschke will receive immediate vesting of all outstanding unvested options and stock awards previously granted to him by us upon a qualified change in control (as defined in Mr. Plaschke's employment agreement).

Mr. Walker. In August 2018, we entered into an employment agreement with Mr. Walker. Under the terms of the employment agreement, Mr. Walker is entitled to an annual base salary of $275,000 and is eligible to receive an annual performance bonus with a target of 75% of his base salary based on our performance against EBITDA objectives, as determined by our board of directors. In September 2018, we granted to Mr. Walker an option to purchase 201,066 shares of common stock. 25% of the shares of common stock underlying the option, or 50,416 shares, vested in January 2019, the first anniversary of the vesting commencement date, and the remainder will vest in 36 equal monthly installments thereafter, subject to Mr. Walker's continuous service through the relevant vesting dates and accelerated vesting upon a change in control (as defined in Mr. Walker's employment agreement) in which our enterprise value is at least $125.0 million. Following the listing of our shares of common stock on Nasdaq, (i) 50% of the shares underlying the option will vest once our enterprise value (as defined in Mr. Walker's employment agreement) is at least $125.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 25% or more of the shares of our capital stock held as of August 2018 by financial investors, and (ii) 100% will vest once our enterprise value is at least $150.0 million or if the our capital stock is quoted for trading on an over-the-counter bulletin board, upon the bona fide sale of 50% or more of the shares of our capital stock held as of August 2018 by financial investors, or immediately prior to a change in control. Mr. Walker is also eligible to participate in the employee benefit plans generally available to our employees.

Mr. Becher. In February 2019, we entered into an employment agreement with Mr. Becher. Under the terms of the employment agreement, Mr. Becher is entitled to an annual base salary of $350,000 and is eligible to receive an annual performance bonus based on our performance against EBITDA objectives, as determined by our board of directors. In addition to the annual cash performance bonus, Mr. Becher is also eligible to receive a revenue bonus based on our financial performance and certain agreed-upon targets. In September 2018, we granted to Mr. Becher an option to purchase 133,333 shares of common stock subject to performance-based vesting. Mr. Becher is also eligible to participate in the employee benefit plans generally available to our employees.

In addition to amounts paid to Mr. Becher under our executive bonus plan for 2018, Mr. Becher also received $ in 2018 from sales commissions in the form of a revenue-based bonus equal to a base bonus amount plus a percentage of fixed revenue targets based on achievement level of such targets. The revenue-based bonus plan for Mr. Becher expired on December 31, 2018. We may enter into similar revenue-based bonus plans with Mr. Becher for future years.

Potential Payments upon Termination or Change in Control

Each of our named executive officers is eligible to receive certain benefits pursuant to his employment agreement with us, as described below. "Cause," "good reason," "enterprise value," "financial investors" and "change in control" are defined in the applicable employment agreements with each of our named executive officers.

Mr. Plaschke. Upon Mr. Plaschke's termination with cause or resignation without good reason, Mr. Plaschke will receive three months of continued base salary. In the event Mr. Plaschke's employment is terminated without cause, or his employment is terminated due to death, permanent disability or for good reason, in either case at any time prior to a change in control or more than 13 months after a change in control, Mr. Plaschke will receive 12 months of continued base salary and reimbursement for COBRA health insurance premiums for up to 12 months following the date of termination. In the event that Mr. Plaschke's employment is terminated by us for any reason, his employment terminates due to his death or permanent disability, or he resigns for good reason, he will be entitled to a pro rata portion of his target bonus for the year of termination. Mr. Plaschke will receive immediate vesting of all outstanding unvested options and stock awards previously granted to him by us upon a qualified change in control (as defined in Mr. Plaschke's employment agreement). In the event Mr. Plaschke's employment is terminated without cause or he resigns for good reason within 13 months after a change in control of the Company, Mr. Plaschke will receive 18 months of continued base salary, reimbursement for COBRA health insurance premiums for a period of up to 18 months and accelerated vesting of any then-outstanding options or stock awards that would have vested within 24 months after the date of termination. In addition, if at any time Mr. Plaschke's employment is terminated or he resigns, for any reason, Mr. Plaschke will be entitled to an additional severance payment equal to $140,000, to be paid in four equal quarterly payments, unless Mr. Plaschke receives the Liquidity Bonus. Such payments and benefits are conditioned upon Mr. Plaschke continuing to comply with certain restrictive covenants applicable to him and upon execution of an effective general release of claims. In addition, any amount payable upon a termination of employment under the employment agreement will be paid only if the termination constitutes a separation from service under Section 409A of the Code.

Mr. Walker. In the event Mr. Walker's employment is terminated without cause, or his employment is terminated due to death, permanent disability or for good reason, in either case at any time prior to a change in control or more than 13 months after a change in control, Mr. Walker will receive nine months of continued base salary and reimbursement for COBRA health insurance premiums for a period of up to nine months following the date of termination. In the event that Mr. Walker's employment is terminated by us for any reason, his employment terminates due to his death or permanent disability, or he resigns for good reason, he will be entitled to a pro rata portion of his target bonus for the year of termination. In the event Mr. Walker's employment is terminated without cause or he resigns for good reason within 13 months after our change in control, Mr. Walker will receive 12 months of continued base salary, reimbursement for COBRA health insurance premiums for a period of up to 12 months following the date of termination and immediate vesting of any then-outstanding options or stock awards. Such payments and benefits are conditioned upon Mr. Walker continuing to comply with certain restrictive covenants applicable to him and upon execution of an effective general release of claims. In addition, any amount payable upon a termination of employment under the employment agreement will be paid only if the termination constitutes a separation from service under Section 409A of the Code.

Mr. Becher. In the event Mr. Becher's employment is terminated without cause, or his employment is terminated due to death, permanent disability or for good reason, in either case at any time prior to a change in

control or more than 13 months after a change in control, Mr. Becher will receive six months of continued base salary. In the event Mr. Becher's employment is terminated without cause or he resigns for good reason within 13 months after a change in control of the Company, Mr. Becher will receive 12 months of continued base salary, reimbursement for COBRA health insurance premiums for a period of up to six months following the date of termination, accelerated vesting of the shares granted under Mr. Becher's option granted in February 2017 that would have vested within 24 months after the date of termination, and accelerated vesting of 25% of the shares granted under Mr. Becher's option granted in September 2018. Such payments and benefits are conditioned upon Mr. Becher continuing to comply with certain restrictive covenants applicable to him and upon execution of an effective general release of claims. In addition, any amount payable upon a termination of employment under the employment agreement will be paid only if the termination constitutes a separation from service under Section 409A of the Code.

Executive Bonus Plan

Our board of directors has approved an executive bonus plan in 2018 whereby the board has approved a target bonus pool for allocation to our executive officers, including our named executive officers, and includes a discretionary fund to be distributed to employees with a title of "vice president" or "director" as well as an additional discretionary pool for our Chief Executive Officer. Each eligible participant has an opportunity to earn a payment based on achievement of corporate performance goals relating to EBITDA targets for the year ended December 31, 2018. Executive officers are eligible for a merit-based bonus in an amount set based on employment grade (ranging from 37.5% to 100% of base annual salary), which is then multiplied by a percentage (ranging from 40% up to 175%) based on achievement of EBITDA targets. For 2018, we expect to pay an aggregate of $ million pursuant to such executive bonus plan. We plan to adopt an executive bonus plan for 2019.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the JOBS Act. As an emerging growth company we will be exempt from certain requirements related to executive compensation, including the requirements to hold a nonbinding advisory vote on executive compensation and to provide information relating to the ratio of total compensation of our Chief Executive Officer to the median of the annual total compensation of all of our employees, each as required by the Investor Protection and Securities Reform Act of 2010, which is part of the Dodd-Frank Act.

Pension Benefits

Our named executive officers did not participate in, or otherwise receive any benefits under, any pension or retirement plan sponsored by us during 2018.

Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, a nonqualified deferred compensation plan sponsored by us during 2018.

Employee Benefit Plans

We believe that our ability to grant equity-based awards is a valuable and necessary compensation tool that aligns the long-term financial interests of our employees, consultants and directors with the financial interests of our stockholders. In addition, we believe that our ability to grant options and other equity-based awards helps us to attract, retain and motivate employees, consultants and directors and encourages them to devote their best efforts to our business and financial success.

The principal features of our equity incentive plans and our 401(k) plan are summarized below. Our board of directors adopted the 2019 Equity Incentive Plan, or the 2019 Plan, in , 2019, and the 2019 Plan will

become effective upon the effectiveness of the registration statement of which this prospectus forms a part. The 2019 Plan will supersede and replace our 2012 Equity Incentive Plan, or the 2012 Plan. After the 2019 Plan becomes effective, no further stock awards will be granted under the 2012 Plan. These summaries are qualified in their entirety by reference to the actual text of the plans, which, other than the 401(k) plan, are filed as exhibits to the registration statement of which this prospectus is a part.

2019 Equity Incentive Plan

Our 2019 Plan provides for the grant of incentive stock options, or ISOs, nonstatutory stock options, or NSOs, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards, and other stock awards, or collectively, stock awards. ISOs may be granted only to our employees, including our officers, and the employees of our affiliates. All other awards may be granted to our employees, including our officers, our non-employee directors and consultants and the employees and consultants of our affiliates.

Authorized Shares. Initially, the aggregate number of shares of our common stock that may be issued pursuant to stock awards under our 2019 Plan after it becomes effective is the sum of (i) shares, plus (ii) any shares subject to outstanding stock options or other stock awards that were granted under our 2012 Plan that are forfeited, terminated, expire or are otherwise not issued. Additionally, the number of shares of our common stock reserved for issuance under our 2019 Plan will automatically increase on January 1 of each calendar year for 10 years, starting January 1, 2020 (assuming the 2019 Plan becomes effective in calendar year 2019) and ending on and including January 1, 2029, in an amount equal to % of the total number of shares of our capital stock outstanding on December 31 of the prior calendar year, unless our board of directors or compensation committee determines prior to the date of increase that there will be a lesser increase, or no increase.

Shares subject to stock awards granted under our 2019 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, do not reduce the number of shares available for issuance under our 2019 Plan. Additionally, shares become available for future grant under our 2019 Plan if they were issued under stock awards under our 2019 Plan and we repurchase them or they are forfeited. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2019 Plan. Our board of directors may also delegate to one or more of our officers the authority to (i) designate employees (other than officers) to receive specified stock awards, and (ii) determine the number of shares subject to such stock awards. Under our 2019 Plan, our board of directors has the authority to determine and amend the terms of awards, including:

- recipients;
- the exercise, purchase or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the fair market value of a share of our common stock in the event no public market exists for our common stock;
- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable upon exercise or settlement of the award.

Under our 2019 Plan, our board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

- the reduction of the exercise, purchase or strike price of any outstanding award;
- the cancellation of any outstanding stock award and the grant in substitution therefor of other awards, cash or other consideration; or
- any other action that is treated as a repricing under generally accepted accounting principles.

Non-Employee Director Limitation. The maximum number of shares of common stock subject to awards granted under the 2019 Plan or otherwise during any one calendar year to any non-employee director, taken together with any cash fees paid by us to the non-employee director during that year for service on the Board, will not exceed $ in total value (calculating the value of the awards based on the grant date fair value for financial reporting purposes), or, with respect to the calendar year in which a non-employee director is first appointed or elected to the board of directors, $.

Stock Options. ISOs and NSOs are granted pursuant to stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of our 2019 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under our 2019 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator. The maximum number of shares of our common stock that may be issued upon the exercise of ISOs under our 2019 Plan is equal to times the aggregate number of shares initially reserved under the 2019 Plan.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (ii) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock unit awards are granted pursuant to restricted stock unit award agreements adopted by the plan administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. A restricted stock unit award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator or in any other form of consideration set forth in the restricted stock unit award agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit award. Except as otherwise provided in the applicable award agreement, restricted stock units that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted pursuant to restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past services to us or any other form of legal consideration (including future services) that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ceases for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights are granted pursuant to stock appreciation grant agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our common stock on the date of grant. A stock appreciation right granted under our 2019 Plan vests at the rate specified in the stock appreciation right agreement as determined by the plan administrator.

Other Stock Awards. Our 2019 Plan administrator may grant other awards based in whole or in part by reference to our common stock. Our 2019 Plan administrator will set the number of shares under the stock award and all other terms and conditions of such awards.

Changes to Capital Structure. In the event that there is a specified type of change in our capital structure, such as a stock split or recapitalization, appropriate adjustments will be made to (i) the class and the maximum

number of shares reserved for issuance under our 2019 Plan, (ii) the class and the maximum number of shares that may be issued upon the exercise of ISOs, and (iii) the class and the number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. Our 2019 Plan provides that in the event of certain specified significant corporate transactions including: (i) a sale of all or substantially all of our assets, (ii) the sale or disposition of more than 50% of our outstanding securities, (iii) the consummation of a merger or consolidation where we do not survive the transaction and (iv) the consummation of a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding prior to such transaction are converted or exchanged into other property by virtue of the transaction, each outstanding award will be treated as the plan administrator determines unless otherwise provided in an award agreement or other written agreement between us and the award holder. The administrator may take one of the following actions with respect to such awards:

- arrange for the assumption, continuation or substitution of a stock award by a successor corporation;
- arrange for the assignment of any reacquisition or repurchase rights held by us to a successor corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination prior to the transaction;
- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us; or
- cancel or arrange for the cancellation of the stock award before the transaction in exchange for a cash payment or no payment, as determined by our board of directors; or
- make a payment, in the form determined by our board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the awards before the transaction over any exercise price payable by the participant in connection with the exercise, multiplied by the number of shares subject to the stock award. Any escrow, holdback, earnout or similar provisions in the definitive agreement for the transaction may apply to such payment to the holder of a stock award to the same extent and in the same manner as such provisions apply to holders of our common stock.

The plan administrator is not obligated to treat all stock awards or portions of stock awards, even those that are of the same type, in the same manner in the event of a corporate transaction.

In the event of a change in control, awards granted under our 2019 Plan will not receive automatic acceleration of vesting and/or exercisability, although this treatment may be provided for in an award agreement or in any other written agreement between us and the participant. Under our 2019 Plan, a change in control generally will be deemed to occur in the event: (i) the acquisition by any a person or company of more than 50% of the combined voting power of our then outstanding stock; (ii) a merger, consolidation, or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined outstanding voting power of the surviving entity or the parent of the surviving entity; (iii) a sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders; or (iv) an unapproved change in the majority of our board of directors.

Transferability. A participant generally may not transfer stock awards under our 2019 Plan other than by will, the laws of descent and distribution, or as otherwise provided under our 2019 Plan.

Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2019 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopted our 2019 Plan. No stock awards may be granted under our 2019 Plan while it is suspended or after it is terminated.

2012 Equity Incentive Plan

Our board of directors and our stockholders approved our 2012 Plan in November 2012. As of December 31, 2018, a total of 2,817,071 shares of our common stock were reserved for issuance under our 2012 Plan. As of December 31, 2018, there were 444,731 shares of our common stock remaining available for the future grant of stock awards under our 2012 Plan. As of December 31, 2018, there were outstanding stock options covering a total of 1,331,105 shares of our common stock that were granted under our 2012 Plan.

Once our 2019 Plan becomes effective, no future grants will be made under our 2012 Plan. Any outstanding awards granted under our 2012 Plan will remain subject to the terms of our 2012 Plan and the applicable award agreements.

Stock Awards. Our 2012 Plan provides for the grant of ISOs within the meaning of Section 422 of the Code to employees, including employees of any parent or subsidiary, and for the grant of NSOs, stock appreciation rights, restricted stock awards, or RSAs, restricted stock unit awards and other forms of stock awards to employees, directors and consultants, including employees and consultants of our affiliates. We have granted stock options and RSAs under our 2012 Plan.

Authorized Shares. Subject to certain capitalization adjustments, the aggregate number of shares of common stock that may be issued pursuant to stock awards under our 2012 Plan will not exceed 29,040,000 shares. The maximum number of shares of our common stock that may be issued pursuant to the exercise of ISOs under our 2012 Plan is equal to two times the share reserve.

Shares subject to stock awards granted under our 2012 Plan that expire or terminate without being exercised in full or that are settled in cash rather than in shares do not reduce the number of shares available for issuance under our 2012 Plan. Additionally, if any shares issued pursuant to a stock award are forfeited back to or repurchased because of the failure to meet a contingency or condition required to vest, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the 2012 Plan. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, administers our 2012 Plan and is referred to as the "plan administrator" herein. The plan administrator may delegate to one or more of our officers the authority to (i) designate employees (other than officers) to receive specified stock awards and (ii) determine the number of shares subject to such stock awards. Under the 2012 Plan, the plan administrator also has the authority to determine award recipients, dates of grant, the numbers, cash value and types of stock awards to be granted, the applicable fair market value and the provisions of each stock award, including the period of their exercisability and the vesting schedule applicable to a stock award. The plan administrator is also authorized to establish, adopt, amend or revise rules relating to administration of our 2012 Plan, subject to certain restrictions.

Under the 2012 Plan, the plan administrator also generally has the authority to effect, with the consent of any adversely affected participant, (i) the reduction of the exercise, purchase or strike price of any outstanding award, (ii) the cancellation of any outstanding award and the grant in substitution therefore of other awards, cash or other consideration, or (iii) any other action that is treated as a repricing under generally accepted accounting principles.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2012 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2012 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator.

The plan administrator determines the term of stock options granted under the 2012 Plan, up to a maximum of 10 years. If an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws or our insider trading policy. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 18 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service. In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option will be determined by the plan administrator and may include (i) cash, check, bank draft or money order, (ii) a broker-assisted cashless exercise, (iii) the tender of shares of our common stock previously owned by the optionholder, (iv) a net exercise of the option if it is an NSO, (v) a deferred payment arrangement or (vi) other legal consideration approved by the plan administrator.

Unless the plan administrator provides otherwise, options generally are not transferable except by will or the laws of descent and distribution. Subject to approval of the plan administrator or a duly authorized officer in each case, (i) an option may be transferred pursuant to a domestic relations order, official marital settlement agreement, or other divorce or separation instrument and (ii) an optionholder may designate a beneficiary who may exercise the option following the optionholder's death.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (ii) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past or future services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (i) the class and maximum number of shares reserved for issuance under the 2012 Plan, (ii) the class and maximum number of shares that may be issued on the exercise of ISOs and (iii) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. Our 2012 Plan provides that in the event of certain specified significant corporate transactions, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the plan administrator may take one or more of the following actions with respect to such stock awards:

- arrange for the assumption, continuation, or substitution of a stock award by a surviving or acquiring corporation;

- arrange for the assignment of any reacquisition or repurchase rights held by us to the surviving or acquiring corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination if not exercised (if applicable) at or before the effective time of the transaction;
- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us;
- cancel or arrange for the cancellation of the stock award, to the extent not vested or not exercised before the effective time of the transaction, in exchange for a cash payment, if any; and
- make a payment equal to the excess, if any, of (i) the value of the property the participant would have received on exercise of the award immediately before the effective time of the transaction, over (ii) any exercise price payable by the participant in connection with the exercise.

Change in Control. Under the 2012 Plan, a stock award may be subject to additional acceleration of vesting and exercisability upon or after a change in control as may be provided in the stock award agreement for such stock award or as may be provided in any other written agreement between us or any affiliate and the participant, but in the absence of such provision, no such acceleration will occur. Under the 2012 Plan, a change in control is generally (i) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock, (ii) a consummated merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity) in substantially the same proportions as their ownership immediately prior to such transaction, (iii) our stockholders approve or the board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company will otherwise occur, except for a liquidation into a parent corporation, or (iv) a consummated sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders in substantially the same proportions as their ownership of our outstanding voting securities immediately prior to such transaction.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2012 Plan, provided that such action does not impair (or with respect to amendments, materially impair) the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. Unless terminated sooner, the 2012 Plan will automatically terminate on November 14, 2022. No stock awards may be granted under our 2012 Plan while it is suspended or after it is terminated.

2019 Employee Stock Purchase Plan

Our board of directors adopted, and our stockholders approved, our 2019 Employee Stock Purchase Plan, or ESPP, in . The ESPP will become effective in connection with our IPO. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees, and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. The ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Code for U.S. employees. In addition, the ESPP authorizes grants of purchase rights that do not comply with Section 423 of the Code under a separate non-423 component. In particular, where such purchase rights are granted to employees who are employed or located outside the United States, our board of directors may adopt rules that are beyond the scope of Section 423 of the Code.

Share Reserve. Following this offering, the ESPP authorizes the issuance of shares of our common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our common stock reserved for issuance will automatically increase on February 1st of each calendar year, beginning on January 1, 2020 (assuming the ESPP becomes effective in calendar year ending December 31, 2019) and ending on and including January 1, 2029, by the lesser of (1) % of the total number of shares of our capital stock outstanding on the last day of the calendar month before the date of the

automatic increase, and (ii) shares; unless our board of directors or compensation committee determines prior to the date of the increase that there will be a lesser increase, or no increase. As of the date hereof, no shares of our common stock have been purchased under the ESPP.

Administration. Our board of directors has delegated its authority to administer the ESPP to our compensation committee. The ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. We currently intend to have -month offerings with multiple purchase periods (of approximately six months in duration) per offering, except that the first purchase period under our first offering may be shorter or longer than six months, depending on the date on which the underwriting agreement relating to this offering becomes effective. An offering under the ESPP may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings (as defined in the ESPP) for the purchase of our common stock under the ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in the ESPP at a price per share that is at least the lesser of (i) 85% of the fair market value of a share of our common stock on the first date of an offering, or (ii) 85% of the fair market value of a share of our common stock on the date of purchase. For the initial offering, which we expect will commence on the execution and delivery of the underwriting agreement relating to this offering, the fair market value on the first day of the offering period will be the price at which shares of common stock are first sold to the public.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our board of directors, including: (i) being customarily employed for more than 20 hours per week, (ii) being customarily employed for more than five months per calendar year, or (iii) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee may purchase shares under the ESPP at a rate in excess of $25,000 worth of our common stock in any calendar year based on the fair market value per share of our common stock at the beginning of an offering for each year such a purchase right is outstanding and the maximum number of shares an employee may purchase during a single purchase period is . Finally, no employee will be eligible for the grant of any purchase rights under the ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, the board of directors will make appropriate adjustments to: (i) the number of shares reserved under the ESPP, (ii) the number of shares and purchase price of all outstanding purchase rights, and (iii) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of certain significant corporate transactions, such as a merger or change in control, a successor corporation may assume, continue or substitute each outstanding purchase right. If the successor corporation does not assume, continue or substitute for the outstanding purchase rights, the offering in progress will be shortened and a new exercise date will be set. The participants' purchase rights will be exercised on the new exercise date and such purchase rights will terminate immediately thereafter.

Amendment or Termination. Our board of directors has the authority to amend or terminate our ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding

purchase rights without the holder's consent. Our ESPP will remain in effect until terminated by our board of directors in accordance with the terms of our ESPP.

Health and Welfare Benefits

We pay premiums for medical insurance, dental insurance and vision insurance for all full-time employees, including our named executive officers. These benefits are available to all full-time employees, subject to applicable laws.

401(k) Plan

We maintain a defined contribution retirement plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees may defer eligible compensation on a pre-tax, or after-tax, basis, up to the statutorily prescribed annual limits on contributions under the Code. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. Employees are immediately and fully vested in their contributions. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan are deductible by us when made, and contributions and earnings on those amounts are not taxable to the employees until withdrawn or distributed from the 401(k) plan. We do not currently provide a matching contribution under the 401(k) plan.

Limitations on Liability and Indemnification Matters

Upon the closing of this offering, our amended and restated certificate of incorporation will contain provisions that allow us to limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our amended and restated certificate of incorporation will provide us with the authority to, and our amended and restated bylaws will provide that we are required to, indemnify our directors and executive officers to the fullest extent permitted by Delaware law. Our amended and restated bylaws will also provide that, upon satisfaction of certain conditions, we shall advance expenses incurred by a director or executive officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee, or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our other officers and employees when determined appropriate by our board of directors. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by the board of directors. With certain exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding.

We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

Rule 10b5-1 Sales Plans

Our directors and executive officers may adopt written plans, known as Rule10b5-1 plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis. Under a Rule 10b5-1 plan, a broker executes trades pursuant to parameters established by the director or officer when entering into the plan, without further direction from them. The director or officer may amend a Rule 10b5-1 plan in some circumstances and may terminate a plan at any time. Our directors and executive officers also may buy or sell additional shares outside of a Rule 10b5-1 plan when they are not in possession of material nonpublic information subject to compliance with the terms of our insider trading policy. Prior to 180 days after the date of this offering, subject to early termination, the sale of any shares under such plan would be prohibited by the lock-up agreement that the director or officer has entered into with the underwriters.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of transactions since January 1, 2016 to which we have been a participant and 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 share capital, or any members of their immediate family, had or will have a direct or indirect material interest, other than compensation arrangements which are described in the sections titled "Executive Compensation" and "Management—Non-Employee Director Compensation."

Private Financings

Common Stock Financing

From November 2018 through January 2019, we issued and sold an aggregate of 1,498,533 shares of our common stock at a purchase price of $7.18 per share to certain investors party to a securities purchase agreement, or the SPA, for an aggregate purchase price of approximately $10.8 million. We may issue from time to time an additional 590,603 shares of common stock pursuant to the SPA until May 2019, unless extended by the parties to the SPA. The following table summarizes purchases of our common stock by holders of more than 5% of our capital stock and their affiliated entities. None of our directors or executive officers purchased shares of common stock.

Name	Shares of Common Stock	Aggregate Purchase Price
Nokomis Capital Master Fund, L.P.	696,378	$ 4,999,994
Entities Affiliated with B. Riley Financial, Inc. (1)	355,411	2,551,851
Verdoso Holdings Limited	55,710	399,998

(1) Represents shares of common stock purchased by B. Riley Financial, Inc. and BRC Partners Opportunity Fund, LP.

Preferred Stock Financings

In August 2016, we issued and sold 147,431 shares of our SeriesA-1 preferred stock, 616,219 shares of our Series A preferred stock and a warrant to purchase 466,014 shares of our Series A preferred stock to Motorola Solutions, Inc., or MSI, a holder of more than 5% of our capital stock, for an aggregate purchase price of approximately $10.0 million. We have issued to MSI 310,676 shares of Series A preferred stock pursuant to prior exercises of the warrant. The remaining 155,338 shares of common stock issuable under the warrant will vest immediately prior to the closing of this offering. The holder of the warrant may, in lieu of exercising the warrant for 155,338 shares of our common stock, convert the warrant into a number of shares of common stock based on the fair value of such shares as determined by our board of directors. However, immediately prior to the closing of this offering, the holder of the warrant may, in lieu of exercising the warrant for 155,338 shares of our common stock, convert the warrant into a number of shares of common stock at a conversion price per share equal to the offering price to the public set forth on the cover page of this prospectus. The warrant will no longer be exercisable following the closing of this offering.

In December 2016, we issued and sold 1,127,337 shares of our SeriesA-2 preferred stock at a purchase price of $8.85 per share to JVC KENWOOD Corporation, a holder of more than 5% of our capital stock, for an aggregate purchase price of approximately $10.0 million.

B. Riley Loan Agreement

In October 2017, we entered into a subordinated term loan and security agreement, or the Loan Agreement, with B. Riley Principal Investments, LLC, or B. Riley Investments, an affiliate of B. Riley Financial, Inc., a holder of more than 5% of our capital stock, as amended in March 2018, pursuant to which we may borrow up to $12.0 million principal amount of secured subordinated indebtedness from time to time. Borrowings under the Loan Agreement bear interest at a fixed rate of 10% per annum. In connection with the Loan Agreement, we

granted B. Riley Investments a subordinated lien on substantially all of our assets, subject to permitted liens. In October 2017, January 2018 and April 2018, we borrowed $7.0 million, $3.0 million and $2.0 million, respectively, aggregate principal amount of secured subordinated indebtedness under the Loan Agreement pursuant to the B. Riley Convertible Note. As of the date of this prospectus, B. Riley Investments may elect to convert 75% of the total principal amount and accrued interest outstanding under the note, or approximately $9.8 million, into 1,099,278 shares of our common stock at a conversion price per share of $8.87. Between the second and the third anniversary of the original issue date of the note, following the third anniversary of the original issue date of the note and following the fourth anniversary of the original issue date of the note, B. Riley Investments may elect to convert 50%, 25% and 12.5%, respectively, of the then-outstanding total principal amount and accrued interest outstanding under the note at a conversion price per share of $8.87. We made approximately $141,000 in interest payments on the note for the year ended December 31, 2018.

Convertible Notes

In May 2016, we issued and sold approximately $2.0 million principal amount of convertible subordinated notes to Investec Investments (UK) Limited and Verdoso Investments S.A., each a holder or affiliate of a holder of more than 5% of our capital stock, in connection with a convertible debt bridge financing. The notes accrued interest at a rate of 15% per year and converted into shares of our preferred stock at the option of the holders at various conversion prices based on purchase prices of shares in subsequent preferred share financings. As of December 31, 2018, all convertible notes held by Investec Investments (UK) Limited and Verdoso Investments S.A. have converted into shares of our common stock at the applicable conversion rates then in effect.

FBR Capital Markets Engagement

In March 2016, we entered into an engagement letter with B. Riley FBR, Inc., or FBR, an affiliate of B. Riley Financial, Inc., pursuant to which FBR performed certain financial advisory services in connection with the issuance of the convertible notes described above and secondary sales of our preferred stock in October 2017. In connection with these services, we paid to FBR an aggregate of approximately $2.0 million in fees and expenses. The engagement letter was terminated in July 2018 and FBR waived all rights to any tail fees set forth in the engagement letter.

Management Services Agreement

In October 2017, we entered into a management services agreement with B. Riley Principal Investments, pursuant to which B. Riley Investments agreed to provide advisory and consulting services to us for management fees of $200,000 per year. The management services agreement will terminate upon the closing of this offering.

Agreements with Motorola

In August 2016, we entered into a supply and distribution agreement, or the MSI Supply Agreement, with MSI, a more than 5% holder, pursuant to which we supply hardware and software to MSI and certain of its affiliates at predetermined price schedules set forth in the MSI Supply Agreement. The MSI Supply Agreement has an initial term of three years, after which time the agreement remains in effect until terminated by either party. Since August 2016, we have received approximately $1.4 million in total payments under the MSI Supply Agreement.

In April 2017, we entered into the WAVE® 7000 Public Safety Communication Services Software Development Kit License Agreement, or the WAVE License, with MSI pursuant to which we licensed the WAVE 7000 workgroup communication platform, including related proprietary interfaces, in North America. The WAVE License has an initial term of three years, plus a one year extension at MSI's election. In addition, in April 2017, we entered into the Radio Application Link Protocol License Agreement, or the Radio Link

License, with MSI pursuant to which we licensed the iDEN® radio application link protocol from MSI for the development of products to interface with MSI's products. The Radio Link License has a term of three years. Each of the WAVE License and the Radio Link License were entered into with MSI in connection with our master services agreement with Southern Communications Services, Inc.

Management Loans

In September 2016, Mr. Plaschke, our Chief Executive Officer and a member of our board of directors, borrowed $175,000 from us pursuant to a note and security agreement. The loan accrued interest at 3% per year and was secured against certain future compensation payable to Mr. Plaschke as well as certain shares of our common stock held by Mr. Plaschke. The loan was repaid in 2017.

Limitation of Liability and Indemnification of Officers and Directors

We expect to adopt an amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering, and which will contain provisions that limit the 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 any breach of fiduciary duties as directors, except liability for the following:

- any breach of their 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 as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which they 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.

In addition, we expect to adopt amended and restated bylaws, which will become effective immediately prior to the completion of this offering, and which 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 limited exceptions.

Further, we have entered into or will enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these 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 in our amended and restated certificate of incorporation, amended and restated bylaws and in indemnification agreements that we have entered into or will 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 adversely affected 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 have obtained 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 underwriting agreement will provide for indemnification by the underwriters of us and our officers and directors for certain liabilities arising under the Securities Act or otherwise.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Registration Rights

We are party to an investors' rights agreement which provides, among other things, that certain holders of our capital stock have the right to demand that we file a registration statement or request that their shares of our capital stock be covered by a registration statement that we are otherwise filing. The parties to the investors' rights agreement include Robert Plaschke, our Chief Executive Officer and Chairman of the board of directors, and entities affiliated with B. Riley Financial, Inc., BRC Partners Opportunity Fund, L.P., Nokomis Capital Master Fund, L.P., Verdoso Holdings Limited, Verdoso Investments S.A., Investec Investments (UK) Limited, Motorola Solutions, Inc. and JVC KENWOOD Corporation. See the section titled "Description of Capital Stock—Registration Rights."

Policies and Procedures for Related Party Transactions

Following the completion of this offering, our audit committee will have the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000 and in which a related person has or will have a direct or indirect material interest. Upon completion of this offering, our policy regarding transactions between us and related persons will provide that a related person is defined as a director, executive officer, nominee for director, or greater than 5% beneficial owner of our common stock, in each case since the beginning of the most recently completed year, and any of their immediate family members. Our audit committee charter that will be in effect upon completion of this offering will provide that our audit committee shall review and approve or disapprove any related party transactions.

All of the transactions described in this section were entered into prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth the beneficial ownership of our common stock as of February 14, 2019 by:

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

The percentage ownership information before the offering is based upon 15,818,985 shares of common stock outstanding as of February 14, 2019. The percentage ownership information after the offering assumes the sale and issuance of shares by us in this offering and no exercise by the underwriters of their option to purchase shares of additional common stock.

We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. In addition, the rules include common stock issuable pursuant to the exercise of options that are either immediately exercisable or exercisable on or before April 15, 2019, which is 60 days after February 14, 2019. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

Except as otherwise noted below, the address for persons or entities listed in the table is c/o Sonim Technologies, Inc., 1875 South Grant Street, Suite 750, San Mateo, CA 94402.

	Shares Beneficially Owned Before this Offering		Shares Beneficially Owned After this Offering	
Name and Address of Beneficial Owner	Number	Percent	Number	Percent
5% Stockholders				
Nokomis Capital Master Fund, L.P. (1)	3,692,080	23.3%		
Entities Affiliated with B. Riley Financial (2)	3,312,021	20.0%		
Entities Affiliated with Verdoso Holdings Limited (3)	1,468,743	9.3%		
Investec Investments (UK) Limited (4)	1,409,124	8.9%		
Motorola Solutions, Inc. (5)	1,316,771	8.3%		
JVC KENWOOD Corporation (6)	1,233,159	7.8%		
Directors and Named Executive Officers				
Robert Plaschke (7)	417,694	2.6%		
James Walker (8)	63,020	*		
Charles Becher (9)	112,499	*		
Bryant Riley (10)	3,312,021	20.0%		
Maurice Hochschild (11)	1,409,124	8.9%		
Alan Howe (12)	826	*		
Kenny Young (13)	3,312,021	20.0%		
Toru Amakasu (14)	1,233,159	7.8%		
All Directors and Executive Officers as a Group (11 persons)(15)	6,650,437	40.4%		

* Represents beneficial ownership of less than one percent.

(1) Consists of shares of common stock held of record by Nokomis Capital Master Fund, L.P. Nokomis Capital Advisors, L.P. and Nokomis Capital, L.L.C. are the general partners of Nokomis Capital Master Fund, L.P. Nokomis Capital L.L.C. is the general partner of Nokomis Capital Advisors, L.P. Brett Hendrickson is the sole member of Nokomis Capital L.L.C. and has sole voting and dispositive power over the shares of our common stock held by Nokomis Capital Master Fund, L.P. The address for Nokomis Capital Master Fund, L.P. is 2305 Cedar Springs Road, Suite 420, Dallas, Texas 75201.

(2) Consists of (i) 1,139,085 shares of common stock held of record by B. Riley Financial, Inc., (ii) 1,099,278 shares issuable upon conversion of a convertible promissory note issued to B. Riley Financial, Inc. within 60 days of February 14, 2019, and (iii) 1,073,658 shares held of record by BRC Partners Opportunity Fund, L.P. B. Riley Financial, Inc. and BRC Partners Opportunity Fund, L.P. are collectively referred to as the B. Riley Entities. BRC Partners Management GP, LLC is the general partner of BRC Partners Opportunity Fund, LP. B. Riley Asset Management, a division of B. Riley Capital Management, LLC, is the investment manager of BRC Partners Opportunity Fund, LP. B. Riley Capital Management, LLC is the sole member of BRC Partners Management GP, LLC and a wholly-owned subsidiary of B. Riley Financial, Inc. Bryant Riley, as Chief Executive Officer of B. Riley Capital Management, LLC and Chairman and Co-Chief Executive Officer of B. Riley Financial, Inc., has voting and dispositive power over the shares held by BRC Partners Opportunity Fund, L.P. and B. Riley Financial, Inc. The address for B. Riley Financial, Inc. is 21255 Burbank Blvd. Suite 400 Woodland Hills, CA 91367, and the address for BRC Partners Opportunity Fund, LP is 11100 Santa Monica Blvd. Suite 800 Los Angeles, CA 90025.

(3) The address for Verdoso Holdings Limited and Verdoso Investments S.A. is c/o Verdoso Holdings Limited, Connect House, 133-137, Alexandra Road, Wimbledon, London SW19 7JY, United Kingdom.

(4) Investec Bank plc may be deemed to have voting and dispositive power over the shares held by Investec Investments (UK) Limited. The address for Investec Investments (UK) Limited is 30 Gresham Street, London, EC2V 7QP, United Kingdom.

(5) Does not include 155,338 shares of common stock issuable pursuant to the exercise of an outstanding warrant that vests immediately prior to the closing of this offering. The address for Motorola Solutions, Inc. is 500 W. Monroe Street, Chicago, Illinois 60661.

(6) The address for JVC KENWOOD Corporation is 3-12, Moriyacho, Kanagawa-ku, Yokohama-shi, Kanagawa, 221-0022 Japan.

(7) Consists of (i) 256,492 shares of common stock held of record and (ii) 158,008 shares issuable pursuant to stock options exercisable within 60 days of February 14, 2019.

(8) Consists of 59,869 shares of common stock issuable pursuant to a stock option exercisable within 60 days of February 14, 2019.

(9) Consists of 112,500 shares of common stock issuable pursuant to stock options exercisable within 60 days of February 14, 2019.

(10) Mr. Riley does not own shares in his individual capacity. He is the Chairman and Chief Executive Officer of B. Riley Financial, Inc and may be deemed to have shared voting and investment power over the shares held by the B. Riley Entities.

(11) Mr. Hochschild does not own shares in his individual capacity. He is the Global Head of Project and Infrastructure Finance of Investec Bank plc, the indirect parent of Investec Investments (UK) Limited. Mr. Hochschild does not have either voting or investment control over Investec Investments (UK) Limited's shares and he disclaims beneficial ownership of Investec Investments (UK) Limited's shares.

(12) Consists of 826 shares of common stock issuable pursuant to a stock option exercisable within 60 days of February 14, 2019.

(13) Mr. Young does not own shares in his individual capacity. He is the President of B. Riley Financial, Inc. Mr. Young does not have either voting or investment control over the B. Riley Entities' shares and he disclaims beneficial ownership of the B. Riley Entities' shares.

(14) Mr. Amakasu does not own shares in his individual capacity. He is the deputy senior manager of the Solution Business Department of JVC KENWOOD Corporation. Mr. Amakasu does not have either voting or investment control over JVC KENWOOD Corporation's shares and he disclaims beneficial ownership of JVC KENWOOD Corporation's shares.

(15) Consists of (i) 6,240,462 shares of common stock beneficially owned by our directors (or their affiliated entities) and executive officers and (ii) 409,975 shares issuable pursuant to stock options and warrants exercisable within 60 days of February 14, 2019.

DESCRIPTION OF CAPITAL STOCK

General

Upon the closing of this offering, our authorized capital stock will consist of shares of common stock, $0.001 par value per share, and shares of undesignated preferred stock, $0.001 par value per share. The following description summarizes the most important terms of our capital stock. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description, you should refer to our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective upon consummation of this offering and are included as exhibits to the registration statement of which this prospectus forms a part, and to the provisions of applicable Delaware law. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect upon the closing of this offering.

Common Stock

As of , 2019, there were shares of our common stock outstanding, held by stockholders of record, and no shares of our preferred stock outstanding. Immediately after the closing of this offering, there will be shares of our common stock outstanding.

Dividend Rights

Subject to preferences that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine.

Voting Rights

Each holder of our common stock is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Cumulative voting for the election of directors is not provided for in our certificate of incorporation, which means that the holders of a majority of our shares of common stock voted can elect all of the directors then standing for election.

Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to conversion or redemption. The rights of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that our board of directors may designate and issue in the future.

Liquidation Rights

Upon our liquidation, dissolution, or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time after payment of liquidation preferences, if any, on any outstanding shares of preferred stock and payment of other claims of creditors.

Fully Paid and Non-Assessable

In connection with this offering, our legal counsel will opine that the shares of our common stock to be issued pursuant to this offering will be fully paid and non-assessable.

Preferred Stock

Upon the closing of this offering, our board of directors will be authorized, subject to limitations prescribed by Delaware law, to issue up to shares of our preferred stock in one or more series, to establish from

time to time the number of shares to be included in each series, to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, unless approved by the affirmative vote of the holders of a majority of our capital stock entitled to vote, or such other vote as may be required by the certificate of designation establishing the series. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in our control and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plan to issue any shares of preferred stock.

Options

As of , 2019, we had outstanding stock options to purchase an aggregate of shares of our common stock under our 2012 Plan. We intend to adopt the 2019 Plan to replace our 2012 Plan upon the completion of this offering. Under the 2019 Plan, shares will be reserved for issuance pursuant to incentive awards.

Anti-Takeover Effects of Delaware General Corporation Law and Our Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation and our amended and restated bylaws will contain certain provisions that could have the effect of delaying, deterring, or preventing another party from acquiring control of our company. These provisions and certain provisions of the DGCL, which are summarized below, may discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed, in part, to encourage persons seeking to acquire control of our company to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate more favorable terms with an unfriendly or unsolicited acquirer outweigh the disadvantages of potentially discouraging a proposal to acquire our company.

Undesignated Preferred Stock

As discussed above, our board of directors has the ability to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire 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.

Limits on Ability of Stockholders to Act by Written Consent or Call a Special Meeting

Our certificate of incorporation will provide that our stockholders may not act by written consent, which may lengthen the amount of time required to take stockholder actions. As a result, a holder controlling a majority of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our bylaws.

In addition, our bylaws will provide that special meetings of the stockholders may be called only by the chairperson of our board, our Chief Executive Officer, or our board of directors. Stockholders may not call a special meeting, which may delay the ability of our stockholders to force consideration of a proposal or for holders controlling a majority of our capital stock to take any action, including the removal of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our 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 our board of

directors or a committee of our board of directors. These provisions may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed. These provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting

Our certificate of incorporation and bylaws will not permit cumulative voting in the election of directors. Cumulative voting allows a stockholder to vote a portion or all of the stockholder's shares for one or more candidates for seats on the board of directors. Without cumulative voting, a minority stockholder may not be able to gain as many seats on our board of directors as the stockholder would be able to gain if cumulative voting were permitted. The absence of cumulative voting makes it more difficult for a minority stockholder to gain a seat on our board of directors to influence our board's decision regarding a takeover or otherwise.

Amendment of Charter Provisions

The amendment of the above provisions of our certificate of incorporation and bylaws requires approval by holders of at leasttwo-thirds of our outstanding capital stock entitled to vote generally in the election of directors.

Delaware Anti-Takeover Statute

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, Section 203 prohibits a publicly held Delaware corporation from engaging, under certain circumstances, in a business combination with an interested stockholder for a period of three years following the date the person became an interested stockholder unless:

- prior to the date of the transaction, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, calculated as provided under Section 203; or
- at or subsequent to the date of the transaction, the business combination is approved by our board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is a person that, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own 15% or more of a corporation's outstanding voting stock. The existence of this provision may have an anti-takeover effect with respect to transactions our board of directors does not approve in advance. We also anticipate that Section 203 may also discourage attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

The provisions of the DGCL and the provisions of our certificate of incorporation and bylaws, to be in effect upon the consummation of the corporate conversion, could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, might also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions might also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders might otherwise deem to be in their best interests.

Choice of Forum

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a breach of fiduciary duty owed by any director, officer or other employee to us or our stockholders; (iii) any action asserting a claim against us or any director or officer or other employee arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or amended and restated bylaws; or (iv) any action asserting a claim against us or any director or officer or other employee that is governed by the internal affairs doctrine. This provision would not apply to claims brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation further provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Registration Rights

After the completion of this offering, certain holders of our common stock will be entitled to rights with respect to the registration of their shares under the Securities Act. These registration rights are contained in our Amended and Restated Investors' Rights Agreement, or IRA, dated as of November 12, 2012. The demand, piggyback and Form S-3 registration rights described below under " —Demand Registration Rights," " —Piggyback Registration Rights" and " —Form S-3 Registration Rights" and set forth in the IRA will expire five years following the completion of this offering, or, with respect to any particular stockholder, when such stockholder holds 1% or less of our common stock and is able to sell all of its shares pursuant to Rule 144 of the Securities Act during any three month period. We will pay the registration expenses (other than underwriting discounts, selling commissions and stock transfer taxes) of the holders of the shares registered pursuant to the registrations described below. 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. We expect that our stockholders will waive their rights under the IRA (i) to notice of this offering and (ii) to include their registrable shares in this offering. In addition, in connection with this offering, we expect that each stockholder that has registration rights will agree not to sell or otherwise dispose of any securities without the prior written consent of Oppenheimer & Co. Inc. for a period of 180 days after the date of this prospectus, subject to certain exceptions. See the section titled "Underwriting."

Demand Registration Rights. The holders of approximately 13,195,761 shares of our common stock are entitled to certain demand registration rights. The holders of at least 40% of these shares may, on not more than two occasions, request that we register all or a portion of their shares. Such request for registration must anticipate aggregate proceeds, before underwriting discounts and commissions, of at least $7.5 million. These holders may not make any such demands for registration under certain other conditions, including if we intend to file a registration statement for a public offering or such holders propose to sell shares of common stock pursuant to a registration statement on Form S-3 as described below under "—Form S-3 Registration Rights."

Piggyback Registration Rights. In the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain "piggyback" registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to a demand registration or a registration statement on Forms S-4 or S-8 or related to capital stock issued upon conversion of debt securities, the holders of these shares are entitled to notice of the registration and have the right, subject to limitations that the underwriters may impose on the number of shares included in the registration, to include their shares in the registration.

In connection with this offering, the holders of approximately 13,195,761 shares of our common stock were entitled to, and the necessary percentage of holders waived, their demand registration rights as well as rights to notice of this offering and to include their shares of registrable securities in this offering.

Form S-3 Registration Rights. Following the closing of this offering, we expect that the holders of approximately 13,195,761 shares of our common stock will be entitled to certain Form S-3 registration rights. The holders of these shares can make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the reasonably anticipated aggregate gross proceeds of the shares offered would equal or exceed $3.0 million. We will not be required to effect more than two registrations on Form S-3 in any 12-month period.

Transfer Agent and Registrar

Upon the closing of this offering, the transfer agent and registrar for our common stock will be .

Listing

We intend to apply to list our common stock on Nasdaq under the trading symbol "SONM."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, no public market existed for our common stock. Future sales of our common stock in the public market after this offering, or the perception that these sales could occur, could adversely affect prevailing market prices for our common stock and could impair our future ability to raise equity capital.

Based on the number of shares of common stock outstanding as of December 31, 2018, upon the closing of this offering and assuming no exercise by the underwriters of their option to purchase additional shares of common stock, shares will be outstanding. All of the shares of common stock sold in this offering will be freely tradable without restrictions or further registration under the Securities Act, except for any shares sold to our affiliates, as defined in Rule 144 under the Securities Act. The remaining shares of common stock held by existing stockholders are restricted securities, as that term is defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if registered or if their resale qualifies for exemption from registration described below under Rule 144 promulgated under the Securities Act.

As a result of contractual restrictions described below and the provisions of Rules 144 and 701, the shares of common stock sold in this offering and the restricted securities will be available for sale in the public market as follows:

- all the shares of common stock sold in this offering will be eligible for immediate sale upon the closing of this offering; and
- shares of common stock will be eligible for sale in the public market upon expiration of lock-up agreements 181 days after the date of this prospectus, subject to certain exceptions as described in the section titled “Underwriting” and in certain circumstances to the volume, manner of sale and other restrictions under Rule 144 and Rule 701.

Rule 144

In general, persons who have beneficially owned our common stock for at least six months, and any affiliate of the company who owns our common stock, are entitled to sell their securities without registration with the SEC under an exemption from registration provided by Rule 144 under the Securities Act.

Non-Affiliates

Any person who is not deemed to have been one of our affiliates at the time of, or at any time during the three months preceding, a sale may sell an unlimited number of shares of common stock under Rule 144 if:

- the shares have been held for at least six months, including the holding period of any prior owner other than one of our affiliates;
- we have been subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale; and
- we are current in our Exchange Act reporting at the time of sale.

Any person who is not deemed to have been an affiliate of ours at the time of, or at any time during the three months preceding, a sale and has held the shares of common stock for at least one year, including the holding period of any prior owner other than one of our affiliates, will be entitled to sell an unlimited number of shares without regard to the length of time we have been subject to Exchange Act periodic reporting or whether we are current in our Exchange Act reporting.

Affiliates

Persons seeking to sell restricted securities who are our affiliates at the time of, or any time during the three months preceding, a sale, would be subject to the restrictions described above. They are also subject to

additional restrictions, by which such person would be required to comply with the manner of sale and notice provisions of Rule 144 and would be entitled to sell within any three-month period only that number of securities that does not exceed the greater of either of the following:

- 1% of the number of our shares of common stock then outstanding, which will equal approximately shares immediately after the closing of this offering based on the number of shares outstanding as of December 31, 2018; or
- the average weekly trading volume of our shares of common stock on Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Additionally, persons who are our affiliates at the time of, or any time during the three months preceding, a sale may sell unrestricted securities under the requirements of Rule 144 described above, without regard to the six-month holding period of Rule 144, which does not apply to sales of unrestricted securities.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Our employees, executive officers or directors who purchase shares under a written compensatory plan or contract will be entitled to rely on the resale provisions of Rule 701, but any holders of Rule 701 shares will be required to wait until 90 days after the date of this prospectus before selling their shares. However, all our Rule 701 shares are subject to lock-up agreements as described below and in the section titled "Underwriting" and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Form S-8 Registration Statements

As soon as practicable after the closing of this offering, we intend to file with the SEC one or more registration statements on Form S-8 under the Securities Act to register shares of our common stock that are issuable pursuant to our equity incentive plans. These registration statements will become effective immediately upon filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements described below and Rule 144 limitations applicable to affiliates.

Lock-up Agreements

We and the holders of substantially all of our common stock outstanding on the date of this prospectus, including each of our executive officers, directors and option holders, have entered into lock-up agreements with the underwriters or otherwise agreed, subject to certain exceptions, that we and they will not, directly or indirectly, offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale, or otherwise dispose of or hedge any of our common stock, any options or warrants to purchase shares of our common stock, or any securities convertible into, or exchangeable for or that represent the right to receive shares of our common stock, without the prior written consent of Oppenheimer & Co. Inc. for a period of 180 days from the date of this prospectus. Oppenheimer & Co. Inc. may release any of the securities subject to these the lockup agreements at any time. See the section titled "Underwriting" for more information on the lock-up agreements.

Registration Rights

Pursuant to the IRA, upon the closing of this offering, certain holders of shares of our common stock will be entitled to rights with respect to the registration 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 upon the effectiveness of the registration. See "Description of Capital Stock—Registration Rights" for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK

The following is a general discussion of the material U.S. federal income tax consequences of the acquisition, ownership and disposition of our common stock by "Non-U.S. Holders" (as defined below). This discussion is for general information purposes only and does not consider all aspects of U.S. federal income taxation that may be relevant to particular Non-U.S. Holders in light of their individual circumstances or to certain types ofNon-U.S. Holders subject to special tax rules, including partnerships or other pass-through entities for U.S. federal income tax purposes, banks, financial institutions or other financial services entities, broker-dealers, insurance companies, tax-exempt organizations, pension plans, real estate investment trusts, regulated investment companies, controlled foreign corporations, passive foreign investment companies, corporations that accumulate earnings to avoid U.S. federal income tax, persons who use or are required to use mark-to-market accounting, persons that hold our shares as part of a "straddle," a "hedge", a "conversion transaction," "synthetic security", integrated investment or other risk reduction strategy, persons that have a functional currency other than the U.S. dollar, certain former citizens or permanent residents of the United States, persons who hold or receive shares of our common stock pursuant to the exercise of an employee stock option or otherwise as compensation, persons that own, or are deemed to own, more than 5% of our common stock (except to the extent specifically set forth below), or investors in pass-through entities (or entities that are treated as disregarded entities for U.S. federal income tax purposes). In addition, this discussion does not address the effects of any applicable gift or estate tax, the potential application of the alternative minimum tax or Medicare contribution tax on net investment income, any election to apply Section 1400Z-2 of the Code to gains recognized with respect to shares of our common stock, or any tax considerations that may apply to Non-U.S. Holders of our common stock under state, local ornon-U.S. tax laws and any U.S. federal tax laws other than income tax laws.

This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, and applicable Treasury Regulations promulgated thereunder and rulings, administrative pronouncements and judicial decisions that are issued and available as of the date of this registration statement, all of which are subject to change or differing interpretations at any time with possible retroactive effect. We have not sought, and will not seek, any ruling from the Internal Revenue Service, or the IRS, with respect to the tax consequences discussed herein, and there can be no assurance that the IRS will not take a position contrary to the tax consequences discussed below or that any position taken by the IRS would not be sustained. This discussion is limited to a Non-U.S. Holder who will hold our common stock as a capital asset within the meaning of the Code (generally, property held for investment). For purposes of this discussion, the term "Non-U.S. Holder" means a beneficial owner of our shares that is not a partnership (or entity or arrangement treated as a partnership for U.S. federal income tax purposes) and is not, for U.S. federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation) created or organized in the United States or under the laws of the United States or of 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 if (i) a court within the United States can exercise primary supervision over the trust's administration and one or more U.S. persons have the authority to control all of the trust's substantial decisions or (ii) the trust has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

If a partnership (or entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of our common stock, the tax treatment of such partnership and a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our shares, you should consult your tax advisor regarding the tax consequences of the purchase, ownership, and disposition of our common stock.

THIS SUMMARY IS NOT INTENDED TO BE TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS AND ANY OTHER U.S. FEDERAL TAX LAWS.

Distributions on Our Common Stock

In general, subject to the discussion below under the headings "Information Reporting and Backup Withholding" and "Foreign Accounts," distributions, if any, paid on our common stock to a Non-U.S. Holder (to the extent paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles) will constitute dividends and be subject to U.S. withholding tax at a rate equal to 30% of the gross amount of the dividend, or a lower rate prescribed by an applicable income tax treaty, unless the dividends are effectively connected with a trade or business carried on by the Non-U.S. Holder within the United States. Any distribution not constituting a dividend (because such distribution exceeds our current and accumulated earnings and profits) will be treated first as reducing the Non-U.S. Holder's basis in its shares of common stock, but not below zero, and to the extent it exceeds the Non-U.S. Holder's basis, as capital gain from the sale or exchange of such shares of Common Stock (see "Gain on Sale, Exchange or Other Disposition of Our Common Stock" below).

A Non-U.S. Holder who claims the benefit of an applicable income tax treaty generally will be required to satisfy certain certification and other requirements prior to the distribution date. Such Non-U.S. Holders must generally provide us and/or our paying agent, as applicable, with a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E (or other appropriate form) claiming an exemption from or reduction in withholding under an applicable income tax treaty. Such certificate must be provided before the payment of dividends and must be updated periodically. If a Non-U.S. Holder holds common stock through a financial institution or other agent acting on the Non-U.S. Holder's behalf, the Non-U.S. Holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through intermediaries. If tax is withheld in an amount in excess of the amount applicable under an income tax treaty, a refund of the excess amount may generally be obtained by a Non-U.S. Holder 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 an applicable income tax treaty.

Dividends that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, attributable to a U.S. permanent establishment or fixed base of the Non-U.S. Holder) generally will not be subject to U.S. federal withholding tax if the Non-U.S. Holder satisfies applicable certification and disclosure requirements, including providing IRS Form W-8ECI, with us and/or our paying agent, as applicable, but instead generally will be subject to U.S. federal income tax on a net income basis at regular graduated rates in the same manner as if the Non-U.S. Holder were a resident of the United States. A corporate Non-U.S. Holder that receives effectively connected dividends may be subject to an additional branch profits tax at a rate of 30%, or a lower rate prescribed by an applicable income tax treaty.

Gain on Sale, Exchange or Other Disposition of Our Common Stock

In general, subject to the discussion below under the headings "Information Reporting and Backup Withholding" and "Foreign Accounts," a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax on any gain realized upon such holder's sale, exchange or other disposition of shares of our common stock unless:

(i) the gain is effectively connected with a trade or business carried on by the Non-U.S. Holder within the United States (and, if required by an applicable income tax treaty, attributable to a U.S. permanent establishment or fixed base of the Non-U.S. Holder);

(ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met; or

(iii) we are or have been a "United States real property holding corporation" for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition or the period that the Non-U.S. Holder held the common stock, and, in the case where shares of our common stock are regularly traded on an established securities market, the Non-U.S. Holder owns, or is treated as owning, more than 5% of our common stock at any time during the foregoing period.

Net gain realized by a Non-U.S. Holder described in clause (i) above generally will be subject to U.S. federal income tax in the same manner as if the Non-U.S. Holder were a resident of the United States. Any gains of a corporate Non-U.S. Holder described in clause (i) above may also be subject to an additional "branch profits tax" at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty.

Gain realized by an individual Non-U.S. Holder described in clause (ii) above will be subject to a flat 30% tax, or such lower rate specified in an applicable income tax treaty, which gain may be offset by U.S. source capital losses, even though the individual is not considered a resident of the United States, provided that the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

For purposes of clause (iii) above, a corporation is a United States real property holding corporation, or USRPHC, if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its United States real property interests, the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. We believe that we are not, and we do not anticipate that we will become, a USRPHC. However, because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our worldwide real property interests and other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we became a USRPHC, a Non-U.S. Holder would not be subject to U.S. federal income tax on a sale, exchange or other taxable disposition of our common stock by reason of our status as a USRPHC so long as our common stock is regularly traded on an established securities market (within the meaning of the applicable regulations) and such Non-U.S. Holder does not own and is not deemed to own (directly, indirectly or constructively) more than 5% of our outstanding common stock at any time during the shorter of the five-year period ending on the date of disposition and such holder's holding period. However, no assurance can be provided that our common stock will be regularly traded on an established securities market for purposes of the rules described above. If we are a USRPHC and either our common stock is not regularly traded on an established securities market or a Non-U.S. Holder holds or is deemed to hold (directly, indirectly or constructively) more than 5% of our outstanding common stock during the applicable testing period, a Non-U.S. Holder will generally be taxed on its net gain derived from the disposition of our common stock at the graduated U.S. federal income tax rates applicable to U.S. persons (as defined in the Code). Prospective investors are encouraged to consult their own tax advisors regarding the possible consequences to them if we are, or were to become, a USRPHC.

Information Reporting and Backup Withholding

Generally, we must report annually to the IRS and to each Non-U.S. Holder the amount of dividends paid, the name and address of the recipient, and the amount, if any, of tax withheld. These information reporting requirements apply even if withholding was not required because the dividends were effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States or withholding was reduced by an applicable income tax treaty. Under applicable income tax treaties or other agreements, the IRS may make its reports available to the tax authorities in the Non-U.S. Holder's country of residence or country in which the Non-U.S. Holder was established.

Dividends paid to a Non-U.S. Holder that is not an exempt recipient generally will be subject to backup withholding, currently at a rate of 24%, unless the Non-U.S. Holder certifies to the payor as to its foreign status, which certification may generally be made on an applicable IRS Form W-8.

Proceeds from the sale or other disposition of common stock by aNon-U.S. Holder effected by or through a U.S. office of a broker will generally be subject to information reporting and backup withholding, currently at a rate of 24%, unless the Non-U.S. Holder certifies to the withholding agent under penalties of perjury as to, among other things, its name, address and status as a Non-U.S. Holder or otherwise establishes an exemption. Payment of disposition proceeds effected outside the United States by or through a non-U.S. office of a non-U.S. broker generally will not be subject to information reporting or backup withholding if the payment is not received in the United States. Information reporting, but generally not backup withholding, will apply to such a payment if the broker has certain connections with the United States unless the broker has documentary evidence in its records that the beneficial owner thereof is a Non-U.S. Holder and specified conditions are met or an exemption is otherwise established.

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules from a payment to aNon-U.S. Holder that results in an overpayment of taxes generally will be refunded, or credited against the holder's U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Foreign Accounts

Subject to the discussion of certain proposed U.S. Treasury Regulations below, the Foreign Account Tax Compliance Act, or FATCA, generally imposes a 30% withholding tax on dividends on, and gross proceeds from the sale or disposition of, our common stock if paid to a foreign entity unless (i) if the foreign entity is a "foreign financial institution," the foreign entity undertakes certain due diligence, reporting, withholding, and certification obligations, (ii) if the foreign entity is a "non-financial foreign entity," the foreign entity identifies certain direct and indirect U.S. holders of debt or equity interests in such foreign entity or certifies that there are none or (iii) the foreign entity is otherwise exempt from FATCA.

Withholding under FATCA generally (i) applies to payments of dividends on our common stock and (ii) will apply to payments of gross proceeds from a sale or other disposition of our common stock made after December 31, 2018. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this section. Under certain circumstances, a Non-U.S. Holder may be eligible for refunds or credits of the tax. Non-U.S. Holders should consult their own tax advisors regarding the possible implications of FATCA on their investment in our common stock.

The U.S. Treasury recently released proposed regulations which, if finalized in their present form, would eliminate the federal withholding tax of 30% applicable to the gross proceeds of a sale or other disposition of our common stock. In its preamble to such proposed regulations, the U.S. Treasury stated that taxpayers may generally rely on the proposed regulations until final regulations are issued. Prospective investors should consult their own tax advisors regarding the possible impact of these FATCA rules on their investment in our common stock, and the possible impact of FATCA and the proposed regulations on the entities through which they hold our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of this 30% withholding tax.

UNDERWRITING

We entered into an underwriting agreement with the underwriters named below on , 2019. Oppenheimer & Co. Inc. and Lake Street Capital Markets, LLC are acting as the representatives of the underwriters.

The underwriting agreement provides for the purchase of a specific number of shares of common stock by each of the underwriters. The underwriters' obligations are several, which means that each underwriter is required to purchase a specified number of shares of common stock, but is not responsible for the commitment of any other underwriter to purchase shares of common stock. Subject to the terms and conditions of the underwriting agreement, each underwriter has severally agreed to purchase the number of shares of common stock set forth opposite its name below:

Underwriter	Number of Shares of Common Stock
Oppenheimer & Co. Inc.	
Lake Street Capital Markets, LLC	
National Securities Corporation	
Total	

The underwriters have agreed to purchase all of the shares of common stock offered by this prospectus (other than those covered by the over-allotment option described below), if any are purchased.

The shares of common stock offered hereby are expected to be ready for delivery on or about , 2019 against payment in immediately available funds.

The underwriters are offering the shares of common stock subject to various conditions and may reject all or part of any order. The representatives of the underwriters have advised us that the underwriters propose initially to offer the shares of common stock to the public at the public offering price set forth on the cover page of this prospectus and to dealers at a price less a concession not in excess of $ per share of common stock to brokers and dealers. After the shares of common stock are released for sale to the public, the representatives may change the offering price, the concession, and other selling terms at various times.

We have granted the underwriters an over-allotment option. This option, which is exercisable for up to 30 days after the date of this prospectus, permits the underwriters to purchase a maximum of additional shares of common stock from us to cover over-allotments, if any. If the underwriters exercise all or part of this option, they will purchase shares of common stock covered by the option at the public offering price that appears on the cover page of this prospectus, less the underwriting discounts and commissions. If this option is exercised in full, the total price to public will be $, and the total proceeds to us, before expenses, will be $ million.

The following table provides information regarding the amount of the discounts and commissions to be paid to the underwriters by us, before expenses:

	Per Share of Common Stock	Total Without Exercise of Over-Allotment Option	Total With Full Exercise of Over-Allotment Option
Public offering price	$	$	$
Underwriting discounts and commissions	$	$	$
Proceeds, before expenses, to us	$	$	$

We estimate that our total expenses of the offering, excluding the estimated underwriting discounts and commissions, will be approximately $. We have agreed to reimburse the underwriters for expenses related to this offering, including up to $ of the representatives' reasonable, documented out-of-pocket costs and expenses incident to the performance of its obligations under the underwriting agreement (including, without limitation, the reasonable fees and expenses of the underwriters' outside counsel).

Entities affiliated with B. Riley Financial, which beneficially owns more than 5% of our common stock, own approximately 24% of National Holdings Inc., which wholly owns National Securities Corporation, one of the underwriters in this offering.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

We and the holders of substantially all of our common stock outstanding on the date of this prospectus, including each of our executive officers and directors, have agreed to a 180-day "lock-up" with respect to our shares of common stock and other of our securities that they beneficially own, including securities that are convertible into shares of common stock and securities that are exchangeable or exercisable for shares of common stock. This means that, subject to certain exceptions, for a period of 180 days following the date of this prospectus, we and such persons may not offer, sell, pledge or otherwise dispose of these securities without the prior written consent of Oppenheimer & Co. Inc.

Rules of the SEC may limit the ability of the underwriters to bid for or purchase shares of common stock before the distribution is completed. However, the underwriters may engage in the following activities in accordance with the rules:

- Stabilizing transactions—The representatives may make bids or purchases for the purpose of pegging, fixing or maintaining the price of the common stock, so long as stabilizing bids do not exceed a specified maximum.
- Over-allotments and syndicate covering transactions—The underwriters may sell more shares of common stock in connection with this offering than the number of shares of common stock that they have committed to purchase. This over-allotment creates a short position for the underwriters. This short sales position may involve either "covered" short sales or "naked" short sales. Covered short sales are short sales made in an amount not greater than the underwriters' over-allotment option to purchase additional shares of common stock in this offering described above. The underwriters may close out any covered short position either by exercising its over-allotment option or by purchasing shares of common stock in the open market. To determine how they will close the covered short position, the underwriters will consider, among other things, the price per share of common stock available for purchase in the open market, as compared to the price at which they may purchase shares of common stock through the over-allotment option. Naked short sales are short sales in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing shares of common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that, in the open market after pricing, there may be downward pressure on the price per share of common stock that could adversely affect investors who purchase shares of common stock in this offering.
- Penalty bids—If the representatives purchases shares of common stock in the open market in a stabilizing transaction or syndicate covering transaction, it may reclaim a selling concession from the underwriters and selling group members who sold those shares of common stock as part of this offering.
- Passive market making—Market makers in the common stock who are underwriters or prospective underwriters may make bids for or purchases of shares of common stock, subject to limitations, until the time, if ever, at which a stabilizing bid is made.
- Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales or to stabilize the market price of our common stock may have the effect of raising or maintaining the market price of our common stock or preventing or mitigating a decline in the market price of our common stock.

As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The imposition of a penalty bid might also have an effect on the price of the common stock if it discourages resales of our shares of common stock.

Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of our common stock. These transactions may occur on Nasdaq or otherwise. If such transactions are commenced, they may be discontinued without notice at any time.

Electronic Delivery of Preliminary Prospectus

A prospectus in electronic format may be delivered to potential investors by one or more of the underwriters participating in this offering. The prospectus in electronic format will be identical to the paper version of such prospectus. Other than the prospectus in electronic format, the information on any underwriter's website and any information contained in any other website maintained by an underwriter is not part of this prospectus or the registration statement of which this prospectus forms a part.

Notice to Non-U.S. Investors

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), an offer to the public of our common shares may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of our common shares may be made at any time under the following exemptions under the Prospectus Directive:

- To any legal entity which is a qualified investor as defined in the Prospectus Directive;
- To fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the representatives for any such offer; or
- In any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer or shares of our common stock shall result in a requirement for the publication by us or any placement agent of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to public" in relation to our common shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and our common shares to be offered so as to enable an investor to decide to purchase our common shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended), including by Directive 2010/73/EU and includes any relevant implementing measure in the Relevant Member State.

This European Economic Area selling restriction is in addition to any other selling restrictions set out below.

United Kingdom

In the United Kingdom, this prospectus is only addressed to and directed as qualified investors who are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (Order); or (ii) high net worth entities and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this prospectus relates is available only to relevant persons and will only be engaged with relevant persons. Any person who is not a relevant person should not act or relay on this prospectus or any of its contents.

Canada

This document constitutes an "exempt offering document" as defined in and for the purposes of applicable Canadian securities laws. No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the securities described herein, or the Securities. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Securities and any representation to the contrary is an offence.

Canadian investors are advised that this document has been prepared in reliance on section 3A.3 of National Instrument33-105 Underwriting Conflicts, or NI 33-105. Pursuant to section 3A.3 of NI 33-105, this document is exempt from the requirement to provide investors with certain conflicts of interest disclosure pertaining to "connected issuer" and/or "related issuer" relationships as would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

Resale Restrictions. The offer and sale of the securities in Canada is being made on a private placement basis only and is exempt from the requirement to prepare and file a prospectus under applicable Canadian securities laws. Any resale of Securities acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the securities outside of Canada.

Representations of Purchasers. Each Canadian investor who purchases the securities will be deemed to have represented to the issuer and to each dealer from whom a purchase confirmation is received, as applicable, that the investor (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 *Prospectus Exemptions*, or NI 45-106, or, in Ontario, as such term is defined in section 73.3(1) of the *Securities Act* (Ontario); and (iii) is a "permitted client" as such term is defined in section 1.1 of National Instrument31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

Taxation and Eligibility for Investment. Any discussion of taxation and related matters contained in this document does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a Canadian investor when deciding to purchase the securities and, in particular, does not address any Canadian tax considerations. No representation or warranty is hereby made as to the tax consequences to a resident, or deemed resident, of Canada of an investment in the securities or with respect to the eligibility of the securities for investment by such investor under relevant Canadian federal and provincial legislation and regulations.

Rights of Action for Damages or Rescission. Securities legislation in certain of the Canadian jurisdictions provides certain purchasers of securities pursuant to an offering memorandum, including where the distribution involves an "eligible foreign security" as such term is defined in Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions* and in Multilateral Instrument 45-107 *Listing Representation and Statutory Rights of Action Disclosure Exemptions*, as applicable, with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum, or other offering document that constitutes an offering memorandum, and any amendment thereto, contains a "misrepresentation" as defined under applicable Canadian securities laws. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed under, and are subject to limitations and defences under, applicable Canadian securities legislation. In addition, these remedies are in addition to and without derogation from any other right or remedy available at law to the investor.

Language of Documents. Upon receipt of this document, each Canadian investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Israel

This prospectus does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the Israel Securities Authority. In the State of Israel, this document is being distributed only to, and is directed only at, and any offer of the common stock is directed only at, investors listed in the first addendum to the Israeli Securities Law, or the Addendum, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals", each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Switzerland

The securities 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 prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the offering, us, or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority 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.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Cooley LLP, Palo Alto, California. As of the date of this prospectus, GC&H Investments, LLC, an entity comprised of attorneys of Cooley LLP, beneficially owns an aggregate of 4,437 shares of our common stock. Goodwin Procter LLP, Redwood City, California, is representing the underwriters.

EXPERTS

The consolidated financial statements of Sonim Technologies, Inc. as of and for the year ended December 31, 2017 included in this prospectus have been audited by Moss Adams LLP, an independent registered public accounting firm, as set forth in their report included herein. Such consolidated financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act, with respect to the shares of common stock 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 our company and the common stock offered by this prospectus, we refer you to the registration statement and its exhibits. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete, and in each instance, we refer you to the copy of the contract or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference. You can read our SEC filings, including the registration statement, over the internet at the SEC's website at http://www.sec.gov.

Upon the closing 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 inspection and copying at the public reference room and website of the SEC referred to above. We also maintain a website at www.sonimtech.com, at which you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our website is not part of, and is not incorporated into, this prospectus.

SONIM TECHNOLOGIES, INC.

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of
Sonim Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Sonim Technologies, Inc. (the "Company") as of December 31, 2017, the related consolidated statements of operations, changes in convertible preferred stock and stockholders' deficit, and cash flows for the year then ended, 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 consolidated financial position of the Company as of December 31, 2017, and the consolidated results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Restatement

As discussed in Note 2 to the consolidated financial statements, the Company has restated their 2017 consolidated financial statements.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. 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 audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Moss Adams LLP

Campbell, CA
February 14, 2019

We have served as the Company's auditor since 2013.

SONIM TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 2017
(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)

	2017 (As Restated)
Assets	
Cash and cash equivalents	$ 1,581
Accounts receivable, net	10,817
Inventory	8,984
Prepaid expenses and other current assets	5,985
Total current assets	27,367
Property and equipment, net	724
Other assets	2,156
Total assets	$ 30,247
Liabilities, convertible preferred stock, and stockholders' deficit	
Current portion of long-term debt	$ 217
Line of credit with a bank	2,915
Accounts payable	11,249
Accrued expenses	8,973
Deferred revenue	4,677
Total current liabilities	28,031
Income tax payable	392
Long-term debt, less current portion	7,553
Warrant liability	3,785
Total liabilities	39,761
Commitments and contingencies (Note 10)	
Convertible preferred stock, $0.001 par value per share, 15,186,667 shares authorized:	
Series A; 9,333,333 shares authorized: 7,471,765 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of $45,084)	44,564
Series A-1; 1,733,333 shares authorized: 1,586,024 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of $9,570)	4,487
Series A-2; 1,186,666 shares authorized: 1,183,703 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of zero)	9,733
Series A-3; 1,266,666 shares authorized; zero shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of zero)	—
Series B; 1,666,666 shares authorized: 1,665,291 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of $24,141)	21,613
Total convertible preferred stock	80,397
Stockholders' deficit	
Common stock, $0.001 par value per share; 18,666,666 shares authorized: 1,027,113 (restated) shares issued and outstanding at December 31, 2017	1
Additional paid-in capital	54,892
Accumulated deficit	(144,804)
Total stockholders' deficit	(89,911)
Total liabilities, convertible preferred stock, and stockholders' deficit	$ 30,247

See accompanying notes.

SONIM TECHNOLOGIES, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
DECEMBER 31, 2017
(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)

	2017 (As Restated)
Revenues	$ 59,031
Cost of revenues	38,720
Gross profit	20,311
Operating expenses:	
Research and development	13,008
Sales and marketing	7,361
General and administrative	6,712
Total operating expenses	27,081
Loss from operations	(6,770)
Interest expense	(820)
Change in fair value of warrant liability	(460)
Other expense, net	(335)
Loss before income taxes	(8,385)
Income tax expense	(134)
Net loss	(8,519)
Dividends on Series A, Series A-1 and Series A-2 preferred shares	(6,836)
Net loss attributable to common stockholders	$ (15,355)
Net loss per share attributable to common stockholders, basic and diluted	$ (14.96)
Weighted–average shares used in computing net loss per share attributable to common stockholders, basic and diluted	1,026,616

See accompanying notes.

SONIM TECHNOLOGIES, INC.
CONSOLIDATED STATEMENT CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS DEFICIT
DECEMBER 31, 2017
(IN THOUSANDS OF U.S. DOLLARS, EXCEPT SHARE AMOUNTS)

	Series A convertible preferred stock		Series A-1 convertible preferred stock		Series A-2 convertible preferred stock		Series B convertible preferred stock		Common stock		Additional paid-in capital	Accumulated deficit	Total stockholders' deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
									(As Restated)		(As Restated)	(As Restated)	(As Restated)
Balance at December 31, 2016	6,497,194	$38,683	1,510,513	$ 4,031	1,127,337	$ 9,233	1,665,291	$21,613	1,026,270	$ 1	$ 61,624	$ (136,285)	$ (74,660)
2017 dividends declared and paid on Series A, Series A-1, and Series A-2 convertible preferred stock	974,571	5,881	75,511	456	56,366	500	—	—	—	—	(6,836)	—	(6,836)
Employee and nonemployee stock-based compensation	—	—	—	—	—	—	—	—	—	—	104	—	104
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	—	—	427	—	—	—	—
Exercise of warrants	—	—	—	—	—	—	—	—	—	—	—	—	—
Employee and nonemployee stock-based vesting of restricted stock awards	—	—	—	—	—	—	—	—	416	—	—	—	—
Net Loss	—	—	—	—	—	—	—	—	—	—	—	(8,519)	(8,519)
Balance at December 31, 2017	7,471,765	$44,564	1,586,024	$ 4,487	1,183,703	$ 9,733	1,665,291	$21,613	1,027,113	$ 1	$ 54,892	$ (144,804)	$ (89,911)

See accompanying notes.

SONIM TECHNOLOGIES, INC
CONSOLIDATED STATEMENT OF CASH FLOWS
DECEMBER 31, 2017
(IN THOUSANDS OF U.S. DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)

	2017 (As Restated)
Cash flows from operating activities:	
Net loss	$ (8,519)
Adjustments to reconcile net loss to net cash used by operating activities:	
Depreciation and amortization	1,316
Stock-based compensation	104
Warrant liability re-measurement	460
Noncash interest expense	398
Deferred income taxes	(284)
Provision for doubtful accounts	70
Changes in operating assets and liabilities:	
Accounts receivable	(3,673)
Inventory	3,367
Prepaid expenses and other current assets	(2,198)
Other assets	(91)
Accounts payable	(3,355)
Accrued expenses	694
Deferred revenue	2,617
Income tax payable	188
Net cash used by operating activities	(8,906)
Cash flows from investing activities:	
Purchase of property and equipment	(149)
Development of tooling and purchased software licenses	(1,025)
Proceeds from repayment of related party loan	175
Net cash used by investing activities	(999)
Cash flows from financing activities:	
Proceeds from borrowings on long-term debt, net of discount of $588	6,886
Proceeds on line of credit	59,054
Repayment on line of credit	(61,310)
Cost associated with amendments to credit agreements	(170)
Repayment of long-term debt	(42)
Net cash provided by financing activities	4,418
Net decrease in cash and cash equivalents	(5,487)
Cash and cash equivalents at beginning of the year	7,068
Cash and cash equivalents at end of the year	$ 1,581
Supplemental disclosure of cash flow information:	
Cash paid for interest	$ 306
Cash paid for income taxes	198
Non-cash investing and financing items:	
Other assets included in accounts payable	250
Payment of dividends in shares of convertible preferred stock	6,836

See accompanying notes

SONIM TECHNOLOGIES, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the year ended December 31, 2017
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

NOTE 1—THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

Description of Business—Sonim Technologies, Inc. was incorporated in the state of Delaware on August 5, 1999 and is headquartered in San Mateo, California. The Company is a leading U.S. provider of ultra-rugged mobility solutions designed specifically for task workers physically engaged in their work environments, often in mission-critical roles.

Principles of Consolidation—The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and include the accounts of Sonim Technologies. Inc. and its wholly-owned foreign subsidiaries, Sonim Technologies Spain SL, Sonim Technologies India Private Limited, Sonim Technologies (Shenzhen) Limited, Sonim Technologies (Hong Kong) Limited, and Sonim Communications India Private Limited (collectively, the "Company"). All significant intercompany transactions and balances have been eliminated in consolidation.

Liquidity—Through December 31, 2017, the Company had incurred recurring losses resulting in a stockholders' deficit of $89,911. In November 2018, the Company raised $10,759 in connection with a securities purchase agreement with several investors, increased available financing under its subordinated term loan with B. Riley Principal Investments, LLC by approximately $2,000, and renegotiated its outstanding debt facility resulting in additional available borrowings of $5,000 in total under its term loan agreement with East West Bank and has also experienced significant revenue growth, all of which the Company believes are sufficient to continue to meet its working capital requirements. Nonetheless, there can be no assurance that management's future plans and operating performance will provide sufficient funding to continue its operations.

Reverse Stock Split—In November 2018, the Company's stockholders approved a one-for-fifteen reverse stock split of its common and convertible preferred stock which was effected on November 1, 2018. The par value of the common stock and convertible preferred stock were not adjusted as a result of the reverse stock split. Accordingly, all share and per share amounts for the period presented in the consolidated financial statements and notes thereto have been adjusted retrospectively to reflect this reverse stock split.

Estimates—The preparation of consolidated financial statements in accordance 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. Actual results could differ from those estimates. These estimates include, but are not limited to, estimates related to revenue recognition; valuation assumptions regarding the determination of the fair value of common stock as well as of preferred stock warrants; the useful lives of our long-lived assets; product warranties; loss contingencies; and the recognition and measurement of income tax assets and liabilities, including uncertain tax positions; The Company bases its estimates on historical experience and on various other assumptions that the Company believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Concentrations of Credit Risk—The Company's product revenues are concentrated in the technology industry which is highly competitive and rapidly changing. Significant technological changes in the industry or customer requirements, or the emergence of competitive products with new capabilities or technologies, could adversely affect the Company's consolidated operating results. Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and accounts receivable. Cash and cash

SONIM TECHNOLOGIES, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the year ended December 31, 2017
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

equivalents are deposited with high-quality, federally insured commercial banks in the United States and cash balances are in excess of federal insurance limits at December 31, 2017. The Company generally does not require collateral or other security in support of accounts receivable. To reduce credit risk, management performs ongoing credit evaluations of its customers' financial condition. The Company analyzes the need for reserves for potential credit losses and records allowances for doubtful accounts when necessary. The Company had allowances for such losses totaling approximately $47 at December 31, 2017 and recognized $70 in bad debt expense during the year ended December 31, 2017.

Revenues from three customers accounted for approximately 25%, 16% and 14%, respectively, of total revenues in 2017. Receivables from four customers totaled approximately 30%, 27%, 11% and 10%, respectively, of total accounts receivable at December 31, 2017.

Segment Information—The Company operates in one reporting segment. Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker, who is the chief executive officer, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker allocates resources and assesses performance based upon discrete financial information at the consolidated level.

Cash and Cash Equivalents—The Company considers all highly liquid investments with an original maturity from the date of purchase of 90 days or less to be cash equivalents. As of December 31, 2017 cash and cash equivalents consist of cash deposited with banks and money market funds. Included in the Company's cash and cash equivalents are amounts held by foreign subsidiaries. The Company had $368 of foreign cash and cash equivalents included in the Company's cash positions at December 31, 2017.

Accounts Receivable and Allowance for Doubtful Accounts—Accounts receivable consist primarily of amounts due from customers in the course of normal business activities. Collateral on trade accounts receivable is generally not required. The Company maintains an allowance for doubtful accounts for estimated uncollectible accounts receivable. The allowance is based on our assessment of known delinquent accounts. Accounts are written off against the allowance account when they are determined to be no longer collectible.

Inventory—The Company reports inventories at the lower of cost or net realizable value, in accordance with the adoption of Accounting Standards Update ("ASU") No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory.* Cost is determined using a first-in, first-out method ("FIFO") and includes materials, labor, and manufacturing overhead related to the purchase and production of inventories. Net realizable value is the estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal, and transportation. This change was made as a result of adopting ASU No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory.* The adoption of ASU 2015-11 did not have a significant effect on net loss for 2017.

The Company periodically reviews its inventory for potentialslow-moving or obsolete items and writes down specific items to net realizable value as appropriate. The Company writes down inventory based on forecasted demand and technological obsolescence. These factors are impacted by market and economic conditions, technology changes, new product introductions, and changes in strategic direction, and require estimates that may include uncertain elements. Actual demand may differ from forecasted demand and such differences may have a material effect on recorded inventory values. Any write-down of inventory to the lower of cost or net realizable value at the close of a fiscal period creates a new cost basis that subsequently would not be marked up based on changes in underlying facts and circumstances.

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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, generally 24 to 36 months. Leasehold improvements are amortized over the shorter of estimated useful lives of the assets or the lease term. 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 operations.

Non-recurring Engineering ("NRE") Tooling and Purchased Software Licenses—Third-party design services relating to the design of tooling materials and purchased software licenses used in the manufacturing process are capitalized and included in other assets within the consolidated balance sheet. Amortization of NRE tooling and NRE software costs approximating $1,015 was charged to cost of revenue for the year ended December 31, 2017.

Long-lived Assets—The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No such impairments have been identified to date.

Revenues Recognition—The Company recognizes revenue primarily from the sale of products. The Company also enters into multiple-element agreements that include a combination of products and NRE services.

Revenues from the sale of handsets and accessories are recognized when all of the following conditions per Accounting Standards Codification ("ASC"), Topic 605, *Revenue Recognition* ("ASC 605") are met: (i) there is persuasive evidence of an arrangement; (ii) the product has been delivered to the customer; (iii) the collection of the fees is reasonably assured; and (iv) the amount of fees to be paid by the customer is fixed or determinable.

Terms of product sales are generally FOB destination. Revenue recognition also incorporates allowances for discounts, price protection, returns and customer incentives that can be reasonably estimated. In addition to cooperative marketing and other incentive programs, the Company has arrangements with some distributors, which allow for price protection and limited rights of return, generally through stock rotation programs. Under the price protection programs, the Company gives distributors credits for the difference between the original price paid and the Company's then current price. Under the stock rotation programs, certain distributors are able to exchange certain products based on the number of qualified purchases made during the period. The Company monitors and tracks these programs and records a provision, at the time of the sale, for future payments or credits granted as reductions of revenue based on historical experience. Recorded revenues are reduced by these allowances.

When a revenue arrangement involves multiple elements, the multiple elements, referred to as deliverables, are evaluated to determine whether they represent separate units of accounting in accordance with ASC 605-25, *Revenue Recognition—Multiple-Element Arrangements*. The Company performs this evaluation at the inception of an arrangement and as each item is delivered in the arrangement. Generally, the Company accounts for a deliverable separately if the delivered item has stand-alone value to the customer and delivery or performance of the undelivered item or service is probable and substantially in the Company's control. When multiple elements can be separated into separate units of accounting, arrangement consideration is allocated at the inception of the arrangement, based on each unit's relative selling price, and recognized based on the method

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most appropriate for that unit of accounting. When an arrangement includes NRE services which involve significant design modification and customization of the product software that is essential to the functionality of the hardware, revenue is recognized according to the milestone method in accordance with the provisions of FASB ASC Topic 605-35, *Revenue Recognition—Construction-Type and Production-Type Contract.* Under this method, the Company recognizes revenue from milestone payments when: (i) the milestone event is substantive and its achievability was not reasonably assured at the inception of the agreement, and (ii) the Company does not have ongoing performance requirements related to the achievement of the milestone earned. Milestone payments are considered substantive if all of the following conditions are met: the milestone payment (i) is commensurate with either the Company's performance to achieve the milestone or the enhancement of the value of the delivered item or items as a result of a specific outcome resulting from the Company's performance to achieve the milestone, (ii) relates solely to past performance, and (iii) is reasonable relative to all of the deliverables and payment terms (including other potential milestone consideration) within the arrangement.

Revenue recognized during the year ended December 31, 2017, includes revenue recognized from two customers that were related to milestones achieved during the year, which totaled $3,587. The summary of revenue from these two customers is as follows:

Customer A	$2,795
Customer B	$ 792
Total	$3,587

The Company's agreement with these customers entitle it to additional payments upon the achievement of certain milestones totaling $1,285 related to product design and development, and achievement of regulatory and industry specific certifications. If a milestone is deemed to be substantive, the Company is permitted to recognize revenue related to the milestone payment in its entirety. In the event, milestones are deemed non-substantive, the Company recognizes, and defers if applicable, payments for the achievement of such non-substantive milestones over the estimated period of performance applicable to each agreement on a straight-line basis, as appropriate.

Cost of Revenues—Cost of revenues includes direct and indirect costs associated with the manufacture of the Company's products as well as with the performance of NRE services. Direct costs include material and labor, royalty, depreciation and amortization while indirect costs include other labor and overhead costs incurred in manufacturing the product.

Advertising—The Company expenses the costs of advertising, including promotional expenses, as incurred. Advertising expenses for the year ended December 31, 2017 were approximately $53.

Shipping and Handling Costs—When the Company bills customers for shipping and handling it includes such amounts as part of revenue. Costs incurred for shipping and handling are recorded in cost of revenues.

Deferred Revenues—Deferred revenues represents the amount that is allocated to undelivered elements in multiple element arrangements. We limit the revenue recognized to the amount that is not contingent on the future delivery of products or services or meeting other specified performance conditions.

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Research and Development—Research and development expenses consist of compensation costs, employee benefits, subcontractors, research supplies, allocated facility related expenses and allocated depreciation and amortization. All research and development costs are expensed as incurred.

Convertible Preferred Stock Warrants—Freestanding warrants related to shares that could be subject to a deemed liquidation event under the circumstances described in Note 6 are accounted for in accordance with ASC 505, *Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity* ("ASC 505"). Under ASC 505, freestanding warrants that are related to the Company's convertible preferred stock are classified as liabilities on the consolidated balance sheet. The warrants are subject to remeasurement at each balance sheet date, and any change in fair value is recognized as a component of other income (expense). The Company will continue to adjust the liability for the changes in fair value until the earlier of: (i) the exercise or expiration of the warrants, or (ii) the completion of a liquidation event, including the completion of an initial public offering ("IPO"), at which time all preferred stock warrants will be converted into warrants to purchase common stock and, accordingly, the liability would be reclassified to additional paid-in capital.

Stock-Based Compensation—The Company measures equity classified stock-based awards granted to employees and directors based on the estimated fair value on the date of grant and recognizes compensation expense of those awards, net of estimated forfeitures, on a straight-line basis over the requisite service period, which is generally the vesting period of the respective award. For awards subject to performance conditions, the Company evaluates the probability of achieving each performance condition at each reporting date and begins to recognize expense over the requisite service period when it is deemed probable that a performance condition will be met using the accelerated attribution method.

The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model, which is described more fully in Note 8. The fair value of each restricted stock award is measured as the fair value per share of the Company's common stock on the date of grant.

Compensation expense related to share-based awards issued to nonemployees is recognized as the awards vest. At each reporting date, the Company revalues the fair value of the award, also using the Black-Scholes option pricing model, and expense related to the unvested portion of such nonemployee awards. As a result, compensation expense related to the unvested share-based awards issued to nonemployees fluctuates as the fair value of the Company's common stock fluctuates.

Warranty—The Company provides standard warranty coverage on its accessories and handsets for one and three years, respectively, providing labor and parts necessary to repair the systems during the warranty period. The Company accounts for the estimated warranty cost as a charge to cost of revenues when revenue is recognized. The estimated warranty cost is based on historical product performance and field expenses. Utilizing actual service records, the Company calculates the average service hours and parts expense per system to determine the estimated warranty charge. The Company updates these estimated charges periodically. The actual product performance and/or field expense profiles may differ, and in those cases the Company adjusts warranty accruals accordingly. As of December 31, 2017, the Company had accruals for warranty costs of approximately $1,742. See Note 4 for rollforward of 2017 warranty activity.

Trade-in Guarantee—The Company has provided certain end customers, who purchase a particular device during a defined promotional period, the right to trade-in their original device for a newer model at no

additional cost, however, only for a subsequent and defined period of time. The Company accounts for this trade-in right as a guarantee liability and recognizes product revenue net of the fair value of such right, with subsequent changes to the guarantee liability recognized within revenue on a straight-line basis as the trade-in right expires. The guarantee liability is initially measured at fair value and is determined based on assumptions including the probability and timing of a customer upgrading to a new device and the value of the upgraded device. As of December 31, 2017, the guarantee liability related to this trade-in was $806 and is reflected in deferred revenue in the consolidated balance sheet.

Comprehensive Income or Loss—The Company had no items of comprehensive income or loss other than net loss for the year ended December 31, 2017. Therefore, a separate statement of comprehensive loss has not been included in the accompanying consolidated financial statements.

Foreign currency translation—The Company uses the U.S. dollar as its functional currency for its significant subsidiaries. Foreign currency assets and liabilities are translated into U.S. dollars at the end-of-period exchange rates except for property, plant and equipment, and related amortization, which are translated at the historical exchange rates. Expenses are translated at average exchange rates in effect during each period. Gains or losses from these foreign currency transactions, which have not been significant to date, are included in net loss.

Foreign assets held directly by the Company include certain accounts receivable balances and bank accounts which are translated into the U.S. dollar at the end-of-period exchange rates. Expenses are translated at average exchange rates in effect during each period. As of December 31, 2017, the Company had approximately $346 in net foreign currency transactions losses, which are included in other expense, net on the consolidated statement of operations.

Sales taxes—Sales and value added taxes collected from customers and remitted to governmental authorities are not included in revenue.

Income taxes—The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Compliance with income tax regulations requires the Company to make decisions relating to the transfer pricing of revenue and expenses between each of its legal entities that are located in several countries. The Company's determinations include many decisions based on management's knowledge of the underlying assets of the business, the legal ownership of these assets, and the ultimate transactions conducted with customers and other third parties. The calculation of the Company's tax liabilities involves dealing with uncertainties in the application of complex tax regulations in multiple tax jurisdictions. The Company may be periodically reviewed by domestic and foreign tax authorities regarding the amount of taxes due. These reviews may include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various filing positions, the Company records estimated reserves when it is more likely than not that an uncertain tax position will not be sustained upon examination by a taxing authority. Such estimates are subject to change.

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On December 22, 2017, the Securities and Exchange Commission ("SEC") staff issued Staff Accounting Bulletin No. 118 ("SAB 118") to address the accounting implications of the U.S. federal tax reform enacted on December 22, 2017. SAB 118 allows a company to record provisional amounts during a measurement period not to extend beyond one year of the enactment date. The Financial Accounting Standards Board ("FASB") staff has stated that if a private company entity applies SAB 118, it would be in compliance with GAAP. Subsequently, in May 2018, the FASB issued ASU 2018-05 – *Income Taxes (Topic 740), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin NO. 118 (SEC Update)*. The amendment represents changes to certain SEC material in Topic 740 for the income tax accounting implications of the issued Tax Cut and Jobs Act (the Tax Act). The ASU was effective upon issuance. In accordance with SAB 118, the Company has determined that the $4.1 million of deferred tax remeasurement of $4,120 (offset by the Company's full valuation allowance) recorded in connection with the reduction of the U.S. corporate tax rate enacted as part of the Tax Act was a provisional amount and a reasonable estimate at December 31, 2017. Additionally, as a result of the Tax Act, no estimate can currently be made and no provisional amounts were recorded in the consolidated financial statements for the impact of the Global Intangible Low-Taxed Income ("GILTI") provision of the Tax Act. The GILTI provision imposes taxes on foreign earnings in excess of a deemed return on tangible assets. This tax is effective for the Company beginning in 2018. The Company has elected to treat GILTI related book-tax differences as a period cost. Additionally, in the Company's valuation allowance analysis the Company will elect the incremental cash tax savings approach in determining its U.S. valuation allowance with respect to the GILTI.

In November 2015, FASB issued ASU 2015-17,*Balance Sheet Classification of Deferred Taxes,* which will require entities to present deferred tax assets ("DTAs") and deferred tax liabilities ("DTLs") as noncurrent in a classified balance sheet. The ASU simplifies the current guidance, which requires entities to separately present DTAs and DTLs as current and noncurrent in a classified balance sheet. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2017, with early adoption permitted. The Company has early adopted this standard as of December 31, 2017. As a result of the adopting this standard, the Company reclassified $96 from prepaid expenses and other current assets to other assets on the balance sheet.

Net Loss per Share Attributable to Common Shareholders—The Company follows the two-class method when computing net income per share as the Company has issued shares that meet the definition of participating securities. The two-class method determines net income per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common shareholders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed.

Net loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted-average number of shares of common stock outstanding during the period. For the year ended December 31, 2017, for purposes of the calculation of diluted net loss per share, convertible preferred stock, warrants to purchase convertible preferred stock, unvested restricted common stock and stock options to purchase common stock are considered potentially dilutive securities but have been excluded from the calculation of diluted net loss per share as their effect is antidilutive. As a result, diluted net loss per common share is the same as the basic net loss per share for the periods presented.

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The Company's convertible preferred shares contractually entitle the holders of such shares to participate in dividends but do not contractually require the holders of such shares to participate in losses of the Company. Accordingly, in periods in which the Company reports a net loss attributable to common shareholders, such losses are not allocated to such participating securities. In periods in which the Company reports a net loss attributable to common shareholders, diluted net loss per share attributable to common shareholders is the same as basic net loss per share attributable to common shareholders, since dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

The potential shares of common stock that were excluded from the computation of diluted net loss per share attributable to common stockholders for the year ended December 31, 2017 because including them would have been antidilutive are as follows:

	2017
Shares of convertible preferred stock	11,906,783
Shares subject to option to purchase common stock	1,126,722
Shares subject to warrant to purchase convertible preferred stock	472,947
Shares subject to term debt optional conversion into convertible preferred stock	800,450
Total	14,306,902

New accounting pronouncements:

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the independent registered public accounting firm attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that an emerging growth company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's consolidated financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU")No. 2018-13, *Fair Value Measurement (Topic 820)*—Changes to the Disclosure Requirements for Fair

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Value Measurement. The ASU eliminates certain disclosure requirements for fair value measurements for all entities and modifies some disclosure requirements. This ASU is effective for nonpublic entities beginning after December 15, 2019, with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated financial statements.

In June 2018, the FASB issued ASUNo. 2018-07, *Compensation—Stock Compensation (Topic 718)*. This ASU simplifies the accounting for share-based payments granted to nonemployees for goods and services. Under the ASU, most of the guidance on such payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2019, with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated financial statements.

In July 2017, the FASB issued ASU2017-11, *Earnings Per Share (Topic 260), Distinguishing Liabilities from Equity (Topic 480) and Derivatives and Hedging (Topic 815): I. Accounting for Certain Financial Instruments with Down Round Features; II. Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Non-Controlling Interests with a Scope Exception.* Part I of this update addresses the complexity of accounting for certain financial instruments with down round features. Down round features are features of certain equity-linked instruments (or embedded features) that result in the strike price being reduced on the basis of the pricing of future equity offerings. Current accounting guidance creates cost and complexity for entities that issue financial instruments (such as warrants and convertible instruments) with down round features that require fair value measurement of the entire instrument or conversion option. Part II of this update addresses the difficulty of navigating Topic 480, *Distinguishing Liabilities from Equity,* because of the existence of extensive pending content in the FASB Accounting Standards Codification. This pending content is the result of the indefinite deferral of accounting requirements about mandatorily redeemable financial instruments of certain nonpublic entities and certain mandatorily redeemable noncontrolling interests. The amendments in Part II of this update do not have an accounting effect. This ASU is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In May 2017, the FASB issued ASU2017-09, *Scope of Modification Accounting.* ASU 2017-09 clarifies when changes to the terms or conditions of a share-based payment award must be accounted for as modifications. ASU 2017-09 will allow companies to make certain changes to awards, such as vesting conditions, without accounting for them as modifications. It does not change the accounting for modifications. ASU 2017-09 will be applied prospectively to awards modified on or after the adoption date. The ASU is effective for annual periods beginning after December 15, 2017 and will apply prospectively to modifications occurring on or after the effective date. The Company has not yet determined the full effects of this ASU on its consolidated financial statements.

In October 2016, the FASB issued*ASU 2016-16, Income Taxes—Intra-Entity Transfers of Assets Other Than Inventory.* ASU 2016-16 requires entities to recognize income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments in ASU 2016-16 are effective for annual reporting periods beginning after December 15, 2018 and requires a modified retrospective method of adoption. Early adoption is permitted. The Company has not yet determined the potential effects of this ASU on its consolidated financial statements.

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In August 2016, the FASB issued ASUNo. 2016-15, *Statement of Cash Flows (Topic 230)* - Classification of Certain Cash Receipts and Cash Payments, which clarifies eight specific cash flow issues in an effort to reduce diversity in practice in how certain transactions are classified within the statement of cash flows. This ASU is effective for nonpublic business entities beginning after December 15, 2019 with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated statement of cash flows.

In March 2016, the FASB issued ASUNo. 2016-09, *Improvements to Employee Share-Based Payment Accounting (Topic 718),* which simplifies several aspects of the accounting for employee (and nonemployee) share-based payments including the accounting for income taxes, forfeitures and statutory tax withholding requirements. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2017, with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the consolidated financial statements.

In February 2016, the FASB issued ASU2016-02, *Leases (Topic 842),* as amended, requires lessees to recognize a liability associated with obligations to make payments under the terms of the arrangement in addition to a right-of-use asset representing the lessee's right to use, or control the use of the given asset assumed under the lease. The standard will be effective for nonpublic business entities beginning after December 15, 2019. The Company is currently evaluating these new standards and the impact they will have on its consolidated financial statements, information technology systems, process, and internal controls.

In January 2016, the FASB issued ASU 2016-01 *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which affect various aspects of recognition, measurement, presentation and disclosure of financial instruments. The amendment is effective for public entities for annual periods beginning after December 15, 2017, including interim periods. All other entities, effective fiscal year beginning after December 15, 2018 and interim periods beginning after December 15, 2019. Early application of certain provisions is permitted.

In May 2014, the Financial Accounting Standards Board, or the FASB, issued ASU2014-09, *Revenue from Contracts with Customers (Topic 606),* as amended, which affects any entity that either enters into contracts with customers to transfer goods and services or enters into contracts for the transfer of nonfinancial assets. ASU 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The standard has a five-step approach which includes identifying the contract or contracts, identifying the performance obligations, determining the transaction price, allocating the transaction price and recognizing revenue. In doing so, companies will need to use more judgment and make more estimates than under the currently effective guidance. These judgments may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. The new standard may, in certain circumstances, impact the timing of when revenue is recognized for products shipped, and the timing and classification of certain sales incentives, which are expected to generally be recognized earlier than historical guidance. The standard also significantly expands the quantitative and qualitative disclosure requirements for revenue, which are intended to help users of financial statements understand the nature, amount, timing and uncertainty of revenue and the related cash flows. The standard is effective for

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annual periods beginning after December 15, 2017 for public entities and early application is only permitted in certain circumstances. However, Company has elected not to opt out of extended transition period allowed for private Company filers with the SEC for the adoption of the new accounting standards. The standard will be effective for nonpublic business entities beginning after December 15, 2018 and interim reporting periods within annual reporting periods beginning after December 15, 2019. The Company is currently evaluating this new standard and the impact it will have on its consolidated financial statements, information technology systems, processes, and internal controls.

NOTE 2—RESTATEMENT OF PREVIOUSLY ISSUED CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as of and for the year ended December 31, 2017 have been restated to reflect the correction of misstatements. We have also restated all amounts impacted within the Notes to the consolidated financial statements.

Restatement Background

Subsequent to the Company's original issuance of its 2017 consolidated financial statements, management became aware of certain transactions that had not been appropriately accounted for and of new information which required adjustments to certain previous estimates. In addition, management decided to correct certain misstatements, known at the time of the original issuance of its 2017 consolidated financial statements, which were previously determined to be immaterial as well as to change the classification of certain account balances. We have also restated all related amounts impacted within the notes to the consolidated financial statements. A description of the adjustments and their impact on the previously issued consolidated financial statements are included below:

Revenue Recognition for Multiple-Element Arrangements—The Company incorrectly recognized non-substantive milestone payments received in the year ended December 31, 2016 under a multiple-element arrangement, which included stand-alone NRE services, as revenue upon the receipt of cash when such payments should be recognized as revenue over the period of time that the related services were to be performed through January 2018. This initial accounting resulted in a $350 overstatement of revenue in the year ended December 31, 2016 and a $322 understatement of revenue in the year ended December 31, 2017. In a different fiscal 2017 multiple-element arrangement, the NRE services were determined to not have stand-alone value separate from the related product sales. Therefore, the Company incorrectly recognized $800 as revenue in fiscal 2017, when such services should be recognized over the customer relationship period. The correction of these errors resulted in an increase in the opening accumulated deficit of fiscal 2017 of $350, an increase in deferred revenue as of December 31, 2017 of $827 and a net decrease in revenue for the year ended December 31, 2017 of $478.

Product Revenue Recognition—The Company entered into a one-time promotional collaboration which provided certain end customers with the right to trade-in, for a defined future period of time, one model phone for a newer model phone. Thistrade-in right should have been accounted for as a guarantee liability of $805 as of December 31, 2017 with a corresponding reduction of revenue in the year ended December 31, 2017. In addition, certain product sales of $1,097, with related product costs of $442, were recognized as revenue in the year ended December 31, 2016, which should have been deferred and recognized in the year ended

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December 31, 2017 as not all revenue recognition criteria were appropriately met as of December 31, 2016. The correction of these errors resulted in an increase in the opening accumulated deficit of fiscal 2017 of $655, an increase in deferred revenue of $805 as of December 31, 2017, and a net increase in revenue and cost of revenues of $292 and $442, respectively, for the year ended December 31, 2017.

Loss contingency—The Company revised an estimate for certain loss contingencies as of December 31, 2016 resulting in a decrease in accumulated deficit of fiscal 2017 of $1,000, an increase in cost of revenue of $800 for the year ended December 31, 2017 and a decrease in accrued liabilities of $200 as of December 31, 2017.

Warrant Valuation—The Company refined its equity valuation methodology as of December 31, 2017 to incorporate the use of a market approach methodology in determining the Company's total equity value. This change resulted in an increase in the previously report fair value of approximating $853 as of December 31, 2017.

Inventory Overhead Pool—Costs associated with the manufacturing process along with shipping costs associated with purchases of inventory were improperly excluded from the pool of overhead costs allocated to inventory. The correction of the error provided for a reduction in the opening accumulated deficit balance of $1,884, an increase of $583 in the inventory balance as of December 31, 2017 and an increase of cost of revenues for the year ended December 31, 2017 of $1,301.

Accounts Payable Financing—The Company incorrectly included $640 of long-term obligations within accounts payable thus a reclassification was made to correct the error moving the amount to long-term debt, and to record imputed interest. Additionally, as part of its final negotiations with the same vendor the Company identified a historical unrecorded obligations of $256. To properly present long-term debt, the Company recorded a correction which resulted in a net increase in the opening accumulated deficit balance of $118, a decrease in accounts payable of $640 and an increase in long-term debt of $798 as of December 31, 2017, and an increase of interest expense of $40 for the year ended December 31, 2017.

Income Taxes—The Company revised an estimate for the exposure associated with its uncertain tax position related to transfer pricing and the impact of the Tax Act resulting in an increase in opening accumulated deficit of fiscal 2017 of $204, an increase to other assets of $273, a net decrease to the 2017 tax expense of $85 and a related increase to income tax payable of $392 as of December 31, 2017.

Other Miscellaneous Adjustments and Reclassifications —Other immaterial miscellaneous adjustments resulted in a decrease in opening accumulated deficit of fiscal 2017 of $105, a decrease in prepaid expenses of $276, an increase in accrued liabilities of $23, and a decrease in additional paid-in capital of $95 as of December 31, 2017, and an increase to cost of revenue of $14 and in operating expenses of $295 for the year ended December 31, 2017.

Additionally, reclassifications were made from property and equipment to other assets of $984, prepaid expenses and other current assets to other assets of $96, and preferred stock dividends from accumulated deficit to additional paid-in capital of $22,348.

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The following tables reflects the previously reported balances, the changes resulting from the restatement, and the restated balances:

CONSOLIDATED BALANCE SHEET

	2017 (As previously reported)	Adjustment	2017 (As Restated)
Assets			
Cash and cash equivalents	$ 1,581	$ —	$ 1,581
Accounts receivable, net	10,817	—	10,817
Inventory	8,401	583	8,984
Prepaid expenses and other current assets	6,357	(372)	5,985
Total current assets	27,157	211	27,367
Property and equipment, net	2,062	(1,338)	724
Other assets	449	1,707	2,156
Total assets	$ 29,667	$ 580	$ 30,247
Liabilities, convertible preferred stock and stockholders' deficit			
Current portion of long-term debt	$ 217	$ —	$ 217
Line of credit with a bank	2,915	—	2,915
Accounts payable	11,888	(639)	11,249
Accrued expenses	9,150	(177)	8,973
Deferred revenue	3,045	1,632	4,677
Total current liabilities	27,215	815	28,031
Income tax payable	—	392	392
Long-term debt, less current portion	6,755	798	7,553
Warrant liability	2,932	853	3,785
Total liabilities	36,902	2,859	39,761
Convertible preferred stock	80,397	—	80,397
Stockholders' deficit:			
Common stock, $0.001 par value per share; 18,666,666 shares authorized: 1,027,113 (restated) shares issued and outstanding at December 31, 2017	1	—	1
Additional paid-in capital	77,335	(22,443)	54,892
Accumulated deficit	(164,968)	20,164	(144,804)
Total stockholders' deficit	(87,631)	(2,279)	(89,911)
Total liabilities, convertible preferred stock and stockholders' deficit	$ 29,667	$ 580	$ 30,247

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CONSOLIDATED STATEMENT OF OPERATIONS

	2017 (As previously reported)	Adjustment	2017 (As Restated)
Revenues	$ 59,217	$ (186)	$ 59,031
Cost of revenues	36,163	2,557	38,720
Gross profit	23,054	(2,743)	20,311
Operating expenses:			
Research, and development	12,999	9	13,008
Sales and marketing	7,085	276	7,361
General and administrative	6,702	10	6,712
Total operating expenses	26,786	295	27,081
Loss from operations	(3,732)	(3,038)	(6,770)
Interest expense	(780)	(40)	(820)
Change in fair value of warrant liability	393	(853)	(460)
Other expense, net	(335)	—	(335)
Loss before income taxes	(4,454)	(3,931)	(8,385)
Income tax expense	(219)	85	(134)
Net loss	$ (4,673)	$ (3,846)	$ (8,519)

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CONSOLIDATED STATEMENT OF CASH FLOWS

	2017 (As previously reported)	Adjustment	2017 (As Restated)
Cash flows from operating activities:			
Net loss	$ (4,673)	$ (3,846)	$ (8,519)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation and amortization	1,222	94	1,316
Stock-based compensation	94	10	104
Warrant liability re-measurement	(393)	853	460
Noncash interest expense	130	268	398
Deferred income taxes	—	(284)	(284)
Provision for doubtful accounts	—	70	70
Changes in operating assets and liabilities:			
Accounts receivable	(3,603)	(70)	(3,673)
Inventory	2,159	1,208	3,367
Prepaid expenses and other current assets	(2,484)	286	(2,198)
Other assets	181	(272)	(91)
Accounts payable	(3,145)	(210)	(3,355)
Accrued expenses	(129)	823	694
Deferred revenue	1,990	627	2,617
Income taxes payable	—	188	188
Net cash used by operating activities	(8,651)	(255)	(8,906)
Cash flows from investing activities:			
Purchase of property and equipment	(178)	29	(149)
Purchase of tooling and purchased software licenses	(1,246)	221	(1,025)
Proceeds from the repayment of related party loan	—	175	175
Net cash used by investing activities	(1,424)	425	(999)
Cash flows from financing activities:			
Proceeds from borrowings on long-term debt, net of discount of $588	6,886	—	6,886
Proceeds on line of credit	(2,256)	61,310	59,054
Repayment on line of credit	—	(61,310)	(61,310)
Costs associated with amendments to credit agreements	—	(170)	(170)
Repayment of term loans	(42)	—	(42)
Net cash provided by financing activities	4,588	(170)	4,418
Net decrease in cash and cash equivalents	(5,487)	—	(5,487)
Cash and cash equivalents at beginning of the year	7,068	—	7,068
Cash and cash equivalents at end of the year	$ 1,581	$ —	$ 1,581
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 306	$ —	$ 306
Cash paid for income taxes	—	198	198
Non-cash investing and financing items:			
Other assets included in accounts payable	—	250	250
Payment of dividends in shares of convertible preferred stock	6,836	—	6,836

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NOTE 3—FAIR VALUE MEASUREMENT

The fair value measurements standard establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

Level 1— Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2— Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3— Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2017.

Money market funds are classified within level 1 of the fair value hierarchy because they are valued using quoted market prices.

Warrant liability is classified within level 3 of the fair value hierarchy because there is no active market for the warrant or for similar warrants. The Company revalued its Series A and Series B warrants outstanding at December 31, 2017. The fair value of the Series A and Series B warrants of approximately $3,785 at December 31, 2017 was estimated by first applying a weighting of the income approach and the market approach to determine the equity value of the Company. An Option-Pricing Method ("OPM") was then used to allocate the total equity value of the Company to the different classes of equity according to their rights and preferences. As the Company is a private company, the fair value measurement was based on significant inputs that are not observable in the market thus represents Level 3 inputs.

Trade-in guarantee liability is classified within level 3 of the fair value hierarchy because the fair value measurement is based on inputs that are not observable in the market, including the probability and timing of a customer upgrading to a new device and the value of the upgraded device.

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The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Company's liabilities at fair value as of December 31, 2017:

	As Restated			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds *	$ 1	$ —	$ —	$ 1
Liabilities:				
Warrant liability	$ —	$ —	$3,785	$3,785
Trade-in Guarantee	—	—	805	805
	$ —	$ —	$4,590	$4,590

* Included in cash and cash equivalents in the consolidated balance sheet.

The table below sets forth a summary of changes in the fair value of the Company's level 3 assets for the year ended December 31, 2017:

	Warrant liabilities (As Restated)	Trade-In Guarantee (As Restated)
Balance, beginning of year	$ 3,325	$ —
New instrument	—	805
Change in fair value	460	—
Balance, end of year	$ 3,785	$ 805

NOTE 4—SIGNIFICANT BALANCE SHEET COMPONENTS

Inventory—Inventory consisted of approximately the following at December 31, 2017:

	As Restated
Devices—for resale **	$ 5,259
Work in process	172
Raw materials	3,201
Accessories	352
	$ 8,984

** Included in devices for resale is $863 of product at a customer's warehouse at December 31, 2017.

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Prepaid expenses and other current assets—Prepaid expenses and other current assets consisted of approximately the following at December 31, 2017:

	As Restated
Deposits for manufacturing inventory	$ 3,500
Prepaid taxes, India	311
Refundable value added taxes, Shenzhen	1,346
Prepaid licenses and royalties	350
Other	478
	$ 5,985

Property and equipment—Property and equipment consisted of approximately the following at December 31, 2017:

	As Restated
Computer equipment	$ 3,699
Software	970
Furniture, fixtures, and office equipment	73
Leasehold improvements	45
	4,787
Less: accumulated depreciation and amortization	(4,063)
	$ 724

Depreciation and amortization expense of property and equipment for the year ended December 31, 2017 was $301.

Accrued expenses—Accrued expenses consisted of approximately the following at December 31, 2017:

	As Restated
Employee-related liabilities	$ 1,484
Royalties	723
Warranties	1,742
Research and development	841
Settlement liability (Note 10)	96
Commissions	183
Shipping	300
Interest	262
Customer refunds	552
Accrual for goods received not invoiced	2,200
Other	590
	$ 8,973

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Warranty Liability—The table below sets forth the activity in the warranty liability for the year ended December 31, 2017:

	As Restated
Balance, beginning of the year	$ 1,815
Additions	1,025
Cost of warranty claims	(1,098)
Balance, end of the year	$ 1,742

NOTE 5—BORROWINGS

Senior Credit Agreement

In July 2014, the Company entered into a loan and security agreement ("LSA") with East West Bank (the "Senior Lender"). Under the terms of the LSA, as amended, the Senior Lender provided for a $5,000 term loan and a $5,000 line of credit, which was increased to $7,000 in December 2014.

During 2016, the Senior Lender and the Company agreed to amendments and restatements of the LSA in January, March and December. As a result, the term loan outstanding under the LSA was repaid in full by a final payment of $1,654 in December 2016, and the borrowings available under the line of credit were changed to a maximum of $6,000, with interest accruing at the greater of 3.5% or the Wall Street Journal Prime Rate (the "Prime Rate"), plus 5%.

During 2017, the Senior Lender and the Company agreed to amendments and restatements of the LSA in May, June, August and October. As a result of these amendments, at December 31, 2017, the borrowings available under the line of credit were extended through January 2018 at a maximum amount of $6,000, with interest at the greater of 3.5% or the Prime Rate, plus 5% (8.5% at December 31, 2017). The loan covenants as required under the LSA were also amended and restated to the end of the term.

Borrowings under the LSA are secured by substantially all the Company's assets. The LSA contains certain financial debt covenants which require that the Company maintain a minimum availability under the line of credit in the amount of $750, have positive EBITDA (earnings before interest, taxes, depreciation and amortization) results for the quarter ended December 31, 2017, and maintain a fixed charge coverage ratio of at least 1.05 to 1.00 as of the last of each month, beginning with March 31, 2018.

The LSA also contains negative and affirmative covenants, in addition to the financial covenants, including covenants that restrict the ability of the Company and its subsidiaries' ability to, among other things, incur or prepay indebtedness on subordinated debt, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments, exceed annual capital expenditure limits, as defined, and make changes in the nature of the business. Objective events of default, therein, include, without limitation, nonpayment of principal, interest or other obligations, violation of the covenants, insolvency, and court-ordered judgments. Audited financial statements are required to be submitted to the lenders no later than 120 days after year-end.

For the quarters ended September 30, 2017, and December 31, 2017, the Company was out of compliance with its EBITDA financial covenant and obtained a waiver from the Senior Lender. As of December 31, 2017, the Company had borrowed $2,915 against the line of credit and had a remaining borrowing capacity of $3,085.

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In 2018, the line of credit was extended up to $8,000 and will bear interest at 1% plus the Prime Rate with a new maturity date of May 2019. In addition, the financial covenants were amended to temporarily suspend the obligation to comply with the minimum fixed charge coverage ratio through September 30, 2018, to increase the minimum fixed charge coverage ratio as of December 31, 2018 from 1.00 to 1.10 and to increase the minimum excess availability to $1,200.

Long-Term Debt

Riley Loan—On October 26, 2017 (the "Effective Date"), the Company entered into a Subordinated Term Loan and Security agreement (the "Loan Agreement") with B. Riley Principal Investments, LLC ("BRPI"), an affiliate of B. Riley Financial, Inc., a shareholder of the Company. B. Riley Financial, Inc. became a holder of Series A convertible preferred stock ("Series A") in a concurrent equity transfer between certain holders of Series A and a group of new investors pursuant to which a total of 5,000,000 shares of holders of Series A were sold to new investors for total consideration of $27,000 (the "Equity Transfer").

Under the Loan Agreement, the Company may borrow an aggregate principal amount of up to $10,000 (the "Convertible Note"). Interest at 10% per year will compound into the principal until October 26, 2018, a year after the Effective Date, at which time interest-only payments will begin. The Loan Agreement matures on September 1, 2022 (the "Maturity Date"), and is evidenced by a subordinated secured convertible promissory note, with an optional conversion feature as described below, into Series A-3 convertible preferred stock ("Series A-3"). As of December 31, 2017, the Company had borrowed $7,000 under the Loan Agreement and had an additional $100 of accrued interest.

Optional Conversion—At any time, on or prior to the Maturity Date, BRPI may elect to convert principal amounts outstanding, including accrued interest, as limited below, into shares of newly authorized Series A-3 at $8.87 per share. The number of shares of Series A-3 to be issued upon conversion is limited to the sum of (A) the lesser of (i) the principal outstanding and (ii) the aggregate principal amount borrowed under the Loan Agreement to date multiplied by the Designated Percentage as described below, and (B) the accrued interest on such date, including any amounts not yet compounded and added to the Note's principal prior to the first anniversary of the Effective Date. The "Designated Percentage" is one hundred percent (100%) if the conversion date is prior to the first anniversary of the Effective Date, seventy-five percent (75%) in Year 2 of the Loan Agreement, fifty percent (50%) in Year 3, twenty-five percent (25%) in Year 4, and twelve and a half of percent (12.5%) in the final year of the agreement on or prior to the Maturity Date.

The Loan Agreement contains negative and affirmative covenants that restrict the ability of the Company and its subsidiaries' ability to, among other things, incur or prepay indebtedness, engage in mergers and consolidations, make acquisitions or other investments, exceed annual capital expenditure limits, as defined, and make changes in the nature of the business. The covenants also require the Company to maintain compliance with laws, maintain collateral in good condition, make timely payment of material taxes. Audited financial statements are required to be submitted to the lender no later than 120 days after year-end.

Under specified Events of Default (including failure to pay any amounts when due, covenant defaults, and material adverse changes), BRPI has various rights of action including declaring all outstanding amounts immediately due and payable. Additionally, the Company has the right to prepay all or any portion of principal amount borrowed under the Loan Agreement, provided all accrued interest is also prepaid, along with a

prepayment penalty of 3% in Year 1, 2% in Year 2, and 1% in Year 3, with no prepayment penalty in years thereafter. The Company was in compliance with all of its financial covenants as of December 31, 2017 and there were no events of default during the year ended December 31, 2017.

In connection with the October 27, 2017 Equity Transfer and Term Loan agreements, the Company incurred $1,298 in costs, of which $588 related to the issuance and which was recorded as a discount to the long-term debt balance in the accompanying consolidated balance sheet and subject to amortization under the effective interest method over the life of the Convertible Note. The remaining balance of $710 represents cost associated with the Equity Transfer which were expensed as incurred. As of December 31, 2017, $29 of the Convertible Note discount was amortized as additional interest expense in the accompanying consolidated statement of operations.

Subordination Agreement—On October 26, 2017, BRPI and the Senior Lender also entered into a Subordination Agreement, in which BRPI agreed that all Junior Debt is subordinated to borrowings under the LSA (the "Senior Debt"). Pursuant to the Subordination Agreement, BRPI has the right to purchase from Senior Lender all of Senior Lender's right, title, and interest in and to the Senior Debt at any time after (i) acceleration of the Senior Debt which is not rescinded; (ii) the commencement of an Enforcement Action by Senior Lender which is not rescinded, (iii) the passage of a period of 45 days during the continuance of a Senior Debt default, or (iv), commencement of any insolvency proceedings against the Company. Under a side letter dated October 26, 2017 ("Side Letter"), with another major investor, BRPI has agreed that if it purchases the senior loan, BRPI will offer to certain other preferred stockholders the right to purchase undivided pro rata participation interests, in up to 50% of each of the Senior Debt and Junior Debt. The major investor and the other preferred shareholders referenced in the Side Letter all sold portions of their Series A holdings to BRPI's affiliate and other purchasers in October 2017, as referenced above.

Other financing arrangements—In 2017, the Company entered three financing arrangements totaling approximately $472 with maturity dates of November 2018, June 2020 and August 2020 respectively. These arrangements bear interest at rates varying between 3% an 13.6% and require monthly repayments of approximately $21 in total. The aggregate balance of these three financings as of the year ended December 31, 2017 was $431.

Promissory Notes Payable—In 2014 and 2017, the Company entered into agreements with one of its suppliers whereby certain of its trade payables for royalties and royalty up-front payments were converted to payment plans. The amounts due under these agreements would be paid in quarterly installments (totaling approximately $798 at December 31, 2017) over periods from two to four years, with interest ranging up to 8%.

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The balances of the long-term debt balance is as follows as of December 31, 2017:

	As Restated
Convertible note	$ 7,100
less unamortized discount and debt issuance costs	(559)
Subtotal Convertible note	6,541
Promissory notes payable	798
Other	431
Subtotal long-term debt	7,770
Less current portion, net of discount of $120	(217)
Total long-term debt	$ 7,553

Future aggregate annual principal payment on all long-term debt are as follows for the next 5 years:

Years Ending December 31:	As Restated
2018	$ 337
2019	405
2020	336
2021	151
2022	—
Thereafter	7,100
	$ 8,329

NOTE 6—STOCKHOLDER'S DEFICIT

Under the Company's Amended and Restated Certificate of Incorporation dated October 23, 2017 the authorized capital stock of the Company consists of 33,853,333 shares of capital stock (par value of $0.001 per share), comprising 18,666,666 shares of common stock and 15,186,664 shares of convertible preferred stock, of which 1,266,666 shares have been designated as Series A-3, 1,186,666 shares have been designated as Series A-2 convertible preferred stock ("Series A-2"), 1,733,333 shares have been designated as Series A-1 convertible preferred stock ("Series A-1"), 9,333,333 shares have been designated as Series A, and 1,666,666 shares have been designated as Series B convertible preferred stock ("Series B").

As of December 31, 2017, the Company had reserved shares of common stock for future issuance as follows:

Shares of convertible preferred stock	11,906,783
Stock options to purchase common stock	1,126,722
Warrants to purchase convertible preferred stock	472,947
Term debt conversion option into convertible preferred stock	800,450
Stock options available for future issuance	392,538
Total shares of common stock reserved	14,699,440

Upon the final closing of the sale of various securities in August 2016 under the terms of the August 2016 Preferred Stock Purchase Agreement (the "August 2016 PSA"), the Company issued 147,431 shares of Series

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A-1, 616,219 shares of Series A, and a warrant to purchase up to 466,014 fully paid shares of Series A with an exercise price of $0.15 per share to a strategic investor (the "August 2016 Investor") for aggregate proceeds of $10,000. Concurrently, the Company entered into a specified commercial agreement with the August 2016 Investor. At the time of issuance, the estimated fair value of the warrant of approximately $2,810 was classified as a liability on the consolidated balance sheet (Note 7). The commercial contract to provide customized features for a rugged mobile phone and to make commercially available was deemed to be less than market value. The Company has estimated the benefit to the August 2016 Investor to be approximately $1,100 and has recorded the unearned portion ending December 31, 2016 as deferred revenue, to be recognized as revenue as services are performed. The remaining portion of the $10,000 proceeds was allocated to Series A-1 and Series A in the amounts of approximately $1,460 and $4,630, respectively.

Convertible preferred stock—Preferred stock is not redeemable. The significant features of the Company's convertible preferred stock at December 31, 2017 are as follows:

Dividend provisions—The holders of Series A-3, Series A-2, Series A-1 and Series A in preference to the holders of Series B and common stock, are entitled to receive cumulative dividends at a rate of 5%, 5%, 5% and 15%, respectively, of the Series A-3, Series A-2, Series A-1, and Series A original issue prices per annum, respectively, on each outstanding share of Series A-3, Series A-2, Series A-1, and Series A, respectively, (as adjusted for any stock dividends, combinations, splits, and the like with respect to such shares). The Series A-3, Series A-2, Series A-1 and Series A dividends shall accrue on each outstanding share of Series A-3, Series A-2, Series A-1 and Series A, respectively, from day to day commencing on the date of original issuance whether or not earned or declared by the Board of Directors, whether or not there are profits, surplus, or other funds legally available for the payment thereof and shall be cumulative to the extent not actually paid. The Series A-3, Series A-2, Series A-1, and Series A dividends shall be paid in cash or in Series A-3, Series A-2, Series A-1 and Series A shares, respectively, at the original SeriesA-3, Series A-2, Series A-1, and Series A issue price, respectively. The original issue prices for Series A-1 and Series A are approximately $6.03. The original issue prices for SeriesA-3, and Series A-2 is approximately $8.87.

Dividends on the Series B are only payable in the event the Company pays dividends to common stockholders. In such case, the holders all preferred stockholder receive an additional dividend on the outstanding shares of preferred stock in a per share amount equal, on an as-if-converted to common stock basis. Through December 31, 2017, cumulative dividends of approximately $22,348 have been paid through the issuance of 3,522,445 shares of Series A, 98,349 shares of Series A-1, and 56,366 shares of Series A-2.

Liquidation preference—In the event of any liquidation, dissolution, or winding up of the Company, or in the event that the Company is party to an acquisition or asset transfer, the holders of Series A-1 shares outstanding will be entitled to be paid, out of the available funds and assets, and prior and in preference to any payment or distribution of any such funds on any shares of Series A-3, Series A-2, Series A, Series B, or common stock, an amount per share equal to the original issue price of Series A-1, plus all cumulative unpaid dividends. If assets are not sufficient to permit payment in full to all holders of Series A-1, such assets will be distributed among the holders of SeriesA-1 ratably in proportion to the full amounts to which they would be entitled.

After payment in full to the holders of SeriesA-1, as mentioned above, the holders of Series A shares outstanding will be entitled to be paid, out of the available funds and assets, and prior and in preference to any payment, or distribution of any such funds on any shares of Series A-3, Series A-2, Series B or common stock, an amount per share equal to one times the original issue price of Series A, respectively, plus cumulative

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dividends at the rate of 15% of the original issue price. If assets are not sufficient to permit payment in full to all holders of Series A, such assets will be distributed among the holders of Series A ratably in proportion to the full amounts to which they would be entitled.

In addition to the foregoing and in connection with the August 2016 PSA, the Company will pay to the August 2016 Investor (concurrently with the payment of the Series A Liquidation Preference and Series A-1 Liquidation Preference, as applicable, and prior to the payment of any Series B Liquidation Preference or Participation Payments, if any) an amount that is equal to $5.22 multiplied by the amount the August 2016 Investor actually receives in such liquidation pursuant to payment of the Series A-1 Liquidation Preference and Series A Liquidation Preference, if any (and, for purposes of clarity, not in payment of any Participation Payment, if any), with respect to the Shares then held by and Warrant Shares then held by, or issuable to, the August 2016 Investor.

After payment in full to the holders of Series A-1 and Series A, as mentioned above, the holders of Series B shares outstanding will be entitled to be paid, out of the available funds and assets, and prior and in preference to any payment, or distribution of any such funds on any shares of Series A-2, Series A-3, or common stock, an amount per share equal to one times the original issue price of Series B, plus all declared but unpaid non-cumulative dividends. If assets are not sufficient to permit payment in full to all holders of Series B, such assets will be distributed among the holders of Series B ratably in proportion to the full amounts to which they would entitled.

After payment in full to the holders of Series A-1 and Series A and Series B, as mentioned above, the holders of Series A-3 and Series A-2 shares outstanding will be entitled to be paid, out of the available funds and assets, and prior and in preference to any payment, or distribution of any such funds on any shares of common stock, an amount per share equal all accrued and unpaid dividends on the Series A-3 and Series A-2 shares, respectively. If assets are not sufficient to permit payment in full to all holders of Series A-3 and Series A-2, such assets will be distributed among the holders of Series A-3 and Series A-2 ratably in proportion to the full amounts to which they would be entitled. As of December 31, 2017, there were no accrued and unpaid cumulative dividends on the Series A-3 and Series A-2 outstanding.

After payment in full to the holders of Series A-3, Series A-2, Series A-1, Series A and Series B, as mentioned above, any remaining assets available for distribution will be distributed ratably among the holders of common stock, Series A-3, Series A-2, Series A-1, Series A, and Series B, on an as-if converted to common stock basis for the convertible preferred stockholders, and common stock

Conversion rights—Each outstanding share of convertible preferred stock is convertible, at the option of the holder, at any time after the date of issuance of such shares, into shares of common stock according to a Conversion Formula as defined in the Certificate of Incorporation. The current conversion rate is one share of common stock for each share of convertible preferred stock and is subject to adjustment for such events such as stock splits and combinations.

Each share of outstanding convertible preferred stock will automatically be converted into shares of common stock at the then Conversion Formula upon: (i) the affirmative election of a majority of holders of Series A-3, Series A-2, Series A-1, Series A and Series B (on an as-if converted basis) or (ii) the Company's sale of its common stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act of 1933, at a public offering price of common stock of the Company (as adjusted for stock splits,

stock dividends, recapitalization, and similar events) of at least $50,000 (before underwriting discounts, commissions, and fees).

Anti-dilution rights—The holders of each share of convertible preferred stock are entitled to conversion price adjustments if the Company sells additional shares of its common stock for a price less than any then effective preferred stock conversion price.

Voting rights—Excluding Series A-3 which are non-voting shares, 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 share is convertible.

NOTE 7—WARRANTS

In connection with the August 2016 PSA (Note 6), the Company issued the August 2016 PSA Warrant. The warrant becomes exercisable into Series A preferred shares as follows: 1) 155,338 shares vest in August 2017; 2) 155,338 shares vest in August 2018; and 3) 155,338 shares vest in August 2019. If, subsequent to the issuance of the August 2016 PSA Warrant, the Company declares or pays dividends on Series A in the form of common shares, cash or a security other than Series A, then upon exercise of this warrant, the holder is entitled to receive dividends as if the holder had owned the Series A preferred shares as of the date the dividend is declared. The fair value upon issuance of approximately $2,810 was estimated using the OPM with the following assumptions: expected time to merger and acquisition exit two years, expected volatility of equity value 60%, and risk-free interest rate of 0.81%. During the year ended December 31, 2017, the Company recognized other expense of $460 from the remeasurement of the fair value of this warrant.

The Company’s Amended and Restated Certificate of Incorporation include a provision that a change of control, as defined, results in a cash redemption of Series A and Series B. The ability to effect a change in control is within the control of the preferred stockholders. As a result of effecting a change in control being outside the control of the Company, the warrants to purchase Series A and Series B are classified as liabilities, with subsequent changes in fair value recorded in the Company’s consolidated statements of operations.

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The following table below discloses important information regarding warrants issued and outstanding at December 31, 2017:

Issuance date	Exercise price	Number of warrant shares	Approximate fair value at December 31, 2017 (As Restated)	Year of expiration
Series A:				
November 2012	$ 6.00	7	$ —	2028
November 2012	$ 6.00	927	1	2020
November 2012	$ 6.00	19	—	2018
September 2013	$ 15.00	5,900	2	2018
August 2016	$ 0.15	466,014	3,781	2023
		472,867	3,784	
Series B:				
November 2012	$ 0.97	22	—	2028
November 2012	$ 0.97	58	1	2018
		80	1	
Total Warrants		472,947	$ 3,785	

NOTE 8—STOCK-BASED COMPENSATION

As of December 31, 2017, the Company has the 2012 Equity Incentive Plan (the "Option Plan") in place. As of December 31, 2017, the number of shares remaining to be issued under the Option Plan was 392,538.

The Option Plan provides for the grant of incentive and nonstatutory stock options ("Options"), stock appreciation rights ("SAR"), restricted stock awards ("RSA"), and restricted stock unit awards ("RSU") to employees, nonemployee directors, and consultants of the Company. Awards granted under the Option Plan generally becomes exercisable ratably over a two-year period following the date of grant and expire ten years from the date of grant. At the discretion of the Company's Board of Directors, certain awards may be exercisable immediately at the date of grant but are subject to a repurchase right, under which the Company may buy back any unvested shares at their original exercise price in the event of an employee's termination prior to full vesting. All other awards are exercisable only to the extent vested. At December 31, 2017, there were no shares that had been early exercised that were subject to the Company's repurchase right at that date. The exercise price or strike price for Options and SARs granted under the Option Plan must generally be at least equal to 100% of the fair value of the Company's common stock at the date of grant, as determined by the Board of Directors. The exercise price of incentive stock options granted under the Option Plan to ten percent stockholders must be at least equal to 110% of the fair value of the Company's common stock at the date of grant, as determined by the Board of Directors, and are not exercisable after five years from the date of grant.

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Stock-based compensation expense for the year ended December 31, 2017 is as follows (in thousands):

Research and development	$ 15
Sales and marketing	41
General and administrative	45
Cost of revenue	3
	$104

Stock Options:

Stock option activity for the year ended December 31, 2017 is as follows:

	Options (As Restated)	Weighted average exercise price per share	Weighted average remaining contractual life (in years)	Aggregate Intrinsic Value
Outstanding at December 31, 2016	708,488	$ 0.90	6.82	$ 139
Options granted	591,518	$ 0.59		
Options exercised	(427)	$ 1.35		
Options forfeited	(36,857)	$ 0.76		
Options cancelled	(136,000)	$ 1.50		
Outstanding at December 31, 2017	1,126,722	$ 0.68	8.14	$ 470
Vested and expected to vest at December 31, 2017 (1)	1,104,188	$ 0.68	8.14	$ 470
Vested at December 31, 2017	560,035	$ 0.73	6.92	$ 227

(1) The expected to vest options are the result of applying the pre-vesting forfeiture rate assumptions to total outstanding options.

The total pre-tax intrinsic value of options exercised during the year ended December 31, 2017 was zero. 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 calculated value of options granted during the year ended December 31, 2017 was $0.53. The total fair value of options granted during the year ended December 31, 2017 was $388.

As of December 31, 2017, there was approximately $364 of unamortizedstock-based compensation cost related to unvested stock options which is expected to be recognized over a weighted average period of three years.

The fair value of employee stock options is determined using the Black-Scholes option-pricing model using various inputs, including the Company's estimates of the fair value of common stock on the date of grant, expected term, expected volatility, risk-free interest rate, and expectations regarding future dividends. Share-based compensation also reflects the Company's estimate regarding the portion of awards that may be forfeited.

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The following describes the key inputs used by the Company:

Fair Value of Common Stock—The fair value of the shares of common stock underlying the Company's stock options has historically been determined by management and approved by the Board of Directors. Because there has been no public market for the Company's common stock, the Board of Directors has determined the fair value of the common stock at the time of grant of the option by considering a number of objective and subjective factors, including valuations performed by an unrelated third-party specialist, valuations of comparable companies, operating and financial performance, the lack of liquidity of capital stock, recent private stock sale transactions (including the rights and preference of preferred stock relative to common stock), and general and industry- specific economic outlook. Valuations performed by third-party valuation specialists were done contemporaneously and used the methodologies, approaches, and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation.*

Expected Term—The expected term represents the period that the Company's stock options are expected to be outstanding. The majority of stock option grants are considered to be ''plain vanilla,'' and thus the Company determines the expected term using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options.

Expected Volatility—The expected volatility was derived from the historical stock volatilities of several unrelated public companies within the Company's industry that the Company considers to be comparable to the business over a period equivalent to the expected term of the stock option grants.

Risk-Free Interest Rate—The risk-free interest rate is based on the interest yield in effect at the date of grant for zero coupon U.S. Treasury notes with maturities approximately equal to the option's expected term.

Dividend Rate—The expected dividend rate was assumed to be zero, as the Company has not previously paid dividends on common stock and has no current plans to do so.

Forfeiture Rate—The Company estimates the forfeiture rate based on an analysis of actual forfeiture experience, analysis of employee turnover behavior, and other factors. The impact from any forfeiture rate adjustment would be recognized in full in the period of adjustment, and if the actual number of future forfeitures differs from the Company's estimates, the Company might be required to record adjustments to share-based compensation in future periods.

The calculated fair value of employee option grants made in fiscal 2017 was estimated using the following Black-Scholes option pricing model assumptions:

Expected dividend yield	0%
Risk-free interest rate	2.03%-2.07%
Expected volatility	60%
Expected life (in years)	6.15

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The following table summarizes information about stock options outstanding as of December 31, 2017:

	Options outstanding		Options exercisable	
Exercise price	Total Outstanding	Weighted average remaining contractual life	Total exercisable	Weighted average exercise price
$0.45	594,871	7.81	324,049	$ 0.45
$0.75	378,521	9.1	108,100	$ 0.75
$1.35	76,003	6.65	71,835	$ 1.35
$1.50	77,327	7.51	56,051	$ 1.50
	1,126,722	8.14	560,035	$ 0.73

Restricted Stock Awards:

During 2013, the Company issued common stock to employees and consultants under RSAs governed by the 2012 Equity Incentive Plan. Shares issued are for no consideration by the participants and vest according to time-based and performance-based criteria. Shares issued under the RSAs are initially held under an escrow agreement and released to the participants as and when they vest. During 2017, 416 RSAs vested. As of December 31, 2017, all outstanding restricted stock awards, totaling 1,014,668 shares, are fully vested and have a weighted average fair value per share of $0.45.

NOTE 9—INCOME TAXES

The following table presents the profit/loss before income taxes for domestic and foreign operations:

	2017 As Restated
Domestic Income/(Loss)	$ (9,505)
Foreign Corps Income/(Loss)	1,120
Total	$ (8,385)

	2017 (As Restated)
Current income tax expense:	
Federal	$ —
State	—
Foreign	418
Total Current	$ 418
Deferred income tax expense:	
Federal	$ (273)
State	—
Foreign	(11)
Total Deferred	(284)
Total provision for income taxes	$ 134

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The Company's effective tax rate differs from the federal statutory rate due to the following:

	2017 As Restated
Statutory federal income tax rate	34.00%
State income taxes, net of federal tax benefits	4.75
Stock compensation	(0.35)
Foreign Rate Differential	(0.32)
Tax Credits	1.05
Warrants Revaluation	(1.87)
Section 382 Limits	(104.85)
Change in DTA—Tax Rate Remeasurement	(49.13)
Non-deductible expenses	(7.57)
Valuation allowance	122.68
Effective Tax Rate	(1.61)%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The following table presents the significant components of the Company's deferred tax assets and liabilities for the periods presented:

	2017 As Restated
Gross deferred tax assets:	
Net operating loss carryforwards	$ 6,134
Tax credits	414
Accruals and reserves	1,772
Alternative minimum tax credits	21
Total gross deferred tax assets	8,341
Deferred tax liabilities:	
Property and equipment	(219)
Less: valuation allowance	(7,753)
Net deferred tax assets	$ 369

A valuation allowance is provided for deferred tax assets where the recoverability of the assets is uncertain. The determination to provide a valuation allowance is dependent upon the assessment of whether it is more likely than not that sufficient future taxable income will be generated to utilize the deferred tax assets. Based on the weight of the available evidence, which includes the Company's historical operating losses, lack of taxable income, and the accumulated deficit, the Company provided a full valuation allowance against all but $273 of the U.S. deferred tax assets resulting from the accruals and reserves along with tax loss and credits carried forward. The Company released its valuation allowance of $273 of U.S. federal minimum tax credit carryforwards in 2017 as a result of a provision in the Tax Act that allows these credits to be refunded. At December 31, 2017, the Company had net deferred income tax assets related primarily to net operating loss carry forwards, accruals and reserves and tax credit carryforward that are not currently being recognized of approximately $7,800, which have been offset by a valuation allowance. The valuation allowance decreased by approximately $10,100 in 2017 as a result of the Company derecognizing approximately $8,800 of net

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operating loss and tax credit carryforward due to the change of ownership limitations in the U.S., with an additional approximate $4,120 reduction due to remeasuring the Company's deferred tax assets downward following the U.S. Tax Cuts and Jobs Act, passed in December 2017, which reduced the U.S. federal tax rate down to 21% commencing for tax years beginning in 2018.

We have not provided U.S. Federal and State income taxes, nor foreign withholding taxes on approximately $4,700 of undistributed earnings for certain non-US subsidiaries, because such earnings are intended to be indefinitely reinvested. If these earnings were distributed to the U.S. in the form of dividends or otherwise, or if the shares of the relevant foreign subsidiaries were sold or otherwise transferred, we would not be subject to U.S. income tax due to the transition tax of IRC Section 965, enacted as part of the 2017 U.S. Tax Act. The Company would be subject to U.S. state tax and potential foreign withholding taxes on a repatriation of the foreign earnings. The amount of unrecognized deferred income tax liability related to these earnings is not material.

Estimate of cumulative foreign earnings as of December 31, 2017:	
	(As Restated)
China	$ 1,297
India	3,207
Total	$ 4,504

The Company had net operating loss carryforwards as follows:

	(As Restated)
Federal NOL	$ 25,169
State NOL	$ 13,353

Federal and state laws impose restrictions on the utilization of net operating loss carryforwards and research and development credit carryforwards in the event of a change in ownership of the Company, which constitutes an 'ownership change' as defined by Internal Revenue Code Section 382 and 383. During 2013, the Company completed a limited study to assess whether an ownership change had occurred and management concluded that an ownership change had occurred that materially impacted the availability of its net operating losses and tax credits. In reviewing subsequent equity transactions through 2017, the Company believes another ownership change occurred in 2017 which may further limit federal NOLs and credits. The amounts indicated in the above tables reflect the reduction of net operating losses and credit carryforwards as a result of previous ownership changes that the Company experienced. The Company is currently conducting a review to assess whether an ownership change occurred during the year ended December 31, 2017. As a result of this review the amounts of the NOLs could significantly change. Should there be additional ownership changes in the future, the Company's ability to utilize existing carryforwards could be substantially restricted.

The Company accounts for uncertainty in income taxes in accordance with ASC 740. Tax positions are evaluated in a two-step process. The Company first determines whether it is more likely than not that a tax position will be sustained upon examination by the tax authority, including resolutions of any related appeals or litigation processes, based on technical merit. If a tax position meets the more-likely-than-not recognition threshold it is then measured to determine the amount of benefit to recognized in the financial statements. The tax position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

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The following table summarizes the activity related to unrecognized tax benefits:

In thousands	2017 As Restated
Unrecognized benefit—beginning of period	$ 677
Gross increases—prior period tax positions	—
Gross (decreases)—prior period tax positions	—
Decrease prior period tax positions—settlements	—
Gross increases (decreases)—current period tax positions	670
Unrecognized benefit—end of period	$ 1,347

Approximately $1,000 of the unrecognized tax benefits as of December 31, 2017 are accounted for as a reduction in the Company's deferred tax assets. Due to the Company's valuation allowance, only approximately $1,300 of the $1,347 of unrecognized tax benefits would affect the Company's effective tax rate, if recognized. The Company does not believe it is reasonably possible that its unrecognized tax benefits will significantly change in the next twelve months.

The Company recognizes interest and penalties related to unrecognized tax benefits as income tax expense. The Company accrued $37 of interest and penalties in 2017 and the Company has accrued a $68 liability for accrued interest and penalties related to unrecognized tax benefit as of December 31, 2017.

The Company's material income tax jurisdictions are the United States (federal and state), China and India. As a result of net operating loss and credit carryforwards, the Company is subject to audit for tax years 2010 and forward for federal and state purposes. The China and India tax years are open under the statute of limitations from 2012 and forward. The Company does not expect any significant change in its unrecognized tax benefits during the next twelve months.

NOTE 10—COMMITMENTS AND CONTINGENCIES

Operating leases—The Company leases several facilities under noncancelable operating leases that begin expiring in 2018. The Company recognizes rent expense on a straight-line basis over the lease period.

Future minimum lease payments under noncancelable operating lease commitments are approximately as follows:

Fiscal years ending December:	
2018	$ 938
2019	798
2020	516
2021	118
Total	$2,370

Rent expense was approximately $1,079 for the year ended December 31, 2017.

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Purchase Commitments—The aggregate amount of noncancelable purchase orders as of December 31, 2017 was approximately $5,800 and were related to the purchase of components of our devices. These noncancelable purchase orders were fulfilled and paid in 2018.

Royalty payments—The Company is required to pay per unit royalties to wireless essential patent holders and other providers of integrated technologies on mobile devices delivered, which, in aggregate, amount to less than 5% of net revenues associated with each unit.

General litigation—The Company is involved in lawsuits, claims, investigation, and proceedings that arise in the ordinary course of business. 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 quarterly and adjusts them to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to a particular case. Based on its experience, the Company believes that any settled amounts in the specific matter discussed below is not a meaningful indicator of the Company's potential liability pertaining to litigation matters. The Company believes that it has valid defenses with respect to legal matters pending against it. Nevertheless, it is possible that cash flows or results of operations could be materially affected in any particular period by the unfavorable resolution of one or more of these contingencies.

During the second half of 2016, two other of the Company's former contract manufacturers either filed or indicated they will file arbitration with respect to $900 of unpaid invoices and other related claims against the Company. In 2017, the Company entered into a settlement agreement with these two contract manufactures for a total amount of $270 which was fully paid in 2017.

Indemnification—Under the terms of its agreements with wireless carriers and other partners, the Company has agreed to provide indemnification for intellectual property infringement claims related to Company's product sold by them to their end customers. From time to time, the Company receives notices from these wireless carriers and other partners of a claim for infringement of intellectual property rights potentially related to their products. These infringement claims have been settled, dismissed, have not been further pursued by the customers or are pending for further action by the Company. Of the cases that have been settled or dismissed, the Company has received requests for reimbursement of settlement and litigation expenses. As a result, the Company has recorded an accrual of $96 for these indemnification matters as of December 31, 2017.

Contingent severance obligations—The Company has agreements in place with certain key employees guaranteeing severance payments under certain circumstances. Generally, in the event of termination by the Company without cause, termination due to death or disability, or resignation for good reason, the Company is obligated to the pay the employees: (i) any time before a Change in Control, amounts up to $1,057 or (ii) if at any time within 12 months of a Change in Control, amounts up to $1,407. In addition, in the event of termination by the Company with cause, the Company is obligated to pay the employees up to $88. In addition, the Company is obligated to pay up to $140 if the Company has not been acquired or undertaken an Initial Public Offering at an equity valuation in excess of $50,000. As of December 31, 2017, no accrual has been recorded.

NOTE 11—RELATED PARTY TRANSACTIONS

Loan to management—In September 2016, the Company entered into a Promissory Note and Security Agreement to loan $175 to its Chief Executive Officer ("CEO") (the "CEO Loan"). The CEO Loan had a

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4-year term and bore an interest rate of 3%. The CEO Loan was secured against certain future compensation payable to the CEO and certain stock in the Company held by the CEO. During 2017, the loan was repaid in full.

Revenue transactions with a certain investor—During the year ended December 31, 2017, the Company recognized revenue of $1,400 with an investor and holder of the August 2016 PSA Warrant.

Management Services Agreement—In October 2017, the Company entered into a management services agreement with B. Riley Principal Investments, an investor, pursuant to which B. Riley Investments agreed to provide advisory and consulting services to the Company. The Company incurred approximately $47 of consulting fees during the year ended December 31, 2017.

NOTE 12—ENTITY LEVEL INFORMATION

The following table summarizes the revenue and long-lived asset by region based onship-to destinations for the year ended December 31, 2017:

	Revenue (As Restated)
U.S.	$ 29,422
Canada and Latin America	17,787
Europe and Middle East	9,629
Asia Pacific	2,193
	$ 59,031

Long-lived assets located in the United States and Asia Pacific region were $1,793 and $990 respectively as of December 31, 2017.

The composition of revenues for the year ended December 31, 2017 is as follows:

	(As Restated)
Product Sales	$ 53,405
Services	5,626
Total revenues	$ 59,031

NOTE 13—SUBSEQUENT EVENTS

The Company has evaluated subsequent events through February 14, 2019, which is the date the consolidated financial statements were available to be issued.

In 2018, the Company borrowed an additional $3,000 under the current Term Loan agreement and renegotiated its current debt facility for an additional $2,000 in borrowing capacity.

On March 30, 2018, the Company's Board approved an increase in the number of authorized shares of common stock from 18,666,666 shares to 18,900,000 shares and an increase in the number of total authorized shares of preferred stock from 15,186,666 shares to 15,420,000 shares. In addition, the Series A-3 was increased from 1,266,666 shares to 1,500,000 shares.

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During August 2018, a warrant to purchase 310,677 shares of Series A was exercised in exchange for consideration of $47.

On October 26, 2018, The Company converted all outstanding shares of Series A, SeriesA-1, Series A-2 and Series B into shares of common stock. Concurrently, the Company also adjusted the number of authorized shares of common and convertible preferred stock to 100,000,000 and 5,000,000 shares, respectively. In addition, the Company also approved the payment of dividends to all holders of Series A, Series A-1 and Series A-2 of record on this date. The total Series A, Series A-1 and Series A-2 shares issued as dividends in the year ended December 31, 2018 was 975,462, 66,256 and 49,456, respectively. On November 2, 2018, total outstanding preferred shares of 13,308,754, inclusive of historical shares issued as dividends, were converted into common stock.

On November 2, 2018, the Company entered into a Securities Purchase Agreement for the sale of 1,498,533 shares of common stock at $7.18 per share for net proceeds of approximately $10,759.

During 2018, the Company entered into four new leases for office space in San Mateo, San Diego, Shenzhen and Beijing, China, ranging in lease term of two to seven years, with total future lease obligations approximating $4,938.

In December 2018, the Company amended its accounts payable financing agreement, effective January 1, 2019, which provides for the $736 outstanding balance to be paid in twenty equal quarterly installments.

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Shares

Common Stock

Prospectus

, 2019

Oppenheimer & Co. **Lake Street**

National Securities Corporation

Through and including , 2019 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of the common stock being registered. All amounts shown are estimates except for the SEC registration fee, the Financial Industry Regulatory Authority, or FINRA, filing fee and the Nasdaq initial listing fee.

	Amount
SEC registration fee .	$ *
FINRA filing fee	*
Nasdaq listing fee	*
Legal fees and expenses	*
Accounting fees and expenses	*
Printing and engraving expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be filed by amendment.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act of 1933, as amended, or the Securities Act. Our amended and restated certificate of incorporation to be in effect upon the closing of this offering allows for our indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws to be in effect upon the closing of this offering provide for indemnification of our directors and executive officers to the maximum extent permitted by the Delaware General Corporation Law.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee, or agent of Sonim Technologies, Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Sonim Technologies, Inc.

At present, there is no pending litigation or proceeding involving one of our directors or officers regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Securities Exchange Act of 1934, as amended, that might be incurred by any director or officer in his or her capacity as such.

The underwriters are obligated, under certain circumstances, pursuant to the underwriting agreement to be filed as Exhibit 1.1 hereto, to indemnify us, our officers and our directors against liabilities under the Securities Act.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

The following sets forth information regarding all unregistered securities sold since January 1, 2016. All per share amounts reflect a one-for-fifteen reverse stock split and conversion of then-outstanding preferred stock into common stock, which occurred in November 2018.

1. In May 2016, we issued and sold $2.5 million aggregate principal amount of convertible promissory notes to accredited investors. In August 2016, all principal and accrued interest under such notes converted into 1,340,269 shares of our common stock.
2. In August 2016, we issued and sold to an accredited investor 763,650 shares of common stock and a warrant to purchase 466,014 shares of common stock at an exercise price of $0.15 per share for an aggregate purchase price of approximately $10.0 million.
3. In December 2016, we issued and sold 1,127,337 shares of common stock to an accredited investor for an aggregate purchase price of approximately $10.0 million.
4. In October 2017, we issued and sold a $10 million aggregate principal amount convertible promissory note to an accredited investor. In April 2018, the principal amount was increased to $12 million.
5. From November 2018 to January 2019, we issued and sold 1,498,533 shares of common stock to accredited investors for an aggregate purchase price of approximately $10.8 million.
6. From January 2016 to January 2019, we issued options for an aggregate of 1,185,096 shares of common stock under our 2012 Equity Incentive Plan at a weighted average exercise price of $0.80 per share to certain of our employees, directors and officers.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise specified above, we believe that the transactions described in 1 through 5 above were exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act (and Regulation D promulgated thereunder) and the transactions described in 6 above were exempt from registration under the Securities Act in reliance on Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or under benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits.

Exhibit Number	Description of Exhibit
1.1†	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect.
3.2†	Form of Amended and Restated Certificate of Incorporation of the Registrant, to be in effect immediately prior to the closing of the offering.
3.3	Amended and Restated Bylaws of the Registrant, as currently in effect.
3.4†	Form of Amended and Restated Bylaws of the Registrant, to be in effect upon the closing of the offering.
4.1†	Form of Common Stock Certificate.

Exhibit Number	Description of Exhibit
4.2	Amended and Restated Investor Rights Agreement, by and between the Registrant and the investors listed on Exhibit A thereto, dated November 21, 2012, as amended.
4.3	Securities Purchase Agreement, by and between the Registrant and the purchasers listed on Exhibit A thereto, dated November 2, 2018
5.1†	Opinion of Cooley LLP as to legality.
10.1+	2012 Equity Incentive Plan and forms of agreements thereunder.
10.2+†	2019 Equity Incentive Plan and forms of agreements thereunder.
10.3+†	2019 Employee Stock Purchase Plan and forms of agreements thereunder.
10.4+†	Form of Indemnification Agreement, by and between the Registrant and each of its directors and executive officers.
10.5+†	Employment Agreement, by and between the Registrant and Robert Plaschke, dated August 18, 2018, as amended.
10.6+†	Employment Agreement, by and between the Registrant and James Walker, dated August 18, 2018, as amended.
10.7+†	Employment Agreement, by and between the Registrant and Charles Becher, dated February 11, 2019.
10.8	Office Lease Agreement, by and between the Registrant and BCSP Crossroads Property LLC, dated May 25, 2006, as amended.
10.9†	English language summary of Shenzhen Warehouse Lease Agreement, by and between Sonim Technologies (Shenzhen) Ltd. and Shenzhen Gaoxinqi Industrial Park Management Co., Ltd., dated February 14, 2016, as amended.
10.10†	English language summary of Shenzhen Plant Lease Agreement, by and between Sonim Technologies (Shenzhen) Ltd. and Shenzhen Gaoxinqi Industrial Park Management Co., Ltd., dated April 10, 2016, as amended.
10.11†*	Amended and Restated Global Patent License Agreement, by and between Telefonaktiebolaget LM Ericsson (Publ) and the Registrant, effective as of January 1, 2017.
21.1	Subsidiaries of the Registrant.
23.1†	Consent of Moss Adams LLP, independent registered public accounting firm.
23.2†	Consent of Cooley LLP (included in Exhibit 5.1).
24.1†	Powers of Attorney (included on the signature page to this registration statement).

+ Indicates management contract or compensatory plan.

† To be filed by amendment.

* Portions of this exhibit (indicated by asterisks) will be omitted pursuant to a request for confidential treatment and will be separately filed with the Securities and Exchange Commission.

(b) Financial Statement Schedules.

See Index to consolidated financial statements on Page F-1. All schedules have been omitted because they are not required or are not applicable.

ITEM 17. UNDERTAKINGS.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned 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, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in San Mateo, California, on the day of , 2019.

SONIM TECHNOLOGIES, INC.

By: _____
Robert Plaschke
Chief Executive Officer

KNOW ALL BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Robert Plaschke and James Walker, and each of them, his true and lawful agent, proxy and attorney-in-fact, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to (i) act on, sign and file with the Securities and Exchange Commission any and all amendments (including post-effective amendments) to this registration statement together with all schedules and exhibits thereto and any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, together with all schedules and exhibits thereto, (ii) act on, sign and file such certificates, instruments, agreements and other documents as may be necessary or appropriate in connection therewith, (iii) act on and file any supplement to any prospectus included in this registration statement or any such amendment or any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and (iv) take any and all actions which may be necessary or appropriate to be done, as fully for all intents and purposes as he might or could do in person, hereby approving, ratifying and confirming all that such agent, proxy and attorney-in-fact or any of his substitutes may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Robert Plaschke	Chief Executive Officer and Chairman of the Board of Directors (*Principal Executive Officer*)	, 2019
James Walker	Chief Financial Officer (*Principal Financial and Accounting Officer*)	, 2019
Bryant Riley	Director	, 2019
Maurice Hochschild	Director	, 2019
Alan Howe	Director	, 2019
Kenny Young	Director	, 2019
Toru Amakasu	Director	, 2019

Exhibit 3.1

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:43 PM 11/02/2018
FILED 04:43 PM 11/02/2018
SR 20187465148 - File Number 3079326

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SONIM TECHNOLOGIES, INC.

Robert Plaschke hereby certifies that:

ONE: The original name of this company is NaviSpin.com, Inc. and the date of filing the original Certificate of Incorporation of this company with the Secretary of State of the State of Delaware was August 5, 1999.

TWO: He is the duly elected and acting Chief Executive Officer of Sonim Technologies, Inc., a Delaware corporation.

THREE: The Certificate of Incorporation of this company is hereby amended and restated to read as follows:

ARTICLE I

The name of this company is Sonim Technologies, Inc. (the "***Company***" or the "***Corporation*** ").

ARTICLE II

The address of the registered office of this Company in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, 19801, and the name of the registered agent of this Corporation in the State of Delaware at such address is The Corporation Trust Company.

ARTICLE III

The purpose of the Company is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation Law *("**DGCL***").**

ARTICLE IV

A. Effective immediately upon the filing of this Amended and Restated Certificate of Incorporation, each 15 shares of the Company's Common Stock issued and outstanding shall, automatically and without any action on the part of the respective holders thereof, be combined and converted into one share of Common Stock of the Company (the "***Reverse Stock Split***"); provided, however, that the Company shall issue no fractional shares as a result of the actions set forth herein. In lieu of the issuance of fractional shares, after aggregating all shares of Common Stock held by such holder, the Company shall pay cash to the holder of such fractional share in an amount equal to the product of such fraction multiplied by the Common Stock's fair market value (as determined by the Board) on the date of the Reverse Stock Split. All of the share amounts, amounts per share and per share numbers for the Common Stock set forth herein have been appropriately adjusted to give effect to the Reverse Stock Split.

B. This Company is authorized to issue two classes of stock to be designated, respectively, ***"Common Stock***" and ***"Preferred Stock."*** The total number of shares which the Company is authorized to issue is 105,000,000 shares. 100,000,000 shares shall be Common Stock, having a par value per share of $0,001 and 5,000,000 shares shall be Preferred Stock, having a par value per share of $0.001.

C. The Preferred Stock may be issued from time to time in one or more series. The Board of Directors of the Company (the ***"Board of Directors")*** is hereby expressly authorized to provide for the issue of all or any of the shares of the Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designation, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such shares and as may be permitted by the DGCL. The Board of Directors is also expressly authorized to increase or decrease the number of shares of any series subsequent to the issuance of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be decreased in accordance with the foregoing sentence, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the stock of the Company entitled to vote thereon, without a separate vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any certificate of designation filed with respect to any series of Preferred Stock.

D. Each outstanding share of Common Stock shall entitle the holder thereof to one vote on each matter properly submitted to the stockholders of the Company for their vote; *provided, however*, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designation filed with respect to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon by law or pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designation filed with respect to any series of Preferred Stock).

ARTICLE V

For the management of the business and for the conduct of the affairs of the Company, and in further definition, limitation and regulation of the powers of the Company, of its directors and of its stockholders or any class thereof, as the case may be, it is further provided that:

A**. MANAGEMENT OF THE BUSINESS.** The management of the business and the conduct of the affairs of the Company shall be vested in its Board of Directors. The number of directors which shall constitute the Board of Directors shall be fixed exclusively by resolutions adopted by a majority of the authorized number of directors constituting the Board of Directors.

B. **REMOVAL OF DIRECTORS.**

1. Subject to the rights of any series of Preferred Stock to elect additional directors under specified circumstances, following the effectiveness of the first registration statement filed by the Company under the Securities Act of 1933, as amended (the ***"Securities Act"),*** covering the sale of Common Stock to the public (the ***"Initial Registration***"), neither the Board of Directors nor any individual director may be removed without cause.

2. Subject to any limitation imposed by applicable law, any individual director or directors may be removed with cause by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all then-outstanding shares of capital stock of the Company entitled to vote generally at an election of directors.

C. **VACANCIES.** Subject to any limitations imposed by applicable law and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors, shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by the stockholders and except as otherwise provided by applicable law, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified.

D**. BYLAW AMENDMENTS.**

1. The Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the Company. Any adoption, amendment or repeal of the Bylaws of the Company by the Board of Directors shall require the approval of a majority of the authorized number of directors. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the Company; *provided, however*, that, in addition to any vote of the holders of any class or series of stock of the Company required by law or by this Amended and Restated Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all of the then- outstanding shares of the capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class.

2. The directors of the Company need not be elected by written ballot unless the Bylaws so provide.

3. No action shall be taken by the stockholders of the corporation except at an annual or special meeting of stockholders called in accordance with the Bylaws or by written consent or electronic transmission of stockholders in accordance with the Bylaws prior to the Initial Registration and, following the Initial Registration, no action shall be taken by the stockholders by written consent or electronic transmission.

4. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Company shall be given in the manner provided in the Bylaws of the Company.

ARTICLE VI

A. The liability of the directors for monetary damages shall be eliminated to the fullest extent under applicable law.

B. To the fullest extent permitted by applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Company (and any other persons to which applicable law permits the Company to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise in excess of the indemnification and advancement otherwise permitted by such applicable law. If applicable law is amended after approval by the stockholders of this Article VI to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director to the Company shall be eliminated or limited to the fullest extent permitted by applicable law as so amended.

C. Any repeal or modification of this Article VI shall only be prospective and shall not affect the rights or protections or increase the liability of any director under this Article VI in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

ARTICLE VII

A. Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (1) any derivative action or proceeding brought on behalf of the Company; (2) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's stockholders; (3) any action asserting a claim against the Company or any director or officer or other employee of the Company arising pursuant to any provision of the DGCL, this Amended and Restated Certificate of Incorporation or the Bylaws of the Company; (4) any action to interpret, apply, enforce or determine the validity of this Amended and Restated Certificate of Incorporation or the Bylaws of the Company; or (5) any action asserting a claim against the Company or any director or officer or other employee of the Company governed by the internal affairs doctrine.

B. Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

C. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Company shall be deemed to have notice of and to have consented to the provisions of this Article VII.

ARTICLE VIII.

A. The Company reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, except as provided in paragraph B. of this Article VIII, and all rights conferred upon the stockholders herein are granted subject to this reservation.

B. Notwithstanding any other provisions of this Amended and Restated Certificate of Incorporation or any provision of applicable law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the capital stock of the Company required by law or by this Amended and Restated Certificate of Incorporation or any certificate of designation filed with respect to a series of Preferred Stock, following the Initial Registration, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend or repeal Articles V, VI, VII and VIII.

* * * *

FOUR: This Amended and Restated Certificate of Incorporation has been duly approved by the Board of Directors of the Company.

FIVE: This Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of the Company in accordance with Section 228 of the DGCL. This Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Sections 242 and 245 of the DGCL by the stockholders of the Company.

IN WITNESS WHEREOF, Sonim Technologies, Inc. has caused this Amended and Restated Certificate of Incorporation to be signed by its Chief Executive Officer this 1st day of November, 2018.

SONIM TECHNOLOGIES, INC.

By: /s/ Robert Plaschke
Robert Plaschke
Chief Executive Officer

Exhibit 3.3

AMENDED AND RESTATED

BYLAWS

OF

SONIM TECHNOLOGIES, INC.
(A DELAWARE CORPORATION)

TABLE OF CONTENTS

AMENDED AND RESTATED

BYLAWS

OF

SONIM TECHNOLOGIES, INC.
(A DELAWARE CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware shall be in the City of Wilmington, County of New Castle.

Section 2. Other Offices. The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. The corporate seal shall consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation shall be held at such place, either within or without the State of Delaware, as may be designated from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law ("DGCL").

Section 5. Annual Meeting.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may lawfully come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors.

Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders; (ii) by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving of notice provided for in the following paragraph, who is entitled to vote at the meeting and who complied with the notice procedures set forth in Section 5.

(b) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, (i) the stockholder must have given timely notice thereof in writing to the Secretary of the corporation, (ii) such other business must be a proper matter for stockholder action under the DGCL, (iii) if the stockholder, or the beneficial owner on whose behalf any such proposal or nomination is made, has provided the corporation with a Solicitation Notice (as defined in this Section 5(b)), such stockholder or beneficial owner must, in the case of a proposal, have delivered a proxy statement and form of proxy to holders of at least the percentage of the corporation's voting shares required under applicable law to carry any such proposal, or, in the case of a nomination or nominations, have delivered a proxy statement and form of proxy to holders of a percentage of the corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder, and must, in either case, have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided pursuant to this section, the stockholder or beneficial owner proposing such business or nomination must not have solicited a number of proxies sufficient to have required the delivery of such a Solicitation Notice under this Section 5. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced more than thirty (30) days prior to or delayed by more than thirty (30) days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (A) as to each person whom the stockholder proposed to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "1934 Act") and Rule 14a-4 thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any,

on whose behalf the proposal is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, and (iii) whether either such stockholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of, in the case of the proposal, at least the percentage of the corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (an affirmative statement of such intent, a "Solicitation Notice").

(c) Notwithstanding anything in the second sentence of Section 5(b) of these Bylaws to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 5 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the corporation not later than the close of business on the tenth (10^{th}) day following the day on which such public announcement is first made by the corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Section 5 shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 5. Except as otherwise provided by law, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defective proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded.

(e) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, stockholders must provide notice as required by the regulations promulgated under the 1934 Act. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation proxy statement pursuant to Rule 14a-8 under the 1934 Act.

(f) For purposes of this Section 5, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act.

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose or purposes, by (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer, or (iii) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption) or (iv) by the holders of shares entitled to cast not less than twenty percent (20%) of the votes at the meeting, and shall be held at such place, on such date, and at such time as the Board of Directors shall fix.

At any time or times that the corporation is subject to Section 2115(b) of the California General Corporation Law ("CGCL"), stockholders holding five percent (5%) or more of the outstanding shares shall have the right to call a special meeting of stockholders as set forth in Section 18(b) herein.

(b) If a special meeting is properly called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by certified or registered mail, return receipt requested, or by telegraphic or other facsimile transmission to the Chairman of the Board of Directors, the Chief Executive Officer, or the Secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The Board of Directors shall determine the time and place of such special meeting, which shall be held not less than thirty-five (35) nor more than one hundred twenty (120) days after the date of the receipt of the request. Upon determination of the time and place of the meeting, the officer receiving the request shall cause notice to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. Nothing contained in this paragraph (b) shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the Certificate of Incorporation, or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute or by the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairman of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, shall be entitled to vote at any meeting of stockholders. Every person entitled to vote or execute consents shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy shall be voted after three (3) years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two (2) or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two (2) or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one (1) votes, his act binds all; (b) if more than one (1) votes, the act of the majority so voting binds all; (c) if more than one (1) votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) shall be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list shall be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting.

(a) Unless otherwise provided in the Certificate of Incorporation, any action required by statute to be taken at any annual or special meeting of the stockholders, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, or by electronic transmission setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) Every written consent or electronic transmission shall bear the date of signature of each stockholder who signs the consent, and no written consent or electronic transmission shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered to the corporation in the manner herein required, written consents or electronic transmissions signed by a sufficient number of stockholders to take action are delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation’s registered office shall be by hand or by certified or registered mail, return receipt requested.

(c) Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing or by electronic transmission and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of stockholders to take action were delivered to the corporation as provided in Section 228(c) of the DGCL. If the action which is consented to is such as would have required the filing of a certificate under any section of the DGCL if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

(d) A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (i) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the corporation by delivery to its registered office in the state of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the board of directors of the corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 14. Organization.

(a) At every meeting of stockholders, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or, if the President is absent, a chairman of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, shall act as chairman. The Secretary, or, in his absence, an Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

(b) The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office.

The authorized number of directors of the corporation shall be fixed by the Board of Directors from time to time and shall initially be set at five (5).

Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient.

Section 16. Powers. The powers of the corporation shall be exercised, its business conducted and its property controlled by the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Term of Directors.

(a) Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, directors shall be elected at each annual meeting of stockholders for a term of one year. Each director shall serve until his successor is duly elected and qualified or until his death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(b) No person entitled to vote at an election for directors may cumulate votes to which such person is entitled, unless, at the time of such election, the corporation is subject to Section 2115(b) of the CGCL. During such time or times that the corporation is subject to Section 2115(b) of the CGCL, every stockholder entitled to vote at an election for directors may cumulate such stockholder’s votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder’s shares are otherwise entitled, or distribute the stockholder’s votes on the same principle among as many

candidates as such stockholder thinks fit. No stockholder, however, shall be entitled to so cumulate such stockholder's votes unless (i) the names of such candidate or candidates have been placed in nomination prior to the voting and (ii) the stockholder has given notice at the meeting, prior to the voting, of such stockholder's intention to cumulate such stockholder's votes. If any stockholder has given proper notice to cumulate votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

Section 18. Vacancies.

(a) Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

(b) At any time or times that the corporation is subject to §2115(b) of the CGCL, if, after the filling of any vacancy, the directors then in office who have been elected by stockholders shall constitute less than a majority of the directors then in office, then

(i) any holder or holders of an aggregate of five percent (5%) or more of the total number of shares at the time outstanding having the right to vote for those directors may call a special meeting of stockholders; or

(ii) the Superior Court of the proper county shall, upon application of such stockholder or stockholders, summarily order a special meeting of the stockholders, to be held to elect the entire board, all in accordance with Section 305(c) of the CGCL, the term of office of any director shall terminate upon that election of a successor.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made, it shall be deemed effective at the pleasure of the Board of Directors. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each Director so chosen shall hold office for the unexpired portion of the term of the Director whose place shall be vacated and until his successor shall have been duly elected and qualified.

Section 20. Removal.

(a) Subject to any limitations imposed by applicable law (and assuming the corporation is not subject to Section 2115 of the CGCL) and any rights of the holders of any series of Preferred Stock, the Board of Directors or any director may be removed from office at any time (i) with cause by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors or (ii) without cause by the affirmative vote of the holders of sixty-six and two-thirds percent (66-2/3%) of the voting power of all then-outstanding shares of capital stock of the corporation, entitled to vote generally at an election of directors.

(b) During such time or times that the corporation is subject to Section 2115(b) of the CGCL and subject to any rights of the holders of any series of Preferred Stock, the Board of Directors or any individual director may be removed from office at any time without cause by the affirmative vote of the holders of at least a majority of the outstanding shares entitled to vote on such removal; provided, however, that unless the entire Board is removed, no individual director may be removed when the votes cast against such director's removal, or not consenting in writing to such removal, would be sufficient to elect that director if voted cumulatively at an election which the same total number of votes were cast (or, if such action is taken by written consent, all shares entitled to vote were voted) and the entire number of directors authorized at the time of such director's most recent election were then being elected.

Section 21. Meetings

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, including a voice-messaging system or other system designated to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice shall be required for a regular meeting of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairman of the Board, the President or any two of the directors.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least twenty-four (24) hours before the date and time of the meeting. If notice

is sent by US mail, it shall be sent by first class mail, postage prepaid at least three (3) days before the date of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, a quorum of the Board of Directors shall consist of one third of the exact number of directors fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; *provided, however,* at any meeting, whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one (1) or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one (1) or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of subsections (a) or (b) of this Bylaw may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any

business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Organization. At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or if the President is absent, the most senior Vice President, (if a director) or, in the absence of any such person, a chairman of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or in his absence, any Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 27. Officers Designated. The officers of the corporation shall include, if and when designated by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer, the Treasurer and the Controller, all of whom shall be elected at the annual organizational meeting of the Board of Directors. The Board of Directors may also appoint one or more Assistant Secretaries, Assistant Treasurers, Assistant Controllers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 28. Tenure and Duties of Officers.

(a) General. All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chairman of the Board of Directors. The Chairman of the Board of Directors, when present, shall preside at all meetings of the stockholders and the Board of Directors. The Chairman of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. If there is no President, then the Chairman of the Board of Directors shall also serve as the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in paragraph (c) of this Section 28. (Del. Code Ann., tit. 8, § 142(a))

(c) Duties of President. The President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors has been appointed and is present. Unless some other officer has been elected Chief Executive Officer of the corporation, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(d) Duties of Vice Presidents. The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(e) Duties of Secretary. The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. The President may direct any Assistant Secretary to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to his office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. The President may direct the Treasurer or any Assistant Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

Section 29. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 30. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission notice to the Board of Directors or to the President or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 31. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written consent of the directors in office at the time, or by any committee or superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 32. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 33. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairman of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 34. Form and Execution of Certificates. Certificates for the shares of stock of the corporation shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock in the corporation shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors, or the

President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue. Each certificate shall state upon the face or back thereof, in full or in summary, all of the powers, designations, preferences, and rights, and the limitations or restrictions of the shares authorized to be issued or shall, except as otherwise required by law, set forth on the face or back a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional, or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this section or otherwise required by law or with respect to this section a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Section 35. Lost Certificates. A new certificate or certificates shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 36. Transfers.

(a) Transfers of record of shares of stock of the corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, and upon the surrender of a properly endorsed certificate or certificates for a like number of shares.

(b) 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 DGCL.

Section 37. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon

which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten (10) days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 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 of Directors adopts the resolution relating thereto.

Section 38. Registered Stockholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 39. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 34), may be signed by the Chairman of the Board of Directors, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided, however,* that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 40. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 41. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 42. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 43. Indemnification of Directors, **Executive Officers, Other Officers, Employees and Other Agents.**

(a) Directors and Officers. The corporation shall indemnify its directors and officers to the fullest extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual contracts with its directors and officers; and, *provided, further,* that the corporation shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the Delaware General Corporation Law or any other applicable law or (iv) such indemnification is required to be made under subsection (d).

(b) Other Officers, **Employees and Other Agents.** The corporation shall have power to indemnify its employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person except executive officers to such officers or other persons as the Board of Directors shall determine.

(c) Expenses. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer, of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding, *provided, however,* that, if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section 43 or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Bylaw, no advance shall be made by the corporation to an officer of the corporation (except by reason of the fact that such officer is or was a director of the corporation, in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of a quorum consisting of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and officers under this Bylaw shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or officer. Any right to indemnification or advances granted by this Bylaw to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by a director or officer to enforce a right to indemnification or to an advancement of expenses hereunder, the burden of proving that the director or officer is not entitled to be indemnified, or to such advancement of expenses, under this Article XI or otherwise shall be on the corporation.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director or officer, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL, or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Bylaw.

(h) Amendments. Any repeal or modification of this Bylaw shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and executive officer to the full extent not prohibited by any applicable portion of this Bylaw that shall not have been invalidated, or by any other applicable law. If this Section 43 shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and executive officer to the full extent under applicable law.

(j) Certain Definitions. For the purposes of this Bylaw, the following definitions shall apply:

(1) The term “proceeding” shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(2) The term “expenses” shall be broadly construed and shall include, without limitation, court costs, attorneys’ fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(3) The term the “corporation” shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Bylaw with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(4) References to a "director," "executive officer," "officer," "employee," or "agent" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(5) References to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Bylaw.

ARTICLE XII

NOTICES

Section 44. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 herein. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by United States mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in subsection (a), or as provided for in Section 21 of these Bylaws. If such notice is not delivered personally, it shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person with Whom Communication Is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

ARTICLE XIII

AMENDMENTS

Section 45. Amendments. The Board of Directors is expressly empowered to adopt, amend or repeal Bylaws of the corporation. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the corporation; *provided, however,* that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal any provision of the Bylaws of the corporation.

ARTICLE XIV

RIGHT OF FIRST REFUSAL

Section 46. Right of First Refusal. No stockholder shall sell, assign, pledge, or in any manner transfer any of the shares of common stock or preferred stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise, except by a transfer which meets the requirements hereinafter set forth in this Bylaw:

(a) (If the stockholder desires to sell or otherwise transfer any of his shares of common stock or preferred stock, then the stockholder shall first give written notice thereof to the corporation (the "Proposed Transfer Notice"). The Proposed Transfer Notice shall name the proposed transferee and state the number of shares to be transferred, the proposed consideration, and all other terms and conditions of the proposed transfer.

(b) Subject to Section 46-1 below, for thirty (30) days following receipt of such Proposed Transfer Notice, the corporation shall have the option to purchase all (but not less than all) of the shares specified in the notice at the price and upon the terms set forth in such notice; provided, however, that, with the consent of the stockholder, the corporation shall have the option to purchase a lesser portion of the shares specified in said notice at the price and upon the terms set forth therein. In the event of a gift, property settlement or other transfer in which the proposed transferee is not paying the full price for the shares, and that is not otherwise exempted from the provisions of this Section 46, the price shall be deemed to be the fair market value of the stock at such time as determined in good faith by the Board of Directors. In the event the corporation elects to purchase all of the shares or, with consent of the stockholder, a lesser portion of the shares, it shall give written notice to the transferring stockholder of its election and settlement for said shares shall be made as provided below in paragraph (d).

(c) The corporation may assign its rights hereunder.

(d) In the event the corporation and/or its assignee(s) elect to acquire any of the shares of the transferring stockholder as specified in said transferring stockholder's Proposed Transfer Notice, the Secretary of the corporation shall so notify the transferring stockholder and settlement thereof shall be made in cash within thirty (30) days after the Secretary of the corporation receives said transferring stockholder's notice; provided that if the terms of payment set forth in said transferring stockholder's Proposed Transfer Notice were other than cash against delivery, the corporation and/or its assignee(s) shall pay for said shares on the same terms and conditions set forth in said transferring stockholder's Proposed Transfer Notice.

(e) In the event the corporation and/or its assignee(s) do not elect to acquire all of the shares specified in the transferring stockholder's notice, said transferring stockholder may, within the sixty-day period following the expiration of the option rights granted to the corporation and/or its assignee(s) herein, transfer the shares specified in said transferring stockholder's notice which were not acquired by the corporation and/or its assignee(s) as specified in said transferring stockholder's Proposed Transfer Notice. All shares so sold by said transferring stockholder shall continue to be subject to the provisions of this Bylaw in the same manner as before said transfer.

(f) Anything to the contrary contained herein notwithstanding, the following transactions shall be exempt from the provisions of this Bylaw; provided, however, that the following transactions remain subject to Section 46-1 below and the stockholder will still need to provide a Notice of Proposed Transfer prior to completing any of the foregoing transactions:

(1) A stockholder's transfer of any or all shares held either during such stockholder's lifetime or on death by will or intestacy to such stockholder's immediate family or to any custodian or trustee for the account of such stockholder or such stockholder's immediate family or to any limited partnership of which the stockholder, members of such stockholder's immediate family or any trust for the account of such stockholder or such stockholder's immediate family will be the general of limited partner(s) of such partnership. "Immediate family" as used herein shall mean spouse, lineal descendant, father, mother, brother, or sister of the stockholder making such transfer.

(2) A stockholder's bona fide pledge or mortgage of any shares with a commercial lending institution, provided that any subsequent transfer of said shares by said institution shall be conducted in the manner set forth in this Bylaw.

(3) A stockholder's transfer of any or all of such stockholder's shares to the corporation or to any other stockholder of the corporation.

(4) A stockholder's transfer of any or all of such stockholder's shares to a person who, at the time of such transfer, is an officer or director of the corporation.

(5) A corporate stockholder's transfer of any or all of its shares pursuant to and in accordance with the terms of any merger, consolidation, reclassification of shares or capital reorganization of the corporate stockholder, or pursuant to a sale of all or substantially all of the stock or assets of a corporate stockholder.

(6) A corporate stockholder's transfer of any or all of its shares to any or all of its stockholders.

(7) A transfer by a stockholder which is a limited or general partnership to any or all of its partners or former partners, or limited liability company to any or all of its members or former members.

(8) A stockholder's transfer of any or all of its shares to Permitted Transferees (as such term is defined in that certain Amended and Restated Right of First Refusal and Co-Sale Agreement, dated on or about November 19, 2012, by and among the Company and certain of its investors).

(9) A stockholder's pledge of any shares (the "Pledged Shares") to Investec Bank, pic, formerly Investec Bank (UK) Limited ("Investec"), pursuant to a Stock Pledge Agreement by and between such stockholder (each a "Pledgor") and Investec, as amended from time to time (each, a "Stock Pledge Agreement").

(10) A sale or transfer of the Pledged Shares by Investec pursuant to Section 16 of the Stock Pledge Agreement.

(11) A release of the Pledged Shares by Investec back to each Pledgor pursuant to Section 5 of the Stock Pledge Agreement.

In any such case, the transferee, assignee, or other recipient shall receive and hold such stock subject to the provisions of this Bylaw, and there shall be no further transfer of such stock except in accord with this Bylaw.

(g) The provisions of this Bylaw may be waived with respect to any transfer either by the corporation, upon duly authorized action of its Board of Directors, or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation (excluding the votes represented by those shares to be transferred by the transferring stockholder). This Bylaw may be amended or repealed either by a duly authorized action of the Board of Directors or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation.

(h) Any sale or transfer, or purported sale or transfer, of securities of the corporation shall be null and void unless the terms, conditions, and provisions of this Bylaw are strictly observed and followed.

(i) The foregoing right of first refusal shall terminate on either of the following dates, whichever shall first occur:

(1) On November 15, 2022; or

(**2)** Upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (an "IPO").

(j) The certificates representing shares of common stock and preferred stock of the corporation shall bear on their face the following legend so long as the foregoing right of first refusal remains in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RESTRICTIONS ON TRANSFER, INCLUDING A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S), AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

Section 46-1 Transfers to Competitors. No stockholder shall sell, assign, pledge, or in any manner transfer any of the shares of common stock or preferred stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise, to individuals, companies or any other form of entity identified by the Board of Directors, in its sole and reasonable discretion, as a competitor of the corporation without the prior written consent of the Board of Directors. Any transfer, or purported transfer, of shares not made in strict compliance with this Section 46-1 shall be null and void, shall not be recorded on the books of the corporation and shall not be recognized by the corporation. The foregoing restriction on transfer shall terminate upon the consummation of an IPO.

ARTICLE XV

LOANS TO OFFICERS

Section 47. 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 subsidiaries, including any officer or employee who is a Director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XVI

MISCELLANEOUS

Section 48. Annual Report.

(a) Subject to the provisions of paragraph (b) of this Bylaw, the Board of Directors shall cause an annual report to be sent to each stockholder of the corporation not later than one hundred twenty (120) days after the close of the corporation's fiscal year. Such report shall include a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year, accompanied by any report thereon of independent accounts or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation. When there are more than 100 stockholders of record of the corporation's shares, as determined by Section 605 of the CGCL, additional information as required by Section 1501(b) of the CGCL shall also be contained in such report, provided that if the corporation has a class of securities registered under Section 12 of the 1934 Act, the 1934 Act shall take precedence. Such report shall be sent to stockholders at least fifteen (15) days prior to the next annual meeting of stockholders after the end of the fiscal year to which it relates.

(b) If and so long as there are fewer than 100 holders of record of the corporation's shares, the requirement of sending of an annual report to the stockholders of the corporation is hereby expressly waived.

SONIM TECHNOLOGIES, INC.

THIRD OMNIBUS AMENDMENT TO THE AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT, AMENDED AND RESTATED VOTING AGREEMENT AND AMENDED AND RESTATED RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

This Third Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement (this "Amendment") is entered into as of October 26, 2017, by and between Sonim Technologies, Inc., a Delaware corporation (the "Company") and the undersigned investors (the "Investors").

WHEREAS, the Company and certain of the Investors previously have entered into the Amended and Restated Voting Agreement (the "Voting Agreement"), the Amended and Restated Right of First Refusal and Co-Sale Agreement (the "Co-Sale Agreement"), and the Amended and Restated Investor Rights Agreement (the "Rights Agreement" and together with the Voting Agreement and Co-Sale Agreement, the "Agreements") each dated as of November 21, 2012, and amended by (i) the Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement dated August 29, 2016, and (ii) the Second Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement dated December 12, 2016;

WHEREAS, pursuant to the terms thereof, the Company and the holders of a majority of the outstanding shares of Series A Preferred Stock (the "Series A Preferred"), Series B Preferred Stock (the "Series B Preferred"), Series A-1 Preferred Stock (the "Series A-1 Preferred"), and Series A-2 Preferred Stock (the "Series A-2 Preferred") may amend the Voting Agreement, the Co-Sale Agreement and the Rights Agreement; the Series A Preferred, Series B Preferred, Series A-1 Preferred and Series A-2 Preferred, together with the Company's Series A-3 Preferred Stock (the "Series A-3 Preferred") being referred to as the "Series Preferred";

WHEREAS, For all purposes of this Agreement and the other Agreements amended hereby, "BRiley" shall mean BRC Partners Opportunity Fund LP; "BR Investors" shall mean the Investors that purchase shares of the Series A Preferred pursuant to the Purchase Agreement (as defined below) and who are identified as BR Investors on the signature pages of this Agreement; and "BR Group" shall mean the BR Investors, so long as they or their affiliates hold Series Preferred of the Company, together with any subsequent purchasers or assignees of Series Preferred (as assignee or transferee from an existing BR Investor or another Series Preferred holder) who were introduced to the Company by BRiley or one of its affiliates individually (as distinct from in a broad general offering) and who acquired such shares in a transaction arranged by BRiley or one of its affiliates.

WHEREAS, the Company and B. Riley Principal Investments, LLC ("BRPI"), have entered into that certain Subordinated Term Loan and Security Agreement (the "LSA") on the date hereof pursuant to which BRPI has made available to the Company a subordinated credit facility in the amount of $10,000,000 (the "Debt Facility") and, on the date hereof or as soon as practicable thereafter, the Company, certain holders of Series A Preferred and the BR Investors shall enter into a Series A Preferred Stock Secondary Purchase Agreement (the "Purchase Agreement") pursuant to which such holders of Series A Preferred shall sell to the BR Investors shares of Series A Preferred (the "Secondary Purchase"). A condition to BRPI's and the BR Investors' obligations under the LSA and Purchase Agreement, respectively, is that the Company, BRPI, the BR Investors and the other parties hereto enter into this Amendment for the purpose of setting forth the terms and conditions set forth below. The Company, BRPI and each of the Investors desire to facilitate the Debt Facility and the Secondary Purchase by agreeing to the terms and conditions set forth herein; and

WHEREAS, the Company and the Investors (who in the aggregate hold the requisite number of shares of Series Preferred required to amend the Agreements) desire to amend, effective and contingent upon the execution of the LSA, the Agreements as provided herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Amendment of Agreements to add BRiley and other BR Investors as an "Investor" or a "Major Investor".**

a. Effective and contingent upon the execution of the LSA, BRPI shall be added as an "Investor" under the Voting Agreement, subject to the terms as provided herein and therein. Effective and contingent upon the conversion of indebtedness owed by the Company to BRPI pursuant to Section 4 of that certain Subordinated Secured Convertible Promissory Note dated on or around the date hereof issued by the Company to BRPI in connection with the Debt Facility, BRPI shall be added as an "Investor" under the Rights Agreement and, provided that BRPI qualifies as a "Major Investor" as such term is defined in the Rights Agreement, as a "Major Investor" under the Co-Sale Agreement, subject to the terms as provided herein and therein.

b. Effective and contingent upon the purchase of shares of Series A Preferred by the BR Investors pursuant to the Purchase Agreement, each BR Investor shall be added as an "Investor" under the Rights Agreement and Voting Agreement, and each BR Investor holding at least 2,500,000 shares of Series Preferred, shall be added as a "Major Investor" under the Co-Sale Agreement, subject to the terms as provided herein and therein. Effective upon its acquisition of shares of Series A Preferred by a successor BR Group member, such successor BR Group member shall be added as an "Investor" under the Rights Agreement and Voting Agreement, and if such successor BR Group member holds at least 2,500,000 shares of Series Preferred, shall be added as a "Major Investor" under the Co-Sale Agreement, subject to the terms as provided herein and therein; the Company may require a successor BR Group member to enter into accession agreements for the Rights Agreement and Voting Agreement and, if applicable, the Co-Sale Agreement or such other documentation as the Company and such successor BR Group member may otherwise agree.

2. **Amendment of Rights Agreement.** Effective and contingent upon the Initial Closing of the Secondary Purchase:

a. Section 1.2(m) shall be amended and restated to read in its entirety as follows:

"(m) "**Series Preferred"** shall mean all shares of Series A Preferred, Series B Preferred, Series A-1 Preferred, Series A-2 Preferred and Series A-3 Preferred; provided, that for purposes of Section 5.6(a)(ii), "Series Preferred" shall not include Series A-3 Preferred."

b. Section 1.2 shall be amended to add the following clause (r):

"(r) "**Series A-3 Preferred"** shall mean all shares of the Company's Series A-3 Preferred Stock held by B. Riley Principal Investments, LLC ("BRPI") and its successors and permitted assigns.

c. Subject to Section 1 hereof, Exhibit A to the Rights Agreement shall be amended to add BRiley and the BR Investors, as applicable, as "Investors" thereunder; such Exhibit A shall be further amended from time to reflect the addition or substitution of any successor BR Group member.

3. **Amendment of Voting Agreement.** Effective and contingent upon the execution of the LSA, the Voting Agreement is hereby amended as follows:

a. The introductory paragraph of the Voting Agreement shall be amended to include within the definition of the "Series Preferred" shares of the Company's Series A-3 Preferred Stock.

b. Section 1.2 shall be amended and restated to read in its entirety as follows:

"**1.2 Election of Directors.** On all matters relating to the election of directors of the Company, the Key Holders and the Investors agree to vote all Key Holder Shares and Investor Shares held by them (or the holders thereof shall consent pursuant to an action by written consent of the holders of capital stock of the Company) so as to elect members of the Company's Board of Directors (the "**Board**") as follows:

(a) For so long as fifteen million (15,000,000) shares of Series Preferred remain outstanding (subject to adjustment for any stock split, reverse stock split or similar event), the holders of Series Preferred, voting together as a single class on an as-converted basis, shall be entitled to elect seven (7) directors of the Company which shall include:

(i) the Company's chief executive officer (the **"CEO"**), who initially shall be Bob Plaschke;

(ii) one director who shall be designated by a majority in interest of the shares held by Verdoso Investments S.A. and its affiliates (**"Verdoso"**), Investec Investments (UK) Limited and its affiliates (**"Investec"**), and Waveland Venture Partners LLC and its affiliates (**"Waveland"**) (together, the **"Existing Investors"** and such director, the **"Existing Investor Representative"**), provided that the Existing Investors hold, in the aggregate, at least twelve million (12,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who initially shall be Maurice Hochschild;

(iii) one director who shall be designated by BRC Partners Opportunity Fund LP (**"BRiley"**) in its sole discretion provided that the BR Group (as defined below) holds in the aggregate at least twelve million (12,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who initially shall be Kenny Young;

(iv) one director (A) who shall initially be Jeff Johnson, and (B) who shall be a person designated by BRiley in its sole discretion provided that the BR Group holds in the aggregate at least thirty six million (36,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), and who may continue to be Jeff Johnson so long as so designated by BRiley;

(v) (A) one director who shall be designated by B. Riley Principal Investments, LLC (**"BRPI"**) (1) during such time as the Subordinated Term Loan and Security Agreement between the Company and BRPI (the **"LSA"**) remains in effect; or (2) after conversion of BRPI's term loan to Series A-3 Preferred, so long as BRPI holds at least 7,000,000 shares of SeriesA-3 Preferred issued upon conversion of indebtedness pursuant to Section 4 of that certain Subordinated Secured Convertible Promissory Note dated as of October 23, 2017 issued by the Company to BRPI (the **"BRPI Note"),** who shall initially be Alan Howe; and (B) following conversion of the BRPI Note, in the event BRPI receives less than 7,000,000 shares of Series A-3 Preferred thereupon, and for so long as BRPI continues to hold any shares of Series A-3 Preferred, one director who shall be an industry representative not affiliated with the Company or any Investor, who shall be designated by BRPI and subject to approval, which shall not be unreasonably withheld, of the Existing Preferred Representative;

(vi) on or after November 1, 2017, one director who shall be designated by Motorola Solutions, Inc. ("**Motorola**") or its affiliates, provided that Motorola and its affiliates hold at least seven million (7,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event);

(vii) one director who shall be designated by JVC KENWOOD Corporation **("JKC")** or its affiliates, provided that JKC and its affiliates hold at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event). In the event that the Company consummates an "Acquisition" as defined in Article IV Section F.4. of the Certificate, the Company shall use commercially reasonable efforts to cause the successors of the Company to (i) maintain JKC's right to designate a representative of JKC to the board of the surviving corporation and (ii) assume the Company's obligations with respect to indemnification of the directors of the Company prior to such Acquisition; and

(viii) any vote taken to remove any director elected pursuant to this Section 1.2(a), or to fill any vacancy created by the resignation, removal or death of a director elected pursuant to this Section 1.2(a), shall also be subject to the provisions of this Section 1.2(a); provided if the minimum shareholding requirements for designation of a board seat set forth in any of clauses (ii) through (vii) shall not at any time be met, the replacement director shall be elected by a majority vote of the Company's Voting Preferred Stock (as defined in the Company's Amended and Restated Certificate of Incorporation), voting together on an "as converted basis"; provided further that each party to this Agreement agrees to vote all its Series Preferred for the nominee selected by a majority of the holders of the Voting Preferred Stock held by the parties to this Agreement, voting together as a single class and on an as-converted basis.

"BR Group" shall mean the (x) Investors that purchased shares of the Company's Series A Preferred pursuant to that certain Series A Preferred Stock Secondary Purchase Agreement (the **"Purchase Agreement"**) dated on or around October 26, 2017 **("BR Investors"**), so long as they or their affiliates hold Series Preferred of the Company, together (y) with any subsequent purchasers or assignees of Series Preferred of the Company (as assignee or transferee from an existing BR Investor or from another Series Preferred holder) who were introduced to the Company by BRiley or one of its affiliates individually (as distinct from in a broad general offering) and who acquired such shares in a transaction arranged by BRiley or one of its affiliates.

For purposes of clarity, upon written notice to the Company, BRPI and BRiley may from time to time without further action by the Company, its stockholders or other board members, redesignate which particular board seat is occupied by each of the specific individuals whom BRiley

or BRPI has previously designated for the board seats referred to in clauses (iii), (iv) and (v) above; provided, however, that any board member designated pursuant to Section 1.2(a)(v)(B) shall be an industry representative (or other individual knowledgeable and experienced in the Company's lines of business) not affiliated with the Company or any Investor and subject to approval, which shall not be unreasonably withheld, of the Existing Preferred Representative."

c. A new Section 1.10 to the Voting Agreement shall be added to read in its entirety as follows:

"1.10 Vote to Increase Authorized Series A-3 Preferred Stock and/or Common Stock. Each Investor and Key Holder other than JKC and its affiliates agrees to vote or cause to be voted all Investor Shares and Key Holder Shares held by them, as applicable, from time to time and at all times, in whatever manner as shall be necessary, to create the number of authorized shares of Series A-3 Preferred and/or Common Stock from time to time to ensure that there will be sufficient shares of Series A-3 Preferred for issuance upon conversion, in full, of the BRPI Note and Common Stock available for conversion of all of such shares of Series A-3 Preferred outstanding at any given time.

d. A new Section 1.11 to the Voting Agreement shall be added to read in its entirety as follows:

"1.11 Services Agreement. In connection with the consummation of the transactions contemplated by the Purchase Agreement, the Company shall enter into a mutually agreeable consulting agreement with BRPI, which shall include the payment by the Company to BRPI of an annual management fee of $200,000 in accordance with the terms thereof.

e. Section 3.5 to the Voting Agreement shall be amended and restated to read in its entirety as follows:

"3.5 Amendment, Modification, Termination or Waiver. This Agreement may be amended, modified or terminated (or provisions of this Agreement waived) only upon the written consent of (i) the Company and (ii) the holders of at least a majority of the outstanding shares of Voting Preferred, voting together as a single class and on an as-converted basis, provided, however, that if such amendment, modification, termination or waiver has the effect of modifying the rights and/or obligations of the Key Holders in a manner that is adverse to the Key Holders, then such amendment, modification, termination or waiver shall require the written consent of the holders of a majority of the Key Holder Shares held by Key Holders then providing services to the Company as officers, employees or

consultants; and provided further, any amendment to Section 1.2 or Section 1.9 which adversely affects the rights of Investec, Waveland Verdoso, Motorola, JKC or any of the BRiley Group shall require the written consent of the holders of a majority of the Series Preferred held by Investec, Waveland (or its affiliates), Verdoso (or its affiliates), Motorola (or its affiliates) or JKC (or its affiliates), as the case may be, or of BRiley (in the case of the BR Group). Any amendment, modification, termination or waiver so effected shall be binding upon the Company, each of the parties hereto and any assignee of any such party provided, however, that notwithstanding the foregoing, for so long as fifteen million (15,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event) remain outstanding, Sections 1.2 and 1.3 shall not be amended or waived without the written consent of the holders of a majority of the Series Preferred, Section 1.2(a)(ii) of this Agreement shall not be amended or waived without the written consent of the Existing Investors so long as the Existing Investors or their respective affiliates hold, in the aggregate, at least twelve million (12,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(iii) of this Agreement shall not be amended or waived without the written consent of BRiley so long as the BR Group holds, in the aggregate, at least twelve million (12,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(iv) of this Agreement shall not be amended or waived without the written consent of BRiley so long as the BR Group holds, in the aggregate, at least thirty six million (36,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event, Section 1.2(a)(v) of this Agreement shall not be amended or waived without the written consent of BRPI during such time as BRPI is entitled to designate a member of the Board thereunder, Section 1.2(a)(vi) of this Agreement shall not be amended or waived without the written consent of Motorola so long as Motorola and its affiliates hold at least seven million (7,000,000) shares of Series Preferred, Section 1.2(a)(vii) of this Agreement shall not be amended or waived without the written consent of JKC so long as JKC and its affiliates hold at least four million (4,000,000) shares of Series Preferred and Section 1.8 of this Agreement shall not be amended or waived without the written consent of holders of 70% of the Series Preferred, voting together as a separate class on an as-converted basis; provided, further that no provision of this Section 3.5 can be amended without the required percentage vote of the beneficiary of that provision. Notwithstanding the foregoing, this Agreement may be amended to add holders of additional series of the Company's Preferred Stock as Investors by an instrument in

writing signed by the Company and the holders of such series. Notwithstanding anything to the contrary in this Agreement, Section 3.16 shall not apply to Motorola, and this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to Motorola, without the written consent of Motorola if such amendment, termination or waiver would (A) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement, that certain letter agreement dated August 29, 2016, between the Company and Motorola, and any other agreement between Motorola and the Company the subject matter of which is primarily the equity of the Company owned by Motorola) between Motorola or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (B) impose on Motorola any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of Motorola under this Agreement. Notwithstanding anything to the contrary in this Agreement, Section 3.16 shall not apply to BRiley, and this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to BRiley, without the written consent of BRiley if such amendment, termination or waiver would (X) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement and any other agreement between BRiley or any if its affiliates and the Company the subject matter of which is primarily the equity of the Company owned by BRiley) between BRiley or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (Y) impose on BRiley or any of its affiliates any material obligations or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of BRiley under this Agreement.—Lastly, notwithstanding anything to the contrary in this Agreement, Section 3.16 shall not apply to JKC, and this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to JKC, without the written consent of JKC if such amendment, termination or waiver would (I) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by

this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement and any other agreement between JKC and the Company the subject matter of which is primarily the equity of the Company owned by JKC) between JKC or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (II) impose on JKC any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of JKC under this Agreement.

f. Subject to Section 1 hereof, Exhibit B to the Voting Agreement shall be amended to add BRiley and the BR Investors as "Investors" thereunder and shall be further amended from time to reflect the addition or substitution of any successor BR Group member.

4. **Amendment of the Co-Sale Agreement.** Effective and contingent upon the Initial Closing of the Secondary Purchase:

a. The introductory paragraph of the Co-Sale Agreement shall be amended to include within the definition of the "Series Preferred" shares of the Company's Series A-3 Preferred Stock; provided, that for purposes of Section 4.10(B) of the Co-Sale Agreement, "Series Preferred" shall not include the Series A-3.

b. Subject to Section 1 hereof, Exhibit A to the Co-Sale Agreement shall be amended to add each BR Investor holding at least 2,500,000 shares of Series Preferred, as "Major Investors" thereunder and shall be further amended from time to reflect the addition or substitution of any successor BR Group member holding at least 2,500,000 shares of Series Preferred.

5. This Amendment may be executed in counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one and the same instrument.

6. Except as expressly set forth herein, all other provisions of the Voting Agreement, the Rights Agreement and the Co-Sale Agreement shall remain in full force and effect. Upon the effectiveness of each of the amendments set forth herein, and contingent thereupon, this Amendment shall be deemed incorporated into and made a part of the Voting Agreement, the Rights Agreement and the Co-Sale Agreement, as applicable.

7. This Amendment and the rights and obligations of the parties hereunder shall inure to the benefit of, and be binding upon, their respective successors, assigns and legal representatives.

8. If one or more provisions of this Amendment 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, the (i) such provision shall be excluded from this Amendment, (ii) the balance of the Amendment shall be interpreted as if such provision were so excluded and (iii) the balance of the Amendment shall be enforceable in accordance with its terms.

9. This Amendment 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.

[Signature pages follow]

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

THE COMPANY:

SONIM TECHNOLOGIES, INC.

By: /s/ Robert Plaschke
Name: Robert Plaschke
Title: President and Chief Executive Officer

SIGNATURE PAGE TO THIRD OMNIBUS AMENDMENT TO INVESTOR RIGHTS AGREEMENT, VOTING AGREEMENT AND RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **INVESTEC INVESTMENTS (UK) LIMITED**

By: /s/ Andrew Nosworthy
Name: Andrew Nosworthy
Title: Authorised Signatory

By: /s/ Andrew Neill
Name: Andrew Neill
Title: Authorised Signatory

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **MOTOROLA SOLUTIONS, INC.**

By: /s/ Eduardo Conrado
Name: Eduardo Conrado
Title: EVP – Innovation & Strategy

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **VERDOSO INVESTMENTS S.A.**

By: /s/ Frank Ullman Hanow
Name: Frank Ullman Hanow
Title: CEO

By: /s/ Pauline Dadeau
Name: Pauline Dadeau
Title: Category B Director

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS:

WAVELAND VENTURES V-COMMON, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Michael J. Greer
Michael J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-D, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/Michael J. Greer
Michael J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-E, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/Michael J. Greer
Michael J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND CAPITAL PARTNERS LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/Michael J. Greer
Michael J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: Marli B. Miller Trust A-4
By: MILFAM LLC
Its: Investment Advisor

By: /s/ Lloyd I. Miller, III
Name: Lloyd I. Miller, III
Title: Manager

Address: 3300 S. Dixie Highway, Suite 1-365
West Palm Beach, FL 33405

Attention: Lloyd I. Miller, III
Tel: (561) 287-5399
E-mail: info@limadvisory.com

With a copy to:

O'Melveny & Myers LLP
Attn: Brophy Christensen
Two Embarcadero Center, 28th Floor
San Francisco, California 94111
Phone: (415) 984-8793
E-mail: bchristensen@omm.com

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: Lloyd I. Miller, III Trust A-4
By: MILFAM LLC
Its: Investment Advisor

By: /s/ Lloyd I. Miller, III
Name: Lloyd I. Miller, III
Title: Manager

Address: 3300 S. Dixie Highway, Suite 1-365
West Palm Beach, FL 33405

Attention: Lloyd I. Miller, III
Tel: (561) 287-5399
E-mail: info@limadvisory.com

With a copy to:

O'Melveny & Myers LLP
Attn: Brophy Christensen
Two Embarcadero Center, 28th Floor
San Francisco, California 94111
Phone: (415) 984-8793
E-mail: bchristensen@omm.com

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: **B. RILEY FINANCIAL, INC.**

By: /s/ Bryant Riley
Name: Bryant Riley
Title: CEO

Address: 21255 Burbank Blvd. Suite 400
Woodland Hills, CA 91367

Attention: Operations
Tel: 310-689-2214
E-mail: Operations@brileyco.com

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: **BRC PARTNERS OPPORTUNITY FUND, LP**

By: /s/ Bryant Riley
Name: Bryant Riley
Title: CEO, B. Riley Capital Management, LLC

Address: 11100 Santa Monica Blvd. Suite 800
Los Angeles, CA 90025

Attention: Operations
Tel: 310-689-2214
E-mail: Operations@brileyco.com

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: **DANIEL ASHER REVOCABLE TRUST**

By: /s/ Daniel Asher
Name: Daniel Asher
Title: Trustee

Address: 111 W. Jackson Blvd.
20th Floor
Chicago, IL 60604

Attention: Fred Goldman
Tel: (312) 692-5007
E-mail: fgoldman@egtc.com

With a copy to:

Equitec Group
Trina Urban
111 W. Jackson Blvd.
20th Floor
Chicago, IL 60604
312-692-5077
turban@egtc.com

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: **GrizzlyRock Institutional Value Partners, LP**

By: /s/ Kyle Mowery
Name: Kyle Mowery
Title: Manager of GrizzlyRock General Partner, LLC as General Partner of Grizzly Rock Institutional Value Partners, LLP

Address: 191 North Wacker Drive, Suite 1500
Chicago, IL 60606

Attention: Kyle Mowery
Tel: (312) 300-49837
E-mail: kyle@grizzlyrockcapital.com

With a copy to: saidal@grizzlyrockcapital.com
fundservices@whi.com

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: **NOKOMIS CAPITAL MASTER FUND, L.P.**

By: /s/ Brett Hendrickson
Name: Brett Hendrickson
Title: Principal

Address: 2305 Cedar Springs Rd., Suite 420
Dallas, TX 75201

Attention: _____
Tel: _____
E-mail: _____

With a copy to:

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTOR: **SURVIVOR'S TRUST UNDER THE RILEY FAMILY TRUST**

By: /s/ Richard Riley
Name: Richard Riley
Title: Trustee

Address: 133 Shorecliff Road
Corona Del Mar, CA 92625

Attention: Richard Riley
Tel: 949-640-8676
E-mail: rriley133@gmail.com

SONIM TECHNOLOGIES, INC.

SECOND OMNIBUS AMENDMENT TO THE AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT, AMENDED AND RESTATED VOTING AGREEMENT AND AMENDED AND RESTATED RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

This Second Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement (this "Amendment") is entered into as of December 12, 2016 by and between Sonim Technologies, Inc., a Delaware corporation (the "Company") and the undersigned investors (the "Investors").

WHEREAS, the Company and certain of the Investors previously have entered into the Amended and Restated Voting Agreement (the "Voting Agreement"), the Amended and Restated Right of First Refusal and Co-Sale Agreement (the "Co-Sale Agreement"), and the Amended and Restated Investor Rights Agreement (the "Rights Agreement" and together with the Voting Agreement and Co-Sale Agreement, the "Agreements") each dated as of November 21, 2012 and amended by the Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement dated August 29, 2016;

WHEREAS, pursuant to the terms thereof, the Company and the holders of a majority of the outstanding shares of Series A Preferred Stock (the "Series A Preferred"), Series B Preferred Stock (the "Series B Preferred") and Series A-1 Preferred Stock (the "Series A-1 Preferred" and together with the Series A Preferred and Series B Preferred, the "Series Preferred") may amend the Voting Agreement, the Co-Sale Agreement and the Rights Agreement;

WHEREAS, the Company and NC Kenwood Corporation, a Japanese corporation ("JKC"), have entered into a Series A-2 Preferred Stock Purchase Agreement (the "Purchase Agreement") on the date hereof pursuant to which the Company desires to sell, and JKC desires to purchase, shares of Series A-2 Preferred Stock of the Company (the "Series A-2 Preferred" and such shares of Series A-2 Preferred issuable to JKC pursuant to the Purchase Agreement, the "JKC Securities"). A condition to JKC's obligations under the Purchase Agreement is that the Company, JKC and the other parties hereto enter into this Amendment for the purpose of setting forth the terms and conditions set forth below. The Company, JKC and each of other Investors desire to facilitate the issuance and sale of the JKC Securities by agreeing to the terms and conditions set forth herein; and

WHEREAS, the Company and the Investors (who in the aggregate hold the requisite number of shares of Series Preferred required to amend the Agreements) desire to amend, effective and contingent upon the Closing (as defined in the Purchase Agreement), the Agreements as provided herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Amendment of Agreements to add JKC as an "Investor" or a "Major Investor".** Effective and contingent upon the issuance of the JKC Securities to JKC, JKC shall be added as an "Investor" under each of the Voting Agreement and the Rights Agreement and as a "Major Investor" under the Co-Sale Agreement, subject to the terms as provided herein and therein.

2. **Amendment of Rights Agreement.** The Rights Agreement is hereby amended so that, upon issuance of the JKC Securities to JKC:

a. Section l .2(g) shall be amended and restated to read in its entirety as follows:

"(g) **"Registrable Securities"** means (1) Common Stock of the Company issuable or issued upon conversion of the Shares; (2) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, such above-described securities; (3) any shares of Common Stock of the Company issuable or issued upon conversion of shares of Preferred Stock of the Company issuable upon exercise or conversion of warrants held by the Investors and outstanding as of the first date upon which the Company issues shares of Series A-2 Preferred. Notwithstanding the foregoing, Registrable Securities shall not include any securities (i) sold by a person to the public either pursuant to a registration statement or Rule 144 promulgated under the Securities Act, (ii) sold in a private transaction in which the transferor's rights under Section 2.10 of this Agreement are not assigned or (iii) held by a Holder (together with its affiliates) if, as reflected on the Company's list of stockholders, such Holder (together with its affiliates) holds less than 1% of the Company's outstanding Common Stock (treating all outstanding shares of Preferred Stock on an as converted basis), the Company has completed its Initial Offering and all shares of Common Stock of the Company issuable or issued upon conversion of the Shares held by and issuable to such Holder (and its affiliates) may be sold pursuant to Rule 144 during any ninety (90) day period."

b. Section 1.2(m) shall be amended and restated to read in its entirety as follows:

"(m) **"Series Preferred"** shall mean all shares of Series A Preferred, Series B Preferred, Series A-1 Preferred and Series A-2 Preferred."

c. Section 1.2 shall be amended to add the following clause (q):

"(q) **"Series A-2 Preferred"** shall mean all shares of the Company's Series A-2 Preferred Stock held by the Investors.

d. Section 3.11 shall be amended and restated to read in its entirety as follows:

"3.11 Issuance of Series Preferred. The Company shall not make any issuance of Series Preferred other than (a) in payment of any Preferred Dividends (as defined in the Company's Amended and Restated Certificate of Incorporation (the **"Certificate"))** as provided in the Certificate, (b) pursuant to that certain Series A-1 and Series A Preferred Stock and Warrant Purchase Agreement and other convertible securities outstanding on the first date upon which the Company issues shares of Series A-2 Preferred (including for purposes of clarity the Warrant to Purchase Series A Preferred Stock held by Motorola) and (c) pursuant to that certain Series A-2 Preferred Stock Purchase Agreement dated December [9], 2016 unless approved by the holders of a majority of the outstanding Series Preferred, calculated on an as-converted basis."

e. Section 4.6(a) shall be amended and restated to read in its entirety as follows:

"(a) up to 42,255,877 shares of Common Stock or Preferred Stock issued pursuant to options, warrants or other rights to employees, officers or directors of, or consultants or advisors to, the Company or any subsidiary pursuant to stock purchase or stock option plans or other arrangements that are approved by the Board for the primary purpose of soliciting or retaining their services (individually, an **"Equity Incentive"** and collectively, **"Equity Incentives"),** *provided,* that any unvested Common Stock repurchased by the Company pursuant to the terms of a restricted stock purchase agreement under which such Equity Incentive was issued and any Equity Incentive which expires unexercised (including, without limitation, Equity Incentives outstanding on the first date upon which the Company issues shares of Series A-2 Preferred) may again be sold or granted under this Section 4.6(a) without counting another time against the limitation set forth above."

f. Section 4.6(f) shall be amended and restated to read in its entirety as follows:

"(f) up to five percent (5%) of the fully diluted capitalization of the Company (defined to include all issued and outstanding shares of capital stock, all shares issued or issuable upon exercise on conversion of all convertible securities, options, warrants, or other purchase rights and all shares of capital stock reserved for future issuance), as of the close of business on the first date upon which shares of Series A-2 Preferred are issued by the Company, issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement or debt financing from a bank or similar financial institution, or in connection with strategic transactions involving the Company and other entities, including (i) joint ventures, manufacturing, marketing or distribution arrangements or (ii) technology license, transfer or development arrangements, in any case the terms of which are approved by the Board of Directors;"

g. Section 4.6(h) shall be amended and restated to read in its entirety as follows:

"(h) any Equity Securities issued upon exercise or conversion of any convertible securities that are outstanding as of the first date upon which the Company issues shares of Series A-2 Preferred."

h. Section 4.6(i) shall be deleted in its entirety.

i. Section 5.6 shall be amended to add the following new clause (f) immediately after clause (e):

"(f) Notwithstanding anything to the contrary in this Agreement, this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to JKC without the written consent of JKC if such amendment, termination or waiver would (i) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Voting Agreement and any other agreement between JKC and the Company the subject matter of which is primarily the equity of the Company owned by JKC) between JKC or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (ii) impose on JKC any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of JKC under this Agreement."

J. Exhibit A to the Rights Agreement shall be amended to add JKC as an "Investor" thereunder.

3. **Amendment of Voting Agreement.** The Voting Agreement is hereby amended so that, upon issuance of the JKC Securities to JKC:

a. The introductory paragraph of the Voting Agreement shall be amended to add the holders of SeriesA-2 Preferred Stock as parties to thereto:

"This Amended and Restated Voting Agreement (the **"Agreement")** is made and entered into as of November 21, 2012, by and among SONIM TECHNOLOGIES, INC., a Delaware corporation (the **"Company"),** those certain holders of the Company's Common Stock **("Common Stock")** and options to purchase Common Stock **("Options")** listed on Exhibit A hereto (each a **"Key Holder"** and together, the **"Key Holders")** and those holders of the Company's Common Stock, Series A Preferred Stock (the **"Series A Preferred"),** Series A-1 Preferred Stock (the **"Series A-1 Preferred"),** Series A-2 Preferred Stock (the **"Series A-2 Preferred")** and Series B Preferred Stock (the **"Series B Preferred"** and, together with the Series A Preferred, the Series A-1 Preferred, and Series A-2 Preferred, the **"Series Preferred")** and/or Common Stock into which any shares of Series Preferred have been, or will be, converted listed on Exhibit B hereto (the **"Investors").** Capitalized terms used but not defined herein shall have the meanings set forth in that certain Preferred Stock Purchase and Exchange Agreement of even date herewith (the **"Purchase Agreement")."**

b. Section 1.2 shall be amended and restated to read in its entirety as follows:

"1.2 Election of Directors. On all matters relating to the election of directors of the Company, the Key Holders and the Investors agree to vote all Key Holder Shares and Investor Shares held by them (or the holders thereof shall consent pursuant to an action by written consent of the holders of capital stock of the Company) so as to elect members of the Company's Board of Directors (the **"Board")** as follows:

(a) For so long as fifteen million (15,000,000) shares of Series Preferred remain outstanding (subject to adjustment for any stock split, reverse stock split or similar event), the holders of Series Preferred, voting together as a single class on an as-converted basis, shall be entitled to elect seven (7) directors of the Company which shall include:

(i) the Company's chief executive officer (the **"CEO"),** who initially shall be Bob Plaschke;

(ii) one independent director, who shall initially be John Giere;

(iii) one director who shall be designated by Verdoso Investments S.A. **("Verdoso")** or its affiliates, provided that Verdoso holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who initially shall be Franck Ullmann;

(iv) one director who shall be designated by Investec Bank plc **("Investec")** or its affiliates, provided that Investec or its affiliates holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who shall initially be Maurice Hochschild;

(v) one director who shall be designated by Waveland Venture Partners LLC **("Waveland")** or its affiliates, provided that Waveland, together with any WCP Investors (as defined in the Company's Preferred Stock Purchase and Exchange Agreement dated November 21, 2012), if applicable, hold at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who initially shall be Sam Irvani;

(vi) on or after November 1, 2017, one director who shall be designated by Motorola Solutions, Inc. **("Motorola")** or its affiliates, provided that Motorola and its affiliates hold at least seven million (7,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event);

(vii) one director who shall be designated by JVC Kenwood Corporation **("JKC")** or its affiliates, provided that JKC and its affiliates hold at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event). In the event that the Company consummates an "Acquisition" as defined in Article IV Section F.4. of the Certificate, the Company shall use commercially reasonable efforts to cause the successors of the Company to (i) maintain JKC's right to designate a representative of JKC to the board of the surviving corporation and (ii) assume the Company's obligations with respect to indemnification of the directors of the Company prior to such Acquisition; and

(viii) Any vote taken to remove any director elected pursuant to this Section 1.2(a), or to fill any vacancy created by the resignation, removal or death of a director elected pursuant to this Section l .2(a), shall also be subject to the provisions of this Section 1.2(a)."

c. Section 1.8 shall be amended and restated to read in its entirety as follows:

"1.8 Change of Control. In the event that the holders of at least 70% of the outstanding shares of Series Preferred, calculated on an as-converted basis and voting as a single class on a common equivalent basis approve a transaction or series of transactions that qualify as either an "Acquisition" or "Asset Transfer" as defined in Article IV Section F.4 of the Certificate and determine that this Section 1.8 should apply to such transaction or series of transactions (such approved Acquisition or Asset Transfer is hereinafter referred to as an "Approved Sale" and such votes approving the Approved Sale are hereinafter referred to as the **'Requisite Votes'),** then subject to Section 1.9, the Key Holders and the Investors shall each consent to, vote for and raise no objections to the Approved Sale, and (i) if the Approved Sale is structured as a merger or consolidation of the Company, or a sale of all or substantially all of the Company's assets, the Key Holders and Investors shall each waive any dissenters rights, appraisal rights or similar rights in connection with such merger, consolidation or asset sale, or (ii) if the Approved Sale is structured as a sale of the stock of the Company, the Key Holders and Investors shall each agree to sell their Key Holder Shares and Investor Shares on the terms and conditions approved by the Requisite Votes. The Key Holders and the Investors shall each take all necessary and desirable actions approved by the Requisite Votes in connection with the consummation of the Approved Sale, including the execution of such agreements and such instruments and other actions reasonably necessary to (i) provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Approved Sale (provided that no Investor shall be required to agree to any operational covenants in connection with such Approved Sale, including noncompetition and nonsolicitation covenants), and (ii) subject to the provisions contained within the Certificate, effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale."

d. Section 1.9(e) of the Voting Agreement shall be amended and restated to read in its entirety as follows:

"(e) upon the consummation of the Proposed Sale (i) each holder of each class or series of the Company's stock participating in such Proposed Sale will receive the same form of consideration for their shares of any class or series as is received by other holders participating in such Proposed Sale in respect of their shares of the same class or series of stock, (ii) each holder of a series of Series Preferred participating in such Proposed Sale will receive the same amount of consideration per share of such series of Series Preferred as is received by other holders participating in such Proposed Sale in respect of their shares of the same series in payment of the liquidation preferences payable in respect to such series of Series Preferred, (iii) each holder of Common Stock participating in such Proposed Sale will receive the same amount of consideration per share of Common Stock as is received by other holders participating in such Proposed Sale in respect of their shares of Common Stock, and (iv) the aggregate consideration legally available for distribution to the Company's stockholders shall be allocated among the holders of Series Preferred and Common Stock on the basis of the relative liquidation preferences to which the holders of each respective series of Series Preferred and the holders of Common Stock are entitled in a Deemed Liquidation Event (assuming for this purpose that the Proposed Sale is a Deemed Liquidation Event) in accordance with the Certificate; provided, however, that, notwithstanding the foregoing, if the consideration to be paid in exchange for the Key Holder Shares or Investor Shares, as applicable, pursuant to this Section 1.9(e) includes any securities and due receipt thereof by any Key Holder or Investor would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Key Holder or Investor of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Key Holder or Investor in lieu thereof, against surrender of the Key Holder Shares or Investor Shares, as applicable, which would have otherwise been sold by such Key Holder or Investor, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Key Holder or Investor would otherwise receive as of the date of the issuance of such securities in exchange for the Key Holder Shares or Investor Shares, as applicable; and"

e. Section 1.9(f) of the Voting Agreement shall be amended to add the following sentence at the end of Section 1.9(f) thereof:

"Lastly, notwithstanding anything to the contrary in this Agreement, JKC will not be required to comply with the terms and conditions of Section 1.8 in connection with any Proposed Sale (i) unless the only covenants or other agreements that JKC or any of its affiliates shall be required to make in connection with a Proposed Sale are reasonable covenants regarding publicity, press releases and similar matters (and, for the avoidance of doubt, in no event shall any non-compete, non-solicit or similar covenant or obligation be imposed on JKC or any of its affiliates), (ii) if doing so would have a disproportionately adverse effect on JKC as compared to the effect on the other holders of the Series A-2 Preferred; and (iii) if doing so would effect any amendment, extension or termination of any contractual or other relationship (other than the relationship contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement and any other agreement between JKC and the Company the subject matter of which is primarily the equity of the Company owned by JKC) between JKC or any of its affiliates, on the one hand, and the Company, the acquirer or any of its or their respective affiliates, on the other hand."

f. Section 3.5 to the Voting Agreement shall be amended and restated to read in its entirety as follows:

"3.5 Amendment, Modification, Termination or Waiver. This Agreement may be amended, modified or terminated (or provisions of this Agreement waived) only upon the written consent of (i) the Company and (ii) the holders of at least a majority of the outstanding shares of Series Preferred, voting together as a single class and on an as-converted basis, provided, however, that if such amendment, modification, termination or waiver has the effect of modifying the rights and/or obligations of the Key Holders in a manner that is adverse to the Key Holders, then such amendment, modification, termination or waiver shall require the written consent of the holders of a majority of the Key Holder Shares held by Key Holders then providing services to the Company as officers, employees or consultants; and provided further, any amendment to Section 1.2 or Section 1.9 which adversely affects the rights of Investec, Waveland Verdoso, Motorola or JKC shall require the written consent of the holders of a majority of the Series Preferred held by Investec, Waveland (or its affiliates), Verdoso (or its affiliates), Motorola (or its affiliates), or JKC (or its affiliates) as the case may be. Any amendment, modification, termination or waiver so effected shall be binding upon the Company, each of the parties hereto and any assignee of any such party provided, however, that notwithstanding the

foregoing, for so long as fifteen million (15,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event) remain outstanding, Sections 1.2 and 1.3 shall not be amended or waived without the written consent of the holders of a majority of the Series Preferred, Section 1.2(a)(iii) of this Agreement shall not be amended or waived without the written consent of Verdoso so long as Verdoso holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(iv) of this Agreement shall not be amended or waived without the written consent of Investec so long as Investec holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(v) of this Agreement shall not be amended or waived without the written consent of Waveland, together with any WCP Investors, hold at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(vi) of this Agreement shall not be amended or waived without the written consent of Motorola so long as Motorola and its affiliates hold at least seven million (7,000,000) shares of Series Preferred, Section 1.2(a)(vii) of this Agreement shall not be amended or waived without the written consent of JKC so long as JKC and its affiliates hold at least four million (4,000,000) shares of Series Preferred and Section 1.8 of this Agreement shall not be amended or waived without the written consent of holders of 70% of the Series Preferred, voting together as a separate class on an as-converted basis; provided, further that no provision of this Section 3.5 can be amended without the required percentage vote of the beneficiary of that provision. Notwithstanding the foregoing, this Agreement may be amended to add holders of additional series of the Company's Preferred Stock as Investors by an instrument in writing signed by the Company and the holders of such series. Notwithstanding anything to the contrary in this Agreement, Section 3 .16 shall not apply to Motorola, and this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to Motorola, without the written consent of Motorola if such amendment, termination or waiver would (A) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement, that certain letter agreement dated August 29, 2016 between the Company and Motorola, and any other agreement between Motorola and the Company the subject matter of which is primarily the equity of the Company owrred by Motorola) between Motorola or any of its affiliates, on the one hand, and the

Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (B) impose on Motorola any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of Motorola under this Agreement. Lastly, notwithstanding anything to the contrary in this Agreement, Section 3.16 shall not apply to JKC, and this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to JKC, without the written consent of JKC if such amendment, termination or waiver would (A) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement and any other agreement between JKC and the Company the subject matter of which is primarily the equity of the Company owned by JKC) between JKC or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (B) impose on JKC any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of JKC under this Agreement."

g. Exhibit A to the Voting Agreement shall be amended to add JKC as an "Investor" thereunder.

4. **Amendment of the Co-Sale Agreement.** The Co-Sale Agreement is hereby amended so that, upon issuance of the JKC Securities to JKC:

a. The introductory paragraph shall be amended to add the holders of SeriesA-2 Preferred Stock as parties thereto:

"This Amended and Restated Right of First Refusal and Co-Sale Agreement is made as of November 21, 2012 (the **"Agreement"),** by and among Sonim Technologies, Inc., a Delaware corporation (the **"Company"),** certain holders of the Company's Series A Preferred Stock (the **"Series A Preferred"),** certain holders of the Company's Series A-1 Preferred Stock (the **"Series A-1 Preferred"),** certain holders of the Company's Series A-2 Preferred Stock (the **"Series A-2 Preferred")** and certain holders of the Company's Series B Preferred Stock (the **"Series B Preferred"** and, together with the Series A Preferred, Series A-1 Preferred and Series A-2 Preferred, the **"Series Preferred")** listed on **Exhibit A** hereto (the **"Major Investors")** and the holders of Common Stock and/or options to purchase Common

Stock listed on Exhibit B hereto (each a **"Common Holder,"** collectively, the **"Common Holders").** Capitalized terms used but not defined herein shall have the meanings set forth in that certain Preferred Stock Purchase and Exchange Agreement of even date herewith (the **"Purchase Agreement")."**

b. Section 4.10 shall be amended to add the following sentence at the end of Section 4.10:

"Lastly, notwithstanding anything to the contrary in this Agreement, this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to JKC without the written consent of JKC if such amendment, termination or waiver would (i) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Voting Agreement, the Amended and Restated Investor Rights Agreement and any other agreement between JKC and the Company the subject matter of which is primarily the equity of the Company owned by JKC) between JKC or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (ii) impose on JKC any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of JKC under this Agreement."

c. Exhibit A to the Co-Sale Agreement shall be amended to add JKC as a "Major Investor" thereunder.

5. This Amendment may be executed in counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one and the same instrument.

6. Except as expressly set forth herein, all other provisions of the Voting Agreement, the Rights Agreement and theCo-Sale Agreement shall remain in full force and effect. Upon consummation of the Closing (as defined in the Purchase Agreement), and contingent thereupon, this Amendment shall be deemed incorporated into and made a part of the Voting Agreement, the Rights Agreement and the Co-Sale Agreement, as applicable. For purposes of clarity, the parties acknowledge and agree that in the event the Closing (as defined in the Purchase Agreement) does not occur, this Amendment shall have no force or effect.

7. This Amendment and the rights and obligations of the parties hereunder shall inure to the benefit of, and be binding upon, their respective successors, assigns and legal representatives.

8. If one or more provisions of this Amendment 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, the (i) such provision shall be excluded from this Amendment, (ii) the balance of the Amendment shall be interpreted as if such provision were so excluded and (iii) the balance of the Amendment shall be enforceable in accordance with its terms.

9. This Amendment 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.

[Signature pages follow]

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

THE COMPANY:

SONIM TECHNOLOGIES, INC.

By: /s/ Bob Plaschke
Name: Bob Plaschke
Title: Chief Executive Officer

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **VERDOSO INVESTMENTS S.A.**

By: /s/ Frank Ullman
Name: Frank Ullman
Title: director

SIGNATURE PAGE TO SECOND OMNIBUS AMENDMENT TO INVESTOR RIGHTS AGREEMENT, VOTING AGREEMENT AND RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **INVESTEC INVESTMENTS (UK) LIMITED**

By: /s/Andrew Nosworthy
Name: Andrew Nosworthy
Title: Authorised Signatory

By: /s/Andrew Neill
Name: Andrew Neill
Title: Authorised Signatory

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS:

WAVELAND VENTURES V, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V QP, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-A, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-A QP, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer, Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **WAVELAND VENTURES V-B, LLC**

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

NEW INVESTOR: **JVC KENWOOD CORPORATION**

By: /s/ Kazuhiro Aigami
Name: Kazuhiro Aigami
Title, if applicable: Representative Director of the Board, Executive Vice President, Chief Operating Officer (COO) - Public Service Sector, COO Americas of JVC KENWOOD Corporation
Address: 3-12, Moriyacho, Kanagawa-ku
Yokohama-shi, Kanagawa
221-0022 Japan

SONIM TECHNOLOGIES, INC.

OMNIBUS AMENDMENT TO THE AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT, AMENDED AND RESTATED VOTING AGREEMENT AND AMENDED AND RESTATED RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

This Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement (this "Amendment") is entered into as of August 29, 2016 by and between Sonim Technologies, Inc., a Delaware corporation (the "Company") and the undersigned investors (the "Investors").

WHEREAS, the Company and certain of the Investors previously have entered into the Amended and Restated Voting Agreement (the "Voting Agreement"), the Amended and Restated Right of First Refusal and Co-Sale Agreement (the "Co-Sale Agreement"), and the Amended and Restated Investor Rights Agreement (the "Rights Agreement" and together with the Voting Agreement and Co-Sale Agreement, the "Agreements") each dated as of November 21, 2012;

WHEREAS, pursuant to the terms thereof, the Company and the holders of a majority of the outstanding shares of Series A Preferred Stock (the "Series A Preferred") and Series B Preferred Stock (the "Series B Preferred", together with the Series A Preferred, the "Series Preferred") may amend the Voting Agreement, the Co-Sale Agreement and the Rights Agreement;

WHEREAS, the Company and Motorola Solutions, Inc., a Delaware corporation ("Motorola"), have entered into a Series A-1 and Series A Preferred Stock and Warrant Purchase Agreement (the "Purchase Agreement") on or around the date hereof pursuant to which the Company desires to sell, and Motorola desire to purchase, shares of Series A-1 Preferred, Series A Preferred and a Warrant exercisable for shares of Series A Preferred (the "Motorola Securities"). A condition to Motorola's obligations under the Purchase Agreement is that the Company, Motorola and the other parties hereto enter into this Amendment for the purpose of setting forth the terms and conditions set forth below. The Company and Motorola each desire to facilitate the issuance and sale of the Motorola Securities agreeing to the terms and conditions set forth herein; and

WHEREAS, the Company and the Investors (who in the aggregate hold the requisite number of shares required to amend the Agreements) desire to amend the Agreements as provided herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Agreements to add parties as Investors. Effective and contingent upon the issuance of the Motorola Securities to Motorola, those parties listed on Exhibit A hereto (the "New Investors") shall be added as Investors under each of the Voting Agreement and Rights Agreement, and, to the extent such New Investor is a "Major Investor" under the Rights Agreement, as a "Major Investor" under the Co-Sale Agreement, subject to the terms as provided herein and therein.

2. **Amendment of Rights Agreement.** The Rights Agreement is hereby amended so that, upon issuance of the Motorola Securities to Motorola:

a. Section 1.2(g) shall be amended and restated to read in its entirety as follows:

"(g) **"Registrable Securities"** means (1) Common Stock of the Company issuable or issued upon conversion of the Shares; (2) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, such above-described securities; (3) any shares of Common Stock of the Company issuable or issued upon conversion of shares of Preferred Stock of the Company issuable upon exercise or conversion of warrants held by the Investors and outstanding as of August 29, 2016. Notwithstanding the foregoing, Registrable Securities shall not include any securities (i) sold by a person to the public either pursuant to a registration statement or Rule 144 promulgated under the Securities Act, (ii) sold in a private transaction in which the transferor's rights under Section 2.10 of this Agreement are not assigned or (iii) held by a Holder (together with its affiliates) if, as reflected on the Company's list of stockholders, such Holder (together with its affiliates) holds less than 1% of the Company's outstanding Common Stock (treating all outstanding shares of Preferred Stock on an as converted basis), the Company has completed its Initial Offering and all shares of Common Stock of the Company issuable or issued upon conversion of the Shares held by and issuable to such Holder (and its affiliates) may be sold pursuant to Rule 144 during any ninety (90) day period."

b. Section 1.2(m) shall be amended and restated to read in its entirety as follows:

"(m) **"Series Preferred"** shall mean all shares of Series A Preferred, Series B Preferred and Series A-1 Preferred."

c. Section 1.2 shall be amended to add the following clause (p):

"(p) **"Series A-1 Preferred"** shall mean all shares of the Company's Series A-1 Preferred Stock held by the Investors.

d. Section 2.2(c)(i) shall be amended and restated to read in its entirety as follows:

"(i) prior to the earlier of (A) the tenth anniversary of the date of this Agreement or (B) one hundred eighty (180) days following the effective date of the registration statement pertaining to the Initial Offering;"

e. Section 3.3 shall be amended to add the following clause (c) immediately after Section 3.3(b):

"(c) Notwithstanding anything to the contrary in this Agreement, Section 3.3(a) shall not apply to Motorola Solutions, Inc. (**"Motorola"),** which is subject to confidentiality obligations to the Company pursuant to a letter agreement dated as of August 29, 2016."

f. Section 3.11 shall be amended and restated to read in its entirety as follows:

"3.11 Issuance of Series Preferred. The Company shall not make any issuance of Series Preferred other than (a) in payment of any Preferred Dividends (as defined in the Company's Amended and Restated Certificate of Incorporation (the **"Certificate"**)) as provided in the Certificate, and (b) pursuant to that certain Series A-1 and Series A Preferred Stock and Warrant Purchase Agreement and other convertible securities outstanding on August 29, 2016 (including for purposes of clarity the Warrant to Purchase Series A Preferred Stock held by Motorola) unless approved by the holders of a majority of the outstanding Series Preferred, calculated on an as-converted basis."

g. Section 4.6(a) shall be amended and restated to read in its entirety as follows:

"(a) up to 36,871,326 shares of Common Stock or Preferred Stock issued pursuant to options, warrants or other rights to employees, officers or directors of, or consultants or advisors to, the Company or any subsidiary pursuant to stock purchase or stock option plans or other arrangements that are approved by the Board for the primary purpose of soliciting or retaining their services (individually, an **'Equity Incentive'** and collectively, **'Equity Incentives'),** *provided,* that any unvested Common Stock repurchased by the Company pursuant to the terms of a restricted stock purchase agreement under which such Equity Incentive was issued and any Equity Incentive which expires unexercised (including, without limitation, Equity Incentives outstanding on the date hereof) may again be sold or granted under this Section 4.6(a) without counting another time against the limitation set forth above."

h. Section 4.6(f) shall be amended and restated to read in its entirety as follows:

"(f) up to five percent (5%) of the fully diluted capitalization of the Company (defined to include all issued and outstanding shares of capital stock, all shares issued or issuable upon exercise on conversion of all convertible securities, options, warrants, or other purchase rights and all shares of capital stock reserved for future issuance) as of the close of business on August 29, 2016 issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement or debt financing from a bank or similar financial institution, or in connection with strategic transactions involving the Company and other entities, including (i) joint ventures, manufacturing, marketing or distribution arrangements or (ii) technology license, transfer or development arrangements, in any case the terms of which are approved by the Board of Directors;"

i. Section 4.6(i) shall be amended and restated to read in its entirety as follows:

"(h) any Equity Securities issued upon exercise or conversion of any convertible securities that are outstanding as of August 29, 2016."

j. Section 4.6(h) shall be deleted in its entirety.

k. Section 5.6 shall be amended to add the following new clause (e) immediately after clause (d):

"(e) Notwithstanding anything to the contrary in this Agreement, this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to Motorola without the written consent of Motorola if such amendment, termination or waiver would (i) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Voting Agreement, that certain letter agreement dated August 29, 2016 between the Company and Motorola, and any other agreement between Motorola and the Company the subject matter of which is primarily the equity of the Company owned by Motorola) between

Motorola or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (ii) impose on Motorola any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of Motorola under this Agreement."

l. Exhibit A to the Rights Agreement shall be amended to add the New Investors as "Investors" thereunder.

3. **Amendment of Voting Agreement.** The Voting Agreement is hereby amended so that, upon issuance of the Motorola Securities to Motorola:

a. The introductory paragraph of the Voting Agreement shall be amended to add the holders of SeriesA-1 Preferred Stock as parties to the Co-Sale Agreement:

"This Amended and Restated Voting Agreement (the **"Agreement"**) is made and entered into as of November 21, 2012, by and among SONIM TECHNOLOGIES, INC., a Delaware corporation (the **"Company"**), those certain holders of the Company's Common Stock ("**Common Stock"**) and options to purchase Common Stock **("Options"**) listed on Exhibit A hereto (each a**"**Key **Holder"** and together, the **"Key Holders"**) and those holders of the Company's Common Stock, Series A Preferred Stock (the "**Series A Preferred"),** Series A-1 Preferred Stock (the **"Series A-1 Preferred"**) and Series B Preferred Stock (the **"Series B Preferred"** and, together with the Series A Preferred, the **"Series Preferred")** and/or Common Stock into which any shares of Series Preferred have been, or will be, converted listed on Exhibit B hereto (the **"Investors"**). Capitalized terms used but not defined herein shall have the meanings set forth in that certain Preferred Stock Purchase and Exchange Agreement of even date herewith (the **"Purchase Agreement"**)."

b. Section 1.2 shall be amended and restated to read in its entirety as follows: "

1.2 Election of Directors. On all matters relating to the election of directors of the Company, the Key Holders and the Investors agree to vote all Key Holder Shares and Investor Shares held by them (or the holders thereof shall consent pursuant to an action by written consent of the holders of capital stock of the Company) so as to elect members of the Company's Board of Directors (the **'Board'**) as follows:

(a) For so long as fifteen million (15,000,000) shares of Series Preferred remain outstanding (subject to adjustment for any stock split, reverse stock split or similar event), the holders of Series Preferred, voting together as a single class on an as-converted basis, shall be entitled to elect seven (7) directors of the Company which shall include:

(i) the Company's chief executive officer (the **'CEO'**), who initially shall be Bob Plaschke;

(ii) an independent director, who shall initially be John Giere;

(iii) one director who shall be designated by Verdoso Investments S.A. **('Verdoso')** or its affiliates, provided that Verdoso holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who initially shall be Franck Ullmann;

(iv) one director who shall be designated by Investec Bank plc **('Investec')** or its affiliates, provided that Investec or its affiliates holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who shall initially be Maurice Hochschild

(v) one director who shall be designated by Waveland Venture Partners LLC **('Waveland')** or its affiliates, provided that Waveland, together with any WCP Investors (as defined in the Company's Preferred Stock Purchase and Exchange Agreement dated November 21, 2012), if applicable, hold at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), who initially shall be Sam Irvani;

(vi) on or after November 1, 2017, one director who shall be designated by Motorola Solutions, Inc. **('Motorola')** or its affiliates, provided that Motorola and its affiliates hold at least hold at least seven million (7,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event); and (vi) Any vote taken to remove any director elected pursuant to this Section 1.2(a), or to fill any vacancy created by the resignation, removal or death of a director elected pursuant to this Section 1.2(a), shall also be subject to the provisions of this Section 1.2(a)."

c. Section 1.3 shall be amended and restated to read in its entirety as follows:

"1.3 [Reserved.]"

d. Section 1.8 shall be amended and restated to read in its entirety as follows:

"1.8 Change of Control. In the event that the holders of at least 70% of the outstanding shares of Series Preferred, calculated on an as-converted basis and voting as a single class on a common equivalent basis approve a transaction or series of transactions that qualify as either an "Acquisition" or "Asset Transfer" as defined in Article IV Section D.4. of the Certificate and determine that this Section 1.8 should apply to such transaction or series of transactions (such approved Acquisition or Asset Transfer is hereinafter referred to as an "Approved Sale" and such votes approving the Approved Sale are hereinafter referred to as the **'Requisite Votes'),** then subject to Section 1.9, the Key Holders and the Investors shall each consent to, vote for and raise no objections to the Approved Sale, and (i) if the Approved Sale is structured as a merger or consolidation of the Company, or a sale of all or substantially all of the Company's assets, the Key Holders and Investors shall each waive any dissenters rights, appraisal rights or similar rights in connection with such merger, consolidation or asset sale, or (ii) if the Approved Sale is structured as a sale of the stock of the Company, the Key Holders and Investors shall each agree to sell their Key Holder Shares and Investor Shares on the terms and conditions approved by the Requisite Votes. The Key Holders and the Investors shall each take all necessary and desirable actions approved by the Requisite Votes in connection with the consummation of the Approved Sale, including the execution of such agreements and such instruments and other actions reasonably necessary to (i) provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Approved Sale (provided that no Investor shall be required to agree to any operational covenants in connection with such Approved Sale, including noncompetition and nonsolicitation covenants), and (ii) subject to the provisions contained within the Certificate, effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale."

e. The following Section 1.9 shall be added to the Voting Agreement:

"1.9 Exceptions to Change of Control. Notwithstanding the foregoing, no Investor or Key Holder will be required to comply with Section 1.8 in connection with any proposed Approved Sale (the **"Proposed Sale"),** unless:

(a) any representations and warranties to be made by such Investor or Key Holder in connection with the Proposed Sale are limited to representations and warranties related to authority, ownership and the ability to convey title to the shares of capital stock of the Company held by such Investor or Key Holder (as the case may

be), including, but not limited to, representations and warranties that (i) such Investor or Key Holder holds all right, title and interest in and to the shares of capital stock of the Company such Investor or Key Holder (as the case may be) purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of such Investor or Key Holder in connection with the transaction have been duly authorized, if applicable, (iii) the documents to be entered into by such Investor or Key Holder have been duly executed by such Investor or Key Holder and delivered to the acquirer and are enforceable against such Investor or Key Holder in accordance with their respective terms; and (iv) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of such Investor's or Key Holder's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;

(b) such Investor or Key Holder shall not be liable for the inaccuracy of any representation or warranty made by any other Person in connection with the Proposed Sale, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders);

(c) the liability for indemnification, if any, of such Investor or Key Holder in the Proposed Sale and for the inaccuracy of any representations and warranties made by the Company in connection with such Proposed Sale, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company), and subject to the provisions of the Certificate related to the allocation of the escrow, is pro rata in proportion to, and does not exceed, the amount of consideration paid to such Investor or Key Holder in connection with such Proposed Sale, except with respect to claims related to fraud by such Investor or Key Holder, the liability for which need not be limited as to such Investor or Key Holder;

(d) liability shall be limited to such Investor's or Key Holder's applicable share (determined based on the respective proceeds payable to each stockholder in connection with such Proposed Sale in accordance with the provisions of the Certificate) of a negotiated aggregate indemnification amount that applies equally to all stockholders but that in no event exceeds the amount of consideration otherwise payable to such Investor or Key Holder in connection with such Proposed Sale, except with respect to claims related to fraud by such Investor or Key Holder, the liability for which need not be limited as to such Investor or Key Holder;

(e) upon the consummation of the Proposed Sale (i) each holder of each class or series of the Company's stock will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock, (ii) each holder of a series of Series Preferred will receive the same amount of consideration per share of such series of Series Preferred as is received by other holders in respect of their shares of such same series in payment of the liquidation preferences payable in respect to such series of Series Preferred, (iii) each holder of Common Stock will receive the same amount of consideration per share of Common Stock as is received by other holders in respect of their shares of Common Stock, and (iv) the aggregate consideration legally available for distribution to the Company's stockholders shall be allocated among the holders of Series Preferred and Common Stock on the basis of the relative liquidation preferences to which the holders of each respective series of Series Preferred and the holders of Common Stock are entitled in a Deemed Liquidation Event (assuming for this purpose that the Proposed Sale is a Deemed Liquidation Event) in accordance with the Certificate; provided, however, that, notwithstanding the foregoing, if the consideration to be paid in exchange for the Key Holder Shares or Investor Shares, as applicable, pursuant to this Section 1.9(e) includes any securities and due receipt thereof by any Key Holder or Investor would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Key Holder or Investor of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Key Holder or Investor in lieu thereof, against surrender of the Key Holder Shares or Investor Shares, as applicable, which would have otherwise been sold by such Key Holder or Investor, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Key Holder or Investor would otherwise receive as of the date of the issuance of such securities in exchange for the Key Holder Shares or Investor Shares, as applicable; and

(f) subject to clause (e) above, requiring the same form of consideration to be available to the holders of any single class or series of capital stock, if any holders of any capital stock of the Company are given an option as to the form and amount of consideration to be

received as a result of the Proposed Sale, all holders of such capital stock will be given the same option; provided, however, that nothing in this Subsection 1.9(f) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to the Company's shareholders.

Notwithstanding anything to the contrary in this Agreement, Motorola will not be required to comply with the terms and conditions of Section 1.8 in connection with any Proposed Sale (i) unless the only covenants or other agreements that Motorola or any of its affiliates shall be required to make in connection with a Proposed Sale are reasonable covenants regarding publicity, press releases and similar matters (and, for the avoidance of doubt, in no event shall any non-compete, non-solicit or similar covenant or obligation be imposed on Motorola or any of its affiliates), (ii) if doing so would have a disproportionately adverse effect on Motorola as compared to the effect on the other holders of the Series A Preferred or Series A-1 Preferred; and (iii) if doing so would effect any amendment, extension or termination of any contractual or other relationship (other than the relationship contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement, that certain letter agreement dated August 29, 2016 between the Company and Motorola, and any other agreement between Motorola and the Company the subject matter of which is primarily the equity of the Company owned by Motorola) between Motorola or any of its affiliates, on the one hand, and the Company, the acquirer or any of its or their respective affiliates, on the other hand."

f. Section 3.5 to the Voting Agreement shall be amended and restated to read in its entirety as follows:

"3.5 Amendment, Modification, Termination or Waiver. This Agreement may be amended, modified or terminated (or provisions of this Agreement waived) only upon the written consent of (i) the Company and (ii) the holders of at least a majority of the outstanding shares of Series Preferred, voting together as a single class and on an as-converted basis, provided, however, that if such amendment, modification, termination or waiver has the effect of modifying the rights and/or obligations of the Key Holders in a manner that is adverse to the Key Holders, then such amendment, modification, termination or waiver shall require the written consent of the holders of a majority of the Key Holder Shares held by Key Holders then providing services to the Company as officers, employees or consultants; and provided further, any amendment to

Section 1.2 or Section 1.9 which adversely affects the rights of Investec, Waveland Verdoso or Motorola shall require the written consent of the holders of a majority of the Series Preferred held by Investec, Waveland (or its affiliates), Verdoso (or its affiliates) or Motorola (or its affiliates), as the case may be. Any amendment, modification, termination or waiver so effected shall be binding upon the Company, each of the parties hereto and any assignee of any such party provided, however, that notwithstanding the foregoing, for so long as fifteen million (15,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event) remain outstanding, Sections 1.2 and 1.3 shall not be amended or waived without the written consent of the holders of a majority of the Series Preferred, Section 1.2(a)(iii) of this Agreement shall not be amended or waived without the written consent of Verdoso so long as Verdoso holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(iv) of this Agreement shall not be amended or waived without the written consent of Investec so long as Investec holds at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(v) of this Agreement shall not be amended or waived without the written consent of Waveland, together with any WCP Investors, hold at least four million (4,000,000) shares of Series Preferred (subject to adjustment for any stock split, reverse stock split or similar event), Section 1.2(a)(vi) of this Agreement shall not be amended or waived without the written consent of Motorola so long as Motorola and its affiliates hold at least seven million (7,000,000) shares of Series Preferred and Section 1.8 of this Agreement shall not be amended or waived without the written consent of holders of 70% of the Series Preferred, voting together as a separate class on an as-converted basis; provided, further that no provision of this Section 3.5 can be amended without the required percentage vote of the beneficiary of that provision. Notwithstanding the foregoing, this Agreement may be amended to add holders of additional series of the Company's Preferred Stock as Investors by an instrument in writing signed by the Company and the holders of such series. Lastly, notwithstanding anything to the contrary in this Agreement, Section 3.16 shall not apply to Motorola, and this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to Motorola without the written consent of Motorola if such amendment, termination or waiver would (A) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement, the Amended and Restated Investor Rights Agreement, that certain letter agreement dated August

29, 2016 between the Company and Motorola, and any other agreement between Motorola and the Company the subject matter of which is primarily the equity of the Company owned by Motorola) between Motorola or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (B) impose on Motorola any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of Motorola under this Agreement."

g. Exhibit A to the Voting Agreement shall be amended to add the New Investors as "Investors" thereunder.

4. Amendment of the Co-Sale Agreement. The Co-Sale Agreement is hereby amended so that, upon issuance of the Motorola Securities to Motorola:

a. The introductory paragraph shall be amended to add the holders of Series A-1 Preferred Stock as parties to the Co-Sale Agreement:

"This Amended and Restated Right of First Refusal and Co-Sale Agreement is made as of November 21, 2012 (the **"Agreement"**), by and among Sonim Technologies, Inc., a Delaware corporation (the **"Company"**), certain holders of the Company's Series A Preferred Stock (the **"Series A Preferred"),** certain holders of the Company's Series A-1 Preferred Stock (the **"Series A-1 Preferred"**) and certain holders of the Company's Series B Preferred Stock (the **"Series B Preferred"** and, together with the Series A Preferred and Series A-1 Preferred, the **"Series Preferred"**) listed on **Exhibit A** hereto (the **"Major Investors"**) and the holders of Common Stock and/or options to purchase Common Stock listed on Exhibit B hereto (each a **"Common Holder,"** collectively, the **"Common Holders"**). Capitalized terms used but not defined herein shall have the meanings set forth in that certain Preferred Stock Purchase and Exchange Agreement of even date herewith (the **"Purchase Agreement"**)."

b. Section 4.10 shall be amended to add the following sentence at the end of Section 4.10:

"Notwithstanding anything to the contrary in this Agreement, this Agreement may not be amended or terminated and the observance of any term of this Agreement may not be waived with respect to Motorola without the written consent of Motorola if such amendment, termination or waiver would (i) effect any amendment, extension or termination of any contractual or other relationship (other than those contemplated by this Agreement, the Amended and Restated Voting Agreement, the Amended and Restated Investor Rights Agreement,

that certain letter agreement dated August 29, 2016 between the Company and Motorola, and any other agreement between Motorola and the Company the subject matter of which is primarily the equity of the Company owned by Motorola) between Motorola or any of its affiliates, on the one hand, and the Company, any of its subsidiaries or any of its or their respective affiliates, on the other hand, or (ii) impose on Motorola any material obligations (including any non-competition or non-solicitation covenants or obligations) or material liabilities not otherwise contemplated by this Agreement, or increase any material liabilities or material obligations of Motorola under this Agreement."

c. Exhibit A to the Co-Sale Agreement shall be amended to add each New Investor that is a "Major Investor" as defined in the Rights Agreement as a "Major Investor" thereunder.

5. This Amendment may be executed in counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one and the same instrument.

6. Except as expressly set forth herein, all other provisions of the Voting Agreement, the Rights Agreement and theCo-Sale Agreement shall remain in full force and effect. This Amendment shall be deemed incorporated into and made a part of the Voting Agreement, the Rights Agreement and the Co-Sale Agreement, as applicable.

7. This Amendment and the rights and obligations of the parties hereunder shall inure to the benefit of, and be binding upon, their respective successors, assigns and legal representatives.

8. If one or more provisions of this Amendment 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, the (i) such provision shall be excluded from this Amendment, (ii) the balance of the Amendment shall be interpreted as if such provision were so excluded and (iii) the balance of the Amendment shall be enforceable in accordance with its terms.

9. This Amendment 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.

[Signature pages follow]

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

THE COMPANY:

SONIM TECHNOLOGIES, INC.

By: /s/ Richard Long
Name: Richard Long
Title: Chief Financial Officer

SIGNATURE PAGE TO OMNIBUS AMENDMENT TO INVESTOR RIGHTS AGREEMENT, VOTING AGREEMENT AND RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS: **VERDOSO INVESTMENTS S.A.**

By: /s/ Frank Ullman
Name:
Title:

SIGNATURE PAGE TO OMNIBUS AMENDMENT TO INVESTOR RIGHTS AGREEMENT, VOTING AGREEMENT AND RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS:

INVESTEC INVESTMENTS (UK) LIMITED

By: /s/ Maurice Hochschild
Name: Maurice Hochschild
Title: Authorised Signatory

By: /s/ Andrew Nosworthy
Name: Andrew Nosworthy
Title: Authorised Signatory

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS:

WAVELAND VENTURES V, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager

Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V QP, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager

Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-A, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager

Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-A QP, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager

Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

INVESTORS:

WAVELAND VENTURES V-B, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager

Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first set forth above.

NEW INVESTOR: **MOTOROLA SOLUTIONS, INC.**

By: /s/ Eduardo Conrado
Name: Eduardo Conrado
Title: EVP – Strategy and Innovation Office

Address: 500 W. Monroe Street
Chicago, IL 60661

EXHIBIT A

New Investors

Motorola Solutions, Inc.

The Abell Family Trust

Latta L. Brannan, Jr. and Bonnie W. Brannan

The Damico Gonzalez Living Trust dated 8/16/2007

Gary Knoche

The Michael and Vickie Greer Family Trust

The Maichen Family Trust dated 7/13/1999

Mullard Investments LLC

Ronald Russell Trust dated 11/12/1991

Timothy Zimcosky and Linda Zimcosky

Reisner Millenium Trust

Verdoso Investments S.A.

Investec Investments (UK) Limited

Waveland Ventures V, LLC

Waveland Ventures V QP, LLC

Waveland Ventures V-A, LLC

Waveland Ventures V-QP, LLC

Waveland Ventures V-B, LLC

SONIM TECHNOLOGIES, INC.

AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT (the **"Agreement"**) is entered into as of November 21, 2012, by and among **SONIM TECHNOLOGIES, INC.,** a Delaware corporation (the **"Company")** and the investors listed on **Exhibit A** hereto, referred to hereinafter as the **"Investors"** and each individually as an **"Investor."** Capitalized terms used but not defined herein shall have the meanings set forth in that certain Preferred Stock Purchase and Exchange Agreement of even date herewith (the **"Purchase Agreement").**

RECITALS

WHEREAS, certain of the Investors have agreed to purchase (subject to certain conditions) shares of the Company's Series A Preferred Stock (**"Series A Preferred"),** pursuant the Purchase Agreement;

WHEREAS, the execution of the Purchase Agreement is conditioned upon the execution and delivery of this Agreement;

WHEREAS, prior to the date hereof, all outstanding shares of Prior Preferred were converted into shares of Common Stock upon the election of the holder of a majority of the then-outstanding Series 4 Preferred Stock and Series 4-A Preferred Stock;

WHEREAS, pursuant to the terms of the Purchase Agreement, certain of the Investors may participate in the Exchange and exchange certain shares of Converted Common for shares of Series B Preferred Stock (the **"Series B Preferred"**) and in certain cirumstances Series A Preferred;

WHEREAS, the Investors (as defined in the Prior Agreement) and the Company are parties to an Amended and Restated Investor Rights Agreement dated November 3, 2009, as amended (the **"Prior Agreement");**

WHEREAS, the parties to the Prior Agreement desire to amend in full and restate the Prior Agreement as set forth below; and

WHEREAS, in connection with the execution of the Purchase Agreement, the Company and the Investors have agreed to the registration rights, information rights, and other rights as set forth below.

NOW, THEREFORE, in consideration of these premises and for other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. GENERAL.

1.1 Amendment and Restatement of Prior Agreement. The Prior Agreement is hereby amended in its entirety and restated herein. Such amendment and restatement is effective upon the execution of the Agreement by the Company and the holders of a majority of the Converted Common issued upon conversion of the Series Preferred (as defined in the Prior Agreement), pursuant to the provisions of Section 5.6 thereof. Upon such execution, all provisions of, rights granted and covenants made in the Prior Agreement are hereby waived, released and superseded in their entirety and shall have no further force or effect, including, without limitation, all rights of first refusal and any notice period associated therewith otherwise applicable to the transactions contemplated by the Purchase Agreement.

1.2 Definitions. As used in this Agreement the following terms shall have the following respective meanings:

(a) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(b) "Form S-3" means such form under the Securities Act as in effect on the date hereof or any successor or similar registration form under the Securities Act subsequently adopted by the SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(c) "Holder" means any person owning of record Registrable Securities that have not been sold to the public or any assignee of record of such Registrable Securities in accordance with Section 2.10 hereof.

(d) "Initial Offering" means the Company's first firm commitment underwritten public offering of its Common Stock registered under the Securities Act.

(e) "Qualified Initial Offering" means the Company's first firm commitment underwritten public offering of its Common Stock registered under the Securities Act in which the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least $50,000,000.

(f) "Register," "registered," and **"registration"** refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

(g) "Registrable Securities" means (1) Common Stock of the Company issuable or issued upon conversion of the Shares; (2) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, such above-described securities; (3) any shares of Common Stock of the Company issuable or issued upon conversion of shares of Preferred Stock of the Company issuable upon exercise or

conversion of warrants held by the Investors and outstanding as of the date hereof. Notwithstanding the foregoing, Registrable Securities shall not include any securities (i) sold by a person to the public either pursuant to a registration statement or Rule 144 promulgated under the Securities Act, (ii) sold in a private transaction in which the transferor's rights under Section 2.10 of this Agreement are not assigned or (iii) held by a Holder (together with its affiliates) if, as reflected on the Company's list of stockholders, such Holder (together with its affiliates) holds less than 1% of the Company's outstanding Common Stock (treating all outstanding shares of Preferred Stock on an as converted basis), the Company has completed its Initial Offering and all shares of Common Stock of the Company issuable or issued upon conversion of the Shares held by and issuable to such Holder (and its affiliates) may be sold pursuant to Rule 144 during any ninety (90) day period.

(h) "Registrable Securities then outstanding" shall be the number of shares of the Company's Common Stock that are Registrable Securities and either (1) are then issued and outstanding or (2) are issuable pursuant to then exercisable or convertible securities.

(i) "Registration Expenses" shall mean all expenses incurred by the Company in complying with Sections 2.2, 2.3 and 2.4 hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, reasonable fees and disbursements not to exceed twenty-five thousand dollars ($25,000) of a single special counsel in the case of a Registration Statement on Form S-1 or fifteen thousand dollars ($15,000) in the case of a Registration Statement on Form S-3 for the Holders, blue sky fees and expenses and the expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company which shall be paid in any event by the Company).

(j) "SEC" or **"Commission"** means the Securities and Exchange Commission.

(k) "Securities Act" shall mean the Securities Act of 1933, as amended.

(l) "Selling Expenses" shall mean all underwriting discounts and selling commissions applicable to the sale.

(m) "Series Preferred" shall mean all shares of the Series A Preferred and the Series B Preferred.

(n) "Shares" shall mean the Series Preferred held by the Investors listed on **Exhibit A** hereto and their permitted assigns.

(o) "Special Registration Statement" shall mean (i) a registration statement relating to any employee benefit plan or (ii) with respect to any corporate reorganization or transaction under Rule 145 of the Securities Act, including any registration statements related to the issuance or resale of securities issued in such a transaction or (iii) a registration related to stock issued upon conversion of debt securities.

SECTION 2. REGISTRATION; RESTRICTIONS ON TRANSFER.

2.1 Restrictions on Transfer.

(a) Each Holder agrees not to make any disposition of all or any portion of the Shares or Registrable Securities unless and until:

(i) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(ii) (A) The transferee has agreed in writing to be bound by the terms of this Agreement, (B) such Holder shall have notified the Company, in writing, of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (C) if reasonably requested by the Company, such Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such shares under the Securities Act. It is agreed that the Company will not require opinions of counsel for transactions made pursuant to Rule 144, except in unusual circumstances. After its Initial Offering, the Company will not require the transferee to be bound by the terms of this Agreement.

(b) Notwithstanding the provisions of subsection (a) above, no such restriction shall apply to a transfer by a Holder that is (A) a partnership transferring to its partners or former partners in accordance with partnership interests, (B) a. corporation transferring to a wholly-owned subsidiary or a parent corporation that owns all of the capital stock of the Holder, (C) a limited liability company transferring to its members or former members in accordance with their interest in the limited liability company, (D) an entity affiliated by common management or control (or other related entity) with such Holder, or (E) an individual transferring to the Holder's family member or trust for the benefit of an individual Holder, *provided* that in each case the transferee will agree in writing to be subject to the terms of this Agreement to the same extent as if he were an original Holder hereunder.

(c) Each certificate representing Shares or Registrable Securities shall be stamped or otherwise imprinted with legends substantially similar to the following (in addition to any legend required under applicable state securities laws):

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE **"ACT")** AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS AND CONDITIONS OF A CERTAIN INVESTOR RIGHTS AGREEMENT BY AND BETWEEN THE STOCKHOLDER AND THE COMPANY. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY.

(d) The Company shall be obligated to reissue promptly unlegended certificates at the request of any Holder thereof if the Company has completed its Initial Offering and the Holder shall have obtained an opinion of counsel (which counsel may be counsel to the Company) reasonably acceptable to the Company to the effect that the securities proposed to be disposed of may lawfully be so disposed of without registration, qualification and legend.

(e) Any legend endorsed on an instrument pursuant to applicable state securities laws and the stop-transfer instructions with respect to such securities shall be removed upon receipt by the Company of an order of the appropriate blue sky authority authorizing such removal.

2.2 Demand Registration.

(a) Subject to the conditions of this Section 2.2, if the Company shall receive a written request from the Holders of at least forty percent (40%) of the Registrable Securities (the **"Initiating Holders"**) that the Company file a registration statement under the Securities Act covering the registration of the Registrable Securities then outstanding with an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $7,500,000 (a **"Qualified Public Offering"),** then the Company shall, within thirty (30) days of the receipt thereof, give written notice of such request to all Holders, and subject to the limitations of this Section 2.2, use commercially reasonable efforts to effect, as expeditiously as reasonably possible, the registration under the Securities Act of all Registrable Securities that all Holders request to be registered.

(b) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 2.2 or any request pursuant to Section 2.4 and the Company shall include such information in the written notice referred to in Section 2.2(a) or Section 2.4(a), as applicable. In such event, the right of any Holder to include its Registrable

Securities in such registration shall be conditioned upon such Holder's participation. in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by a majority in interest of the Initiating Holders (which underwriter or underwriters shall be reasonably acceptable to the Company and a majority in interest of the Initiating Holders). Notwithstanding any other provision of this Section 2.2 or Section 2.4, if the underwriter advises the Company that marketing factors require a limitation of the number of securities to be underwritten (including Registrable Securities) then the Company shall so advise all Holders of Registrable Securities which would otherwise be underwritten pursuant hereto, and the number of shares that may be included in the underwriting shall be allocated to the Holders of such Registrable Securities on a *pro rata* basis based on the number of Registrable Securities held by all such Holders (including the Initiating Holders); *provided, however,* that the number of shares of Registrable Securities to be included in such underwriting and registration shall not be reduced unless all other securities of the Company are first entirely excluded from the underwriting and registration. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(c) The Company shall not be required to effect a registration pursuant to this Section 2.2:

(i) prior to the earlier of (A) the third anniversary of the date of this Agreement or (B) one hundred eighty (180) days following the effective date of the registration statement pertaining to the Initial Offering;

(ii) after the Company has effected two (2) registrations pursuant to this Section 2.2, and such registrations have been declared or ordered effective;

(iii) during the period starting with the date of filing of, and ending on the date one hundred eighty (180) days following the effective date of the registration statement pertaining to a public offering, other than pursuant to a Special Registration Statement; *provided* that the Company makes reasonable good faith efforts to cause such registration statement to become effective;

(iv) if within thirty (30) days of receipt of a written request from Initiating Holders pursuant to Section 2.2(a), the Company gives notice to the Holders of the Company's intention to file a registration statement for a public offering, other than pursuant to a Special Registration Statement, within ninety (90) days;

(v) if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 2.2, a certificate signed by the Chairman of the Board stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company and its stockholders for such registration statement to be effected at such time, in which event the Company shall have the right to defer such filing for a period of

not more than one hundred twenty (120) days after receipt of the request of the Initiating Holders; *provided* that such right to delay a request shall be exercised by the Company not more than once in any twelve (12) month period and provided further that the Company shall not register any securities for the account of itself or any other stockholder during such 120 day period, other than a Special Registration Statement;

(vi) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.4 below; or

(vii) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

2.3 Piggyback Registrations. The Company shall notify all Holders of Registrable Securities in writing at least fifteen (15) days prior to the filing of any registration statement under the Securities Act for purposes of a public offering of securities of the Company (including, but not limited to, registration statements relating to secondary offerings of securities of the Company and registration statements effected pursuant to Section 2.2 or by the Company for stockholders other than the Holders, but excluding Special Registration Statements) and will afford each such Holder an opportunity to include in such registration statement all or part of such Registrable Securities held by such Holder. Each Holder desiring to include in any such registration statement all or any part of the Registrable Securities held by it shall, within fifteen (15) days after the above-described notice from the Company, so notify the Company in writing. Upon the written request of each Holder, the Company shall, subject to the provisions of Section 2.2(c), use commercially reasonable efforts to cause to be registered under the Securities Act all of the Registrable Securities that each such Holder has requested to be registered. Such notice shall state the intended method of disposition of the Registrable Securities by such Holder. If a Holder decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein.

(a) Underwriting. If the registration statement under which the Company gives notice under this Section 2.3 is for an underwritten offering, the Company shall so advise the Holders of Registrable Securities. In such event, the right of any such Holder to be included in a registration pursuant to this Section 2.3 shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company. Notwithstanding any other provision of this Agreement, if the underwriter determines in good faith that marketing factors require a limitation of the number of shares to be

underwritten, the number of shares that may be included in the underwriting shall be allocated, first, to the Company; second, to the Holders on a *pro rata* basis based on the total number of Registrable Securities held by the Holders; and third, to any stockholder of the Company (other than a Holder) on a*pro rata* basis; provided, however, that no such reduction shall reduce the amount of securities of the selling Holders included in the registration below twenty-five percent (25%) of the total amount of securities included in such registration, unless such offering is the Initial Offering and such registration does not include shares of any other selling stockholders, in which event any or all of the Registrable Securities of the Holders may be excluded in accordance with the immediately preceding clause. In no event will shares of any other selling stockholder be included in such registration that would reduce the number of shares which may be included by Holders without the written consent of Holders of not less than a majority of the Registrable Securities proposed to be sold in the offering. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriter, delivered at least .ten (10) business days prior to the effective date of the registration statement. Any Registrable Securities excluded *or* withdrawn from such underwriting shall be excluded and withdrawn from the registration. For any Holder which is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing person shall be deemed to be a single "Holder," and any *pro rata* reduction with respect to such "Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "Holder," as defined in this sentence.

(b) Right to Terminate Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.3 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration. The Registration Expenses of such withdrawn registration shall be borne by the Company in accordance with Section 2.5 hereof.

2.4 Form S-3. Registration. In case the Company shall receive from the Initiating Holders a written request or requests that the Company effect a registration on Form S-3 (or any successor to Form S-3) or any similar short-form registration statement and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Initiating Holders, the Company will:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders of Registrable Securities; and

(b) as soon as practicable, use commercially reasonable efforts to effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Initiating Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company; *provided, however,* that the Company shall not be obligated to effect any such registration, qualification or compliance pursuant to this Section 2.4:

(i) if Form S-3 is not available for such offering by the Initiating Holders; or

(ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than three million dollars ($3,000,000); or

(iii) if within thirty (30) days of receipt of a written request from the Initiating Holders pursuant to this Section 2.4, the Company gives notice to such Holders of the Company's intention to make a public offering within ninety (90) days, other than pursuant to a Special Registration Statement;

(iv) if the Company shall furnish to the Initiating Holders a certificate signed by the Chairman of the Board of Directors of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company and its stockholders for such Form S-3 registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than one hundred twenty (120) days after receipt of the request of the Initiating Holders under this Section 2.4; *provided,* that such right to delay a request shall be exercised by the Company not more than once in any twelve (12) month period; and *provided, further,* that the Company shall not register any securities for the account of itself or any other stockholder during such one hundred twenty (120) day period, other than a Special Registration Statement; or

(v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

(c) Subject to the foregoing, the Company shall file a Form S-3 registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the requests of the Initiating Holders. Registrations effected pursuant to this Section 2.4 shall not be counted as demands for registration or registrations effected pursuant to Section 2.2.

2.5 Expenses of Registration. Except as specifically provided herein, all Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to Section 2.2 or any registration under Section 2.3 or Section 2.4 herein shall be borne by the Company including the reasonable expenses of one special counsel to selling stockholders. All Selling Expenses incurred in connection with any registrations hereunder shall be borne by the holders of the securities so registered *pro rata* on the basis of the number of

shares so registered. The Company shall not, however, be required to pay for expenses of any registration proceeding begun pursuant to Section 2.2 or 2.4, the request of which has been subsequently withdrawn by the Initiating Holders unless (a) the withdrawal is based upon material adverse information concerning the Company of which the Initiating Holders were not aware at the time of such request or (b) the Holders of a majority of Registrable Securities agree to forfeit their right to one requested registration pursuant to Section 2.2 or Section 2.4, as applicable, in which event such right shall be forfeited by all Holders. If the Holders are required to pay the Registration Expenses, such expenses shall be borne by the holders of securities (including Registrable Securities) requesting such registration in proportion to the number of shares for which registration was requested. If the Company is required to pay the Registration Expenses of a withdrawn offering pursuant to clause (a) above, then the Holders shall not forfeit their rights pursuant to Section 2.2 or Section 2.4 to a demand registration.

2.6 Obligations of the Company. Whenever required to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use all commercially reasonable efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for up to ninety (90) days or, if earlier, until the Holder or Holders have completed the distribution related thereto; provided, however, that at any time, upon written notice to the participating Holders and for a period not to exceed sixty (60) days thereafter (the **"Suspension Period"),** the Company may delay the filing or effectiveness of any registration statement or suspend the use or effectiveness of any registration statement (and the Initiating Holders hereby agree not to offer or sell any Registrable Securities pursuant to such registration statement during the Suspension Period) if the Company reasonably believes, in the good faith judgment of the Board, that the Company may, in the absence of such delay or suspension hereunder, be required under state or federal securities laws to disclose any corporate development the disclosure of which could reasonably be expected to have a material adverse effect upon the Company, its stockholders, a potentially significant transaction or event involving the Company, or any negotiations, discussions, or proposals directly relating thereto. No more than two (2) such Suspension Periods shall occur in any twelve (12) month period. In the event that the Company shall exercise its right to delay or suspend the filing or effectiveness of a registration hereunder, the applicable time period during which the registration statement is to remain effective shall be extended by a period of time equal to the duration of the Suspension Period. The Company may extend the Suspension Period for an additional consecutive sixty (60) days with the consent of the holders of a majority of the Registrable Securities registered under the applicable registration statement, which consent shall not be unreasonably withheld. If so directed by the Company, all Holders registering shares under such registration statement shall use their best efforts to deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holders' possession, of the prospectus relating to such Registrable Securities current at the time of receipt of such notice.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement for the period set forth in subsection (a) above.

(c) Furnish to the Holders such number of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders; *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter(s) of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing. The Company will use commercially reasonable efforts to amend or supplement such prospectus in order to cause such prospectus not to include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Use commercially reasonable efforts to furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters, (i) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and (ii) a letter, dated as of such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwritten in an underwritters public offering addressed to the underwriters.

2.7 Termination of Registration Rights. All registration rights granted under this Section 2 shall terminate and be of no further force and effect on the first to occur of (i) five (5) years after the date of the Company's Initial Offering or (ii) as to any Holder, at such time as such Holder is able to offer for sale all of its Registrable Securities within a three (3) month period pursuant to Rule 144 of the Securities Act and such Holder owns less than one percent (1 %) of the Registrable Securities.

2.8 Delay of Registration; Furnishing Information.

(a) No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

(b) It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section 2.2, 2.3 or 2.4 that the selling Holders shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be required to effect the registration of their Registrable Securities.

2.9 Indemnification. In the event any Registrable Securities are included in a registration statement under Sections 2.2, 2.3 or 2.4:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, members, officers and directors of each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a **"Violation"**) by the Company: (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement or incorporated reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with the offering covered by such registration statement; and the Company will reimburse each such Holder, partner, member, officer, director, underwriter or controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action, as such expenses are incurred (upon delivery of a bona fide invoice or other documentation indicating the accrual of such expenses); *provided however,* that the indemnity agreement contained in this Section 2.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable in any such case for any such loss,

claim, damage, liability or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by such Holder, partner, member, officer, director, underwriter or controlling person of such Holder.

(b) To the extent permitted by law, each Holder will, if Registrable Securities held by such Holder are included in the securities as to which such registration qualifications or compliance is being effected, indemnify and hold harmless the Company, each of its directors, its officers and each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter and any other Holder selling securities under such registration statement or any of such other Holder's partners, directors or officers or any person who controls such Holder, against any losses, claims, damages or liabilities (joint or several) to which the Company or any such director, officer, controlling person, underwriter or other such Holder, or partner, director, officer or controlling person of such other Holder may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any of the following statements: (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement or incorporated reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act (collectively, a **"Holder Violation"),** in each case to the extent (and only to the extent) that such Holder Violation occurs in reliance upon and in conformity with written information furnished by such Holder under an instrument duly executed by such Holder and stated to be specifically for use in connection with such registration; and each such Holder will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, underwriter or other Holder, or partner, officer, director or controlling person of such other Holder in connection with investigating or defending any such loss, claim, damage, liability or action if it is judicially determined that there was such a Holder Violation; *provided, however,* that the indemnity agreement contained in this Section 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; *provided further,* that in no event shall any indemnity under this Section 2.9 exceed the net proceeds from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.9 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof *is* to be made against any indemnifying party under this Section 2.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; *provided, however,* that an indemnified party shall have the right to retain its own counsel, with the fees and

expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if materially prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.9, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.9.

(d) If the indemnification provided for in this Section 2.9 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any losses, claims, damages or liabilities referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party thereunder, shall to the extent permitted by applicable law contribute to the amount paid or payable by such indemnified paiiy as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the Violation(s) that resulted in such loss, claim, damage or liability, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying paiiy or by the indemnified paiiy and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; *provided,* that in no event shall any contribution by a Holder hereunder exceed the net proceeds from the offering received by such Holder.

(e) The obligations of the Company and Holders under this Section 2.9 shall survive completion of any offering of Registrable Securities in a registration statement and the termination of this Agreement. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of each indemnified party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified party of a release from all liability in respect to such claim or litigation.

2.10 Assignment of Registration Rights. The rights to cause the Company to register Registrable Securities pursuant to this Section 2 may be assigned by a Holder to a transferee or assignee of Registrable Securities that (a) is a subsidiary, parent, general partner, limited partner, retired partner, member or retired member, affiliate or stockholder of a Holder, (b) is a Holder's family member or trust for the benefit of an individual Holder, or (c) acquires at least 10% of the total Registrable Securities or at least fifty percent (50%) of the Registrable Securities held by such Holder; or (d) is an entity affiliated by common management or control (or other related entity)· with such Holder; *provided, however,* (i) the transferor shall, within ten (10) days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned and (ii) such transferee shall agree to be subject to all restrictions set forth in this Agreement.

2.11 Amendment of Registration Rights. Any provision of this Section 2 may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Holders of a majority of the Registrable Securities then outstanding. Any amendment or waiver effected in accordance with this Section 2.11 shall be binding upon each Holder and the Company. By acceptance of any benefits under this Section 2, Holders of Registrable Securities hereby agree to be bound by the provisions hereunder. ·

2.12 Limitation on Subsequent Registration Rights. Other than as provided in Section 5.11, after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would grant such holder registration rights on a parity with or senior to those granted to the Holders hereunder, other than the right to a Special Registration Statement.

2.13 *"Market Stand-Off"* Agreement. Each Holder hereby agrees that such Holder shall not sell, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any Common Stock (or other securities) of the Company held by such Holder (other than those included in the registration) for a period specified by the representative of the underwriters of Common Stock (or other securities) of the Company not to exceed one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act; *provided* that:

(i) such agreement shall apply only to the Company's Initial Offering; and

(ii) all officers and directors of the Company and holders of at least one percent (1 %) of the Company's voting securities enter into similar agreements.

2.14 Agreement to Furnish Information. Each Holder agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriter that are consistent with the Holder's obligations under Section 2.13 or that are necessary to give further effect thereto. In addition, if requested by the Company or the representative of the underwriters of Common Stock (or other securities) of the Company, each Holder shall provide, within ten (10) days of such request, such information as may be reasonably required by the Company or such representative in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act. The obligations described in Section 2.13 and this Section 2.14 shall not apply to a Special Registration Statement. The Company may impose stop-transfer instructions with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of

said one hundred eighty (180) day period. Each Holder agrees that any transferee of any shares of Registrable Securities shall be bound by Sections 2.13 and 2.14. The underwriters of the Company's stock are intended third party beneficiaries of Sections 2.13 and 2.14 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

2.15 Rule 144 Reporting. With a view to making available to the Holders the benefits of certain rules and regulations of the SEC which may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its best efforts to:

(a) Make and keep public information available, as those terms are understood and defined in SEC Rule 144 or any similar or analogous rule promulgated under the Securities Act, at all times after the effective. date of the first registration filed by the Company for an offering of its securities to the general public;

(b) File with the SEC, in a timely manner, all reports and other documents required of the Company under the Exchange Act; and

(c) So long as a Holder owns any Registrable Securities, furnish to such Holder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of said Rule 144 of the Securities Act, and of the Exchange Act (at any time after it has become subject to such reporting requirements); a copy of the most recent annual or quarterly report of the Company filed with the Commission; and such other reports and documents as a Holder may reasonably request in connection with availing itself of any rule or regulation of the SEC allowing it to sell any such securities without registration.

SECTION 3. COVENANTS OF THE COMPANY.

3.1 Basic Financial Information and Reporting.

(a) The Company will maintain true books and records of account in which full and correct entries will be made of all its business transactions pursuant to a system of accounting established and administered in accordance with generally accepted accounting principles consistently applied (except as noted therein or as disclosed to the recipients thereof), and will set aside on its books all such proper accruals and reserves as shall be required under generally accepted accounting principles consistently applied.

(b) So long as an Investor (with its affiliates) continues to hold at least two million five hundred thousand (2,500,000) shares (as adjusted for stock splits, dividends and the like) of Series Preferred (a **"Major Investor"),** to the extent requested by such Major Investor, (i) as soon as practicable after the end of each fiscal year of the Company, and in any event within one hundred fifty (150) days thereafter, the Company will furnish such Major Investor a balance sheet of the Company, as at the end of such year, and a statement of income and a statement of cash flows of the Company, for such year, all prepared in accordance with generally

accepted accounting principles consistently applied and audited and certified by independent public accountants of nationally recognized standing selected by the Company and (ii) as soon as practicable after the end of each fiscal quarter of the Company, and in any event within thirty (30) days thereafter, the Company will furnish such Major Investor a balance sheet of the Company, as at the end of such quarter, and a statement of income and a statement of cash flows of the Company, for such quarter, all prepared in accordance with generally accepted accounting principles consistently applied and setting forth in each case in comparative form the figures for the same quarter the previous fiscal year, all in reasonable detail.

(c) So long as an Investor (with its affiliates) continues to be a Major Investor, to the extent requested by such Major Investor the Company will furnish each such Major Investor: (i) at least thirty (30) days prior to the beginning of each fiscal year an annual budget and operating plans for such fiscal year (and as soon as available, any subsequent written revisions thereto); and (ii) as soon as practicable after the end of each month, and in any event within twenty (20) days thereafter, a balance sheet of the Company as of the end of each such month, and a statement of income and a statement of cash flows of the Company for such month and for the current fiscal year to date, including a comparison to plan figures for such period, prepared in accordance with generally accepted accounting principles consistently applied (except as noted thereon), with the exception that no notes need be attached to such statements and year-end audit adjustments may not have been made.

3.2 Inspection Rights. Each Major Investor shall have the right to visit and inspect any of the properties of the Company or any of its subsidiaries, and to discuss the affairs, finances and accounts of the Company or any of its subsidialies with its officers, and to review such information as is reasonably requested all at such reasonable times and as often as may be reasonably requested; *provided, however,* that the Company shall not be obligated under this Section 3.2 with respect to a competitor of the Company or with respect to information which the Board of Directors determines in good faith is confidential or attorney-client privileged and should not, therefore, be disclosed.

3.3 Confidentiality of Records; Competing Investments.

(a) (i) Each Investor agrees to use and to keep confidential any information concerning the Company's intellectual property furnished to it that the Company identifies as being confidential or proprietary (so long as such information is not in the public domain), except that such Investor may disclose such proprietary or confidential information (i) to any partner, subsidiary or parent of such Investor for the sole purpose of evaluating its investment in the Company, to an Investor's employees, counsel, accountants or other professional advisors, or to any other Investor entitled to receive such information; (ii) at such time as it enters the public domain through not fault of such Investor; (iii) that is communicated to it free of any obligation of confidentiality; (iv) that is developed by Investor or its agents independently of and without reference to any confidential information communicated by the Company; (v) to the extent an Investor is required to disclose information pursuant to any law, statute, rule or regulation or any order of any court or jurisdiction process or pursuant to any direction, request or requirement

(whether or not having the force of law but if not having the force of law being of a type with which institutional investors in the relevant jurisdiction are accustomed to comply) to any self-regulating organization: or any governmental, fiscal, monetary or other authority; or (vi) to the extent that an Investor is required to disclose information for the sole purposes of protecting such Investor's rights or interest with respect to the Company, whether under this Agreement or otherwise; *provided, however,* that nothing contained herein shall be deemed to limit an Investor that is a venture capital or other private equity firm from disclosing the Company's confidential information to its partners, limited partners, affiliates, investors, to any employee of its affiliates, or to any other holder of the Company's stock.

(b) The Company and each Investor hereby acknowledge that some or all of the Investors are professional investment funds, and as such invest in numerous portfolio companies, some of which may be competitive with the Company's business. No Investor shall be liable to the Company or to any other Investor for any claim arising out of, or based upon, (i) the investment by Investor in any entity competitive to the Company, or (ii) actions taken by any partner, officer or other representative of any Investor to assist any such competitive company, whether or not such action was taken as a board member of such competitive company, or otherwise.

3.4 Reservation of Common Stock. The Company will at all times reserve and keep available, solely for issuance and delivery upon the conversion of the preferred Stock, all Common Stock issuable from time to time upon such conversion.

3.5 Stock Vesting. Unless otherwise approved by the Board of Directors, all stock options and other stock equivalents issued after the date of this Agreement to employees, directors, consultants and other service providers shall be subject to vesting as follows: (a) twenty-five percent (25%) of such stock shall vest at the end of the first year following the earlier of the date of issuance or such person's services commencement date with the company, and (b) seventy-five percent (75%) of such stock shall vest over the remaining three (3) years. With respect to any shares of stock purchased by any such person, the Company's repurchase option shall provide that upon such person's termination of employment or service with the Company, with or without cause, the Company or its assignee shall have the option to purchase at cost any unvested shares of stock held by such person.

3.6 Key Person Insurance. Subject to the approval of the Board of Directors, the Company will use its best efforts to obtain and maintain in full force and effect term life insurance on the lives of one or more of the Company's executive officers as determined by the Board of Directors, naming the Company as beneficiary, in an amount of at least one million dollars ($1,000,000).

3.7 Proprietary Information and Inventions Agreement. The Company shall require all employees and consultants to execute and deliver a Proprietary Information and Inventions Agreement and/or Consulting Agreement substantially in a form approved by the Company's counsel.

3.8 Reimbursement of Director Expenses. The Company will reimburse non-employee members of the Board of Directors for reasonable expenses incurred in attending meetings of the Board of Directors.

3.9 Assignment of Right of First Refusal. In the event the Company elects not to exercise any right of first refusal or right of first offer the Company may have on a proposed transfer of any of the Company's outstanding capital stock pursuant to the Company's charter documents, the Company shall, upon authorization of the Board of Directors and to the extent it may do so, assign such right of first refusal or right of first offer to each Major Investor. In the event of such assignment, each Major Investor shall have a right to purchase its *pro rata* portion of the capital stock proposed to be transferred. Each Major Investor's pro rata portion shall be equal to the product obtained by multiplying (i) the aggregate number of shares proposed to be transferred by (ii) a fraction, the numerator of which is the number of shares of capital stock of the Company held by such Major Investor at the time of the proposed transfer and the denominator of which is the total number of shares owned by all Major Investors at the time of such proposed transfer. If not all of the Investors elect to purchase their *pro rata* share of the · capital stock to be transferred, then those Investors who do so elect to purchase shall have the right to acquire their *pro rata* share of such unsubscribed shares based upon the number of shares of Common Stock (including shares of Common Stock issuable or issued upon conversion of the Shares) held by the Investors who exercised their rights under this Section 3.9. In addition, to the extent that this Section 3.9 is in conflict with the provisions of that certain Amended and Restated Right of First Refusal and Co-Sale Agreement of even date herewith (the **"Co-Sale Agreement"),** the provisions in the Co-Sale Agreement shall control.

3.10 Directors' Liability and Indemnification; Director and Officer Liability Insurance. The Company's Certificate of Incorporation and Bylaws shall provide (a) for elimination of the liability of directors to the maximum extent permitted by law and (b) for indemnification of directors for acts on behalf of the Company to the maximum extent permitted by law. The Company shall enter into indemnification agreements with each of its directors substantially in a form approved by the Company's counsel. In addition, unless the Board of Directors of the Company determines to the contrary, the Company will maintain 'in full force and effect director and officer liability insurance in the minimum amount of one million dollars ($1,000,000), and shall pay all premiums due on such policy as they become due. The Company shall not make any material alteration to the terms of, or the coverage provided by, such policy without the unanimous approval of the Board.

3.11 Issuance of Series A Preferred and Series B Preferred. The Company shall not make any issuance of Series A Preferred and Series B Preferred other than pursuant to the Purchase Agreement and other convertible securities outstanding on the date hereof (including for purposes of clarity the Warrant to Purchase Series B Preferred Stock held by Guinness Mahon & Co. Limited, an affiliate of Investec Bank plc (**"Investec"),** and the Warrant to Purchase Series B Preferred Stock held by Verdoso Investments S.A.) unless approved by the holders of a majority of the outstanding Series Preferred, calculated on an as-converted basis.

3.12 Compliance with Laws Covenant. the Company shall continue to comply with applicable statutes, rules and regulations, including those relating to (a) the environment or occupational health and safety, and (b) equal employment opportunity and other laws related to employment, including, but not limited to, the health and safety of such employees and any labor rights of such employees. The Company shall notify the Major Investors promptly if the Company (or any of its subsidiaries) shall be in material violation of any applicable statutes, rules or regulations.

3.13 Visitation Rights. So long as (i) Investec or an affiliate thereof holds at least 4,000,000 shares of Series preferred (subject to adjustment for any stock split, reverse stock split or similar event) and (ii) Investec does not have a designee serving as a member of the Board of Directors of the Company pursuant to Section 1.2(a)(iv) of the Amended and Restated Voting Agreement among the Company and certain of its investors of even date herewith, the Company shall allow one representative designated by Investec to attend all meetings of the Company's Board of Directors in a nonvoting capacity, and, in connection therewith, the Company shall give such representative copies of all notices, minutes, consents, and other materials, financial or otherwise, which the Company provides to its Board of Directors; *provided, however,* that the Company reserves the right to exclude such representative from access to any material or meeting or portion thereof if the Company believes that such exclusion is reasonably necessary to preserve the attorney-client privilege, to protect highly confidential information, or for other similar reasons. The decision of the Board of Directors of the Company with respect to the privileged or confidential nature of such information shall be final and binding.

3.14 Series B Preferred. For so long as any holder of Series B preferred owns greater than 22.5% of the outstanding capital stock of the Company, on a fully diluted, as converted to common stock basis (each, a **"22½ Percent Holder"),** and except as otherwise provided by the terms set forth in the Company's Amended and Restated Certificate of Incorporation, neither the rights, preferences, privileges and restrictions of the Series B Preferred, nor the definitions set forth in Sections 2.2 and 2.13 of the Purchase Agreement, will be amended in an adverse manner without the consent of each 22½ Percent Holder.

3.15 Termination of Covenants. All covenants of the Company contained in Section 3 of this Agreement (other than the provisions of Section 3.3) shall expire and terminate as to each Investor upon the effective date of the registration statement pertaining to the Qualified Initial Offering or upon the closing of an Acquisition or Asset Transfer. For purposes of this Agreement, **"Acquisition"** and **"Asset Transfer"** shall have the meanings given them in the Company's Amended and Restated Certificate of Incorporation.

SECTION 4. RIGHTS OF FIRST REFUSAL.

4.1 Subsequent Offerings. Subject to applicable securities laws, each Major Investor shall have a right of first refusal to purchase its*pro rata* share of all Equity Securities, as defined below, that the Company may, from time to time, propose to sell and issue after the date of this Agreement, other than the Equity Securities excluded by Section 4. 7 hereof. Each

Major Investor's *pro rata* share is equal to the ratio of (a) the number of shares of the Company's Common Stock (including all shares of Common Stock issuable or issued upon conversion of the Shares or the conversion or exercise of any other outstanding convertible or exercisable securities of the Company) which such Major Investor is deemed to be a holder immediately prior to the issuance of such Equity Securities to (b) the total number of shares of the Company's outstanding Common Stock (including all shares of Common Stock issuable or issued upon conversion of the Shares or upon the conversion or exercise of any other outstanding convertible or exercisable securities) immediately prior to the issuance of the Equity Securities. The term **"Equity Securities"** shall mean (i) any Common Stock, Preferred Stock or other security of the Company, (ii) any security convertible into or exercisable or exchangeable for, with or without consideration, any Common Stock, Preferred Stock or other security (including any option to purchase such a convertible security), (iii) any security carrying any warrant or right to subscribe to or purchase any Common Stock, Preferred Stock or other security or (iv) any such warrant or right.

4.2 Exercise of Rights. If the Company proposes to issue any Equity Securities, it shall give each Major Investor written notice of its intention, describing the Equity Securities, the price and the terms and conditions upon which the Company proposes to issue the same. Each Major Investor shall have twenty-one (21) days from the giving of such notice to agree to purchase its*pro rata* share of the Equity Securities for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the quantity of Equity Securities to be purchased. Notwithstanding the foregoing, the Company shall not be required to offer or sell such Equity Securities to any Major Investor who would cause the Company to be in violation of applicable federal securities laws by virtue of such offer or sale.

4.3 Issuance of Equity Securities to Other Persons. If not all of the Major Investors elect to purchase their *pro rata* share of the Equity Securities, then the Company shall promptly notify in writing the Major Investors who do so elect and shall offer such Major Investors the right to acquire such unsubscribed shares on a pro rata basis based upon the number of shares of Common Stock (including all shares of Common Stock issuable or issued upon conversion of the Shares or the conversion or exercise of any other outstanding convertible or exercisable securities of the Company) held by the Major Investors who exercised their full rights under Section 4.2. The Major Investors shall have five (5) days after receipt of such notice to notify the Company of its election to purchase all or a portion thereof of the unsubscribed shares. If the Major Investors fail to exercise in full the rights of first refusal, the Company shall have ninety (90) days thereafter to sell the Equity Securities in respect of which the Major Investor's rights were not exercised, at a price and upon general terms and conditions no more favorable to the purchasers thereof than specified in the Company's notice to the Major Investors pursuant to Section 4.2 hereof. If the Company has not sold such Equity Securities within ninety (90) days of the notice provided pursuant to Section 4.2, the Company shall not thereafter issue or sell any Equity Securities, without first offering such securities to the Major Investors in the manner provided above.

4.4 Termination ,and Waiver of Rights of First Refusal. The rights of first refusal established by this Section 4 shall not apply to, and shall terminate upon the effective date of the registration statement pertaining to the Company's Qualified Initial Offering, or upon the closing of an Acquisition or Asset Transfer. The rights of first refusal established by this Section 4 may be amended, or any provision waived as permitted by Section 5.6.

4.5 Transfer of Rights of First Refusal. The rights of first refusal of each Major Investor under this Section 4 may be transferred to the same parties, subject to the same restrictions as any transfer of registration tights pursuant to Section 2.1 O(a), (b) or (d), and to any other transferee if such transferee has purchased and holds a sufficient number of shares of Series 4 Preferred to be deemed a Major Investor.

4.6 Excluded Securities. The rights of first refusal established by this Section 4 shall have no application to any of the following Equity Securities:

(a) up to 25,000,000 shares of Common Stock (the **"Base Option Pool"**) that is approved by the Company's Board of Directors, issued after the original issue date of the Series A Preferred pursuant to such options, warrants or other rights to employees, officers or directors of, or consultants or advisors to, the Company or any subsidiary pursuant to stock purchase or stock option plans or other arrangements that are approved by the Board for the primary purpose of soliciting or retaining their services (individually, an **"Equity Incentive"** and collectively, **"Equity Incentives");** *provided further,* that for purposes of the Base Option Pool any unvested Common Stock repurchased by the Company pursuant to the terms of a restricted stock purchase agreement under which such Equity Incentive was issued and any Equity Incentive which expires unexercised (including, without limitation, Equity Incentives outstanding on the date hereof) may again be sold or granted under this Section 4.7(a) without counting another time against the limitations set forth above.

(b) stock issued or issuable pursuant to any rights or agreements, options, warrants or convertible securities outstanding as of the date of this Agreement; and stock issued pursuant .to any such rights or agreements granted after the date of this Agreement, so long as the rights of first refusal established by this Section 4 were complied with or were inapplicable pursuant to any provision of this Section 4.7 with respect to the initial sale or grant by the Company of such rights or agreements;

(c) any Equity Securities issued for consideration other than cash pursuant to a merger, consolidation, acquisition or similar business combination approved by the Board of Directors;

(d) shares of Common Stock issued in connection with any stock split, stock dividend or recapitalization by the Company;

(e) shares of Common Stock issued upon conversion of shares of the Company's Preferred Stock;

(f) up to five percent (5%) of the fully diluted capitalization of the Company (defined to include all issued and outstanding shares of capital stock, all shares issued or issuable upon exercise on conversion of all convertible securities, options, wan-ants, or other purchase . rights and all shares of capital stock reserved for future issuance) issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement or debt financing from a bank or similar financial institution, or in connection with strategic transactions involving the Company and other entities, including (i) joint ventures, manufacturing, marketing or distribution arrangements or (ii) technology license, transfer or development arrangements, in any case the terms of which are approved by the Board of Directors;

(g) any Equity Securities that are issued by the Company in a public offering in which all outstanding shares of Preferred Stock will convert into shares of Common Stock under the terms of the Company's Certificate of incorporation, as amended from time to time;

(h) any Equity Securities issued by the Company pursuant to the terms of Section 1 of the Purchase Agreement or the Restated LSA and all warrants exercisable for shares of Series A Preferred and Series B Preferred (and the shares of Series A Preferred and Series B Preferred, as applicable, issued upon exercise of such warrants and all shares of Common Stock issued upon conversion thereof) that are outstanding on the date hereof; and

(i) any Equity Securities issued to Investec in connection with loans that may be provided to the Company by Investec*provided* that the terms of such loans and such issuances of Equity Securities are approved by the Board of Directors.

SECTION 5. MISCELLANEOUS.

5.1 Governing Law. This Agreement shall be governed by and construed under the laws of the State of California in all respects as such laws are applied to agreements among California residents entered into and to be performed entirely within California.

5.2 Successors and Assigns. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors, assigns, heirs, executors, and administrators and shall inure to the benefit of and be enforceable by each person who shall be a holder of Registrable Securities from time to time; *provided, however,* that prior to the receipt by the Company of adequate written notice of the transfer of any Registrable Securities specifying the full name and address of the transferee, the Company may deem and treat the person listed as the holder of such shares in its records as the absolute owner and holder of such shares for all purposes, including the payment of dividends or any redemption price.

5.3 Entire Agreement. This Agreement, the Exhibits and Schedules hereto, the Purchase Agreement and the other documents delivered pursuant thereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other in any manner by any oral or written representations, warranties, covenants and agreements except as specifically set forth herein and therein. Each party expressly represents and warrants that it is not relying on any oral or written representations, warranties, covenants or agreements outside of this Agreement.

5.4 Severability. In the event one or more of the provisions of this Agreement should, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.5 Waiver of Right to Receive Prior Annual Financial Statements. To the extent the Company has failed to comply with the obligation to deliver its audited financial statements to the Major Investors (as defined in the Prior Agreement) and its unaudited financial statements to the Major Investors (as defined in the Prior Agreement) pursuant to Section 3.1 of the Prior Agreement prior to the date hereof, such compliance is hereby waived.

5.6 Amendment and Waiver.

(a) Except as otherwise expressly provided, this Agreement may be amended or modified, or the rights and obligations of the parties hereto may be waived, only upon the written consent of (i) the Company and (ii) the holders of a majority, calculated on an as-converted basis, of the Series Preferred; *provided however* that any amendment or waiver that materially, adversely and disproportionately affects any Major Investor in a manner different from the other Major Investors (disregarding for such purposes differences that are inherently based on the number of shares held) shall require the written consent of such affected Major Investor.

(b) Anything to the contrary notwithstanding, any. Investor or Holder may waive any of its own rights under this Agreement, either temporarily or permanently, by executing a waiver in writing of such rights.

(c) For the purposes of determining the number of Holders or Investors entitled to vote or exercise any rights hereunder, the Company shall be entitled to rely solely on the list of record holders of its stock as maintained by or on behalf of the Company.

(**d)** After completion of the purchase and sale of Series Preferred pursuant to the Purchase Agreement and the recapitalization, Exhibit A hereto shall be updated to accommodate changes in the holdings of the Company's Series Preferred and Common Stock by the parties to this Agreement.

5. 7 Delays or Omissions. It is agreed that no delay or omission to exercise any right, power, or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement shall impair any such right, power, or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence

therein, or of any similar breach, default or noncompliance thereafter occurring. It is further agreed that any waiver, permit, consent, or approval of any kind or character on any party's part of any breach, default or noncompliance under the Agreement or any waiver on such party's part of any provisions or conditions of this Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement, by law, or otherwise afforded to any party, shall be cumulative and not alternative.

5.8 Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) upon confirmation as read on a specific date and time when sent by electronic mail, (c) when sent by confirmed facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (d) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (e) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the party to be notified at the address as set forth in the signature pages hereof or **Exhibit A** hereto or at such other address or confirmed electronic mail address as such party may designate by ten (10) days advance written notice to the other parties hereto.

5.9 Attorneys' Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

5.10 Titles and Subtitles. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

5.11 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company shall issue additional shares of the Series A Preferred pursuant to the Purchase Agreement, any purchaser of such shares of Series A Preferred shall become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed an **"Investor,"** a **"Holder"** and a party hereunder.

5.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

5.13 Aggregation of Stock. All shares of Registrable Securities held or acquired by affiliated entities or persons or persons or entities under common management or control shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

5.14 Pronouns. All pronouns contained herein, and any variations thereof, shall be deemed to refer to the masculine, feminine or neutral, singular or plural, as to the identity of the parties hereto may require.

5.15 Waiver of Right of First Refusal under Prior Agreement. Pursuant to Sections 4.4 and 5.6 of the Prior Agreement, the Major Investors and Guinness hereby waive their rights to notice of, and participation in, certain issuances of the Company's securities set forth in Section 4 of the Prior Agreement with respect to the issuance of the Series A Preferred and Series B Preferred pursuant to the Purchase Agreement and the issuance of the Company's Common Stock issuable upon conversion thereof (the **"ROFR Waiver").** Notwithstanding the foregoing, this ROFR Waiver shall not serve to limit the ability of the Major Investors to purchase or otherwise acquire shares of Series A Preferred and Series B Preferred on terms forth in the Purchase Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this **AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

SONIM TECHNOLOGIES, INC.

By: /s/ Bob Plaschke
Name: Bob Plaschke
Title: CEO
Address: 1875 South Grant Street
Suite 800
San Mateo, CA 94402-2670
Attn: Bob Plaschke
Email: bplaschke@sonimtech.com
Fax: 1-650-240-0209

IN WITNESS WHEREOF, the parties hereto have executed this **AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

VERDOSO INVESTMENTS S.A.

By: /s/ Frank Ullman
Name: Frank Ullman
Title: Director A

By: /s/ Klen Wassnk
Name: Klen Wassnk
Title: Director B

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

HATTERAS LATE STAGE VC FUND I, LP

By: /s/ Lance Baker
Name: Lance Baker
Title: CFO of GP

HATTERAS VC CO-INVESTMENT FUND II, LLC

By: /s/ Lance Baker
Name: Lance Baker
Title: Treasurer

GUINNESS MAHON & CO. LIMITED

By: /s/ Alan Tapnack
Name: Alan Tapnack
Title:

By: /s/ Ian Wonlamen
Name: Ian Wonlamen
Title:

INVESTEC BANK PLC

By: /s/ Gary Laughton
Name: Gary Laughton
Title: Authorised Signatory

By: /s/ Laura Brown
Name: Laura Brown
Title: Authorised Signatory

/s/ Robert Plaschke
Robert Plaschke

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

WAVELAND VENTURES V-C, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V QP, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-A, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-A QP, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

WAVELAND VENTURES V-B, LLC
By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

ARC Capital (BVI) Limited

By: /s/ Ian Ledger
Name: Ian Ledger
Title: Director

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

/s/ David Hose
David Hose

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

By: /s/ John Scarisbrick
John Scarisbrick

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

WAVELAND VENTURES V-D, LLC

By: Waveland Venture Partners LLC
Its Managing Member

By: /s/ Vickie J. Greer
Vickie J. Greer
Manager
Address: 19800 MacArthur Blvd.,
Suite 650
Irvine, CA 92612

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

ROBERT W. WILMOT AND MARY J. WILMOT, TRUSTEES OF THE WILMOT LIVING TRUST, U/D/T DATED APRIL 18, 1995

By: /s/ Robert Wilmot /s/ Mary Wilmot
Name: Robert & Mary Wilmot
Title: Trustees, The Wilmot Living Trust

CIABATTONI LIVING TRUST

By: /s/ Anthony J. Ciabattoni
Name: Anthony J. Ciabattoni
Title: Ttee

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

The Weissman Living Trust

By: /s/Ronald Weissman
Name: Ronald Weissman
Title: Trustee

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

/s/ Sunil Kumar Gupta
Sunil Kumar Gupta

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

/s/ Jagan Mohan Bhalaki
Jagan Mohan Bhalaki

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

/s/ Gokulmuthu Narayanaswamy
Gokulmuthu Narayanaswamy

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

Giarraputo Living Trust

By: /s/ Jack Giarraputo
Name: Jack Giarraputo
Title: Co-Trustee

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

Brian Potiker Revocable Trust UAD 8/7/9

By: /s/Brian Potiker
Name: Brian Potiker
Title: Trustee

[SIGNATURE PAGE TO AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT]

EXHIBIT A

SCHEDULE OF INVESTORS

Name	Series A Preferred	Series B Preferred	Common
Investec Bank PLC*Guinness Mahon & Co. Limited 2 Gresham Street London EC2V 7QP United Kingdom Attn: Project & Infrastructure Finance; Ms Shelagh Kirkland			
Verdoso Investments S.A. 41 Avenue de la Libe1te L-1931 Luxembourg			
The Wilmot Living Trust, u/d/t dated April 18, 1995 Attn: Robb Wilmot P.O. Box 931 Nevada City, CA 95959			
The Weissman Living Trust c/o Apax Paitners 10 Oak Hollow Way Menlo Park, CA 94025			
Brian Potiker Revocable Trust UAD 8/7/96 c/o HSP Group, LLC 433 N. Camden Drive Beverly Hills, CA 90210			
Ciabattoni Living Trust 8/17/00 16 Lagunita Drive Laguna Beach, CA 92651			

Name	Series A Preferred	Series B Preferred	Common
Jagan Mohan Bhalaki 69, Singapore Gardens Gubbalala Gate, Kanakapura Road Bangalore 560 062 India			
Hatteras Late Stage VC Fund I, LP 8540 Colonnade Center Drive, Suite 401 Raleigh, NC 27615-3052 Attn: Lance Baker			
Hatteras VC Co-Investment Fund II, LLC 8540 Colonnade Center Drive, Suite 401 Raleigh, NC 27615-3052 Attn: Lance Baker			
Giarraputo Living Trust 11601 Wilshire Blvd #2200 Los Angeles, CA 90025			
Lindsay-Ferrari, Inc. 1057 Montague Expressway Milpitas, CA 95035			
John Stanek 35 Ocean Heights Drive Newport Coast, CA 92657			
Sunil Kumar Gupta #86, Rainbow Drive Sarjapur Road, Cannalram Post, Bangalore 560 035 India			
David Hose c/o Ideas & Plans 900 Pearl Street, #201 Boulder, CO 80302			

Name	Series A Preferred	Series B Preferred	Common
Gokulmuthu Narayanaswamy 137, 3rd Main, MICO layout, BTM 2nd Stage Bangalore 560 076 India			
Robe1i Plaschke c/o Sonim Technologies, Inc. 1875 S. Grant Street, Suite 800 San Mateo, CA 94402			
John Scarisbrick 22 Han-ison Road Montauk, New York 11954			
Waveland Ventures V-D, LLC c/o Waveland Venture Pminers LLC 19800 MacArthur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			
Waveland Venture Partners V-B, LLC c/o Waveland Venture Paiiners LLC 19800 MacArthur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			
Waveland Ventures VQP, LLC c/o Waveland Venture Pminers LLC 19800 MacArthur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			

Name	Series A Preferred	Series B Preferred	Common
Waveland Ventures V, LLC c/o Waveland Venture Paiiners LLC 19800 Mac.Alihur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			
Waveland Ventures V-A QP, LLC c/o Waveland Venture Paiiners LLC 19800 MacArthur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			
Waveland Ventures V-A, LLC c/o Waveland Venture Partners LLC 19800 MacArthur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			
Waveland Ventures V-C, LLC c/o Waveland Venture Partners LLC 19800 Mac.Alihur Blvd., Suite 650 Irvine, CA 92612 Attn: Vickie J. Greer, Manager			
Total			

Exhibit 4.3

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this "Agreement") is dated as of November 2, 2018, between Sonim Technologies, Inc., a Delaware corporation (the "Company"), and each purchaser identified on Exhibit A hereto (each, including its successors and assigns, a "Purchaser" and collectively, the "Purchasers").

RECITALS

WHEREAS, on the terms and subject to the conditions set forth in this Agreement and pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506 promulgated thereunder, the Company desires to issue and sell to each Purchaser, and each Purchaser, severally and not jointly, desires to purchase from the Company, securities of the Company as more fully described in this Agreement;

WHEREAS, the Company has authorized, upon the terms and conditions stated in this Agreement, the sale and issuance of an aggregate of 2,089,136 shares of Company Common Stock (each a "Share" and collectively, the "Shares");

WHEREAS, at the Closing (as hereinafter defined), each Purchaser, severally and not jointly, wishes to purchase, and the Company wishes to sell, upon the terms and conditions stated in this Agreement, the number of Shares as hereafter specified on Exhibit A annexed hereto; and

WHEREAS, the Company has engaged Lake Street Capital Markets, LLC as its placement agent (the "Placement Agent") for the offering of the Shares on a "best efforts" basis.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

(a) "Action" means any action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the Company's Knowledge, threatened against or affecting the Company, or any of its properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign).

(b) "Additional Filing Deadline" means the later to occur of (i) the date sixty (60) days after the date substantially all of the Registrable Securities registered under the immediately preceding effective Registration Statement are sold and (ii) the date six (6) months from the Effective Date of such immediately preceding effective Registration Statement, or, if such date is not a Business Day, the next date that is a Business Day; provided, however, that in the event the foregoing deadline in any case falls within the Grace Period and the Company has not yet filed with the Commission its Complete Form 10-K for the preceding fiscal year by such deadline, then such deadline shall be extended until the Business Day following the date on which the Complete Form 10-K for such preceding fiscal year is filed with the Commission;provided further, however, that such deadline shall not be extended beyond the date that is 120 days following end of the Company's most recent fiscal year (or, if such date is not a Business Day, the next date that is a Business Day). In any case where the Additional Filing Deadline is extended pursuant to the foregoing provisos, then the Additional Filing Deadline, as so extended, shall be deemed the Additional Filing Deadline for all purposes of this Agreement.

(c) "Additional Registration Statement" shall have the meaning ascribed to such term in Section 5.1(a).

(d) "Additional Effectiveness Deadline" means the date which is the earliest to occur of (i) if the Additional Registration Statement does not become subject to review by the Commission, (a) ninety (90) days after the Additional Filing Deadline or, if such date is not a Business Day, the next date that is a Business Day, or (b) five (5) Trading Days after the Company receives written notification from the Commission that the Additional Registration Statement will not become subject to review and the Company fails to request to accelerate the effectiveness of the Additional Registration Statement, or (ii) if the Additional Registration Statement becomes subject to review by the Commission, one hundred and twenty (120) days after the Additional Filing Deadline, or, if such date is not a Business Day, the next date that is a Business Day; provided, however, that in the event the foregoing applicable deadline in any case falls within the Grace Period and the Company has not yet filed with the Commission its Complete Form 10-K for the preceding fiscal year by such deadline, then such deadline shall be extended until the Business Day following date on which the Complete Form 10-K for such preceding fiscal year is filed with the Commission; provided further, however, that such deadline shall not be extended beyond the date that is 120 days following the end of the Company's most recent fiscal year (or, if such date is not a Business Day, the next date that is a Business Day). In any case where the Additional Effectiveness Deadline is extended pursuant to the foregoing provisos, then the Additional Effectiveness Deadline, as so extended, shall be deemed the Additional Effectiveness Deadline for all purposes of this Agreement.

(e) "Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

(f) "Agreement" shall have the meaning ascribed to such term in the preamble.

(g) "Automatic Conversion" means the conversion of all then outstanding shares of the Company's Preferred Stock to Common Stock to be effected prior to the Initial Closing.

(h) "Board of Directors" means the board of directors of the Company.

(i) "Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

(j) "Buy-In" and "Buy-In Price" shall have the meanings ascribed to such terms in Section 6.1(d).

(k) "Closing" shall have the meaning ascribed to such term in Section 2.2(b).

(l) "Closing Date" shall refer to the date of the applicable Closing.

(m) "Code" shall have the meaning ascribed to such term in Section 3.17.

(n) "Commission" means the United States Securities and Exchange Commission.

(o) "Common Stock" means the common stock of the Company, par value $0.001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

(p) "Company" shall have the meaning ascribed to such term in the preamble.

(q) "Complete Form 10-K" means the annual report on Form 10-K filed by the Company with the Commission in accordance and compliance with the Exchange Act that includes, or incorporates by reference from the Company's most recent definitive proxy statement on Schedule 14A actually filed with the Commission, the information and disclosures required by Part III of the Commission's Form 10-K. For the avoidance of doubt, if the Company files its annual report on Form 10-K with the Commission and does not include therein all of the information and disclosures required by Part III of the Commission's Form 10-K, then such annual report on Form 10-K shall not be deemed a Complete Form 10-K for purposes of this Agreement until the Company

either (i) files in accordance and compliance with the Exchange Act an amendment to such annual report on Form 10-K to include the information and disclosures required by Part III of the Commission's Form 10-K or (ii) files in accordance and compliance with the Exchange Act its definitive proxy statement on Schedule 14A with the Commission for its next annual meeting of stockholders.

(r) "Cut Back Shares" shall have the meaning ascribed to such term in Section 5.1(a).

(s) "Disclosure Schedule" means the Disclosure Schedule, if any, delivered by the Company to the Purchasers concurrently with or prior to any Closing and referred to in the first paragraph of ARTICLE 3 of this Agreement.

(t) "Effective Date" means the date that a Registration Statement is first declared effective by the SEC.

(u) "Effectiveness Deadline" means the Initial Effectiveness Deadline and the Additional Effectiveness Deadline, as applicable.

(v) "Effectiveness Period" shall have the meaning ascribed to such term in Section 5.1(b).

(w) "ERISA" shall have the meaning ascribed to such term in Section 3.15(g).

(x) "Event" shall have the meaning ascribed to such term in Section 5.1(d).

(y) "Event Payments" shall have the meaning ascribed to such term in Section 5.1(d).

(z) "Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

(aa) "Excluded Events" shall have the meaning ascribed to such term in Section 5.1(d).

(bb) "Fair Market Value" of one share of Common Stock as of any given date means (i) if the Principal Trading Market is NASDAQ, the closing sales price of the Common Stock, as reported by Bloomberg Financial Markets (or a comparable reporting service of national reputation selected by the Company and reasonably acceptable to the Holder if Bloomberg Financial Markets is not then reporting sales prices of such security), on the Trading Day immediately prior to such date, or (ii) if the Principal Trading Market is OTC, the last sales price of the Common Stock in the over-the-counter market as reported on the OTC marketplace maintained by OTC Markets Group Inc. (or any similar organization or agency succeeding to its functions of reporting prices) on the Trading Day immediately prior to such date or (iii) if fair market value cannot be calculated as of such date on any of the foregoing bases, the fair market value shall be as determined by the Board of Directors in the exercise of its good faith judgment.

(cc) "FCPA" means the Foreign Corrupt Practices Act of 1977, as amended.

(dd) "Filing Deadline" means the Initial Filing Deadline and the Additional Filing Deadline, as applicable.

(ee) "FINRA" means the Financial Industry Regulatory Authority.

(ff) "Grace Period" shall mean the period commencing on the date that is 134 days following the end of the Company's most recent fiscal third quarter and ending on, and including, the date that is 120 days following the end of the Company's most recent fiscal year.

(gg) "Indemnified Party" shall have the meaning ascribed to such term in Section 5.4(c).

(hh) "Indemnifying Party" shall have the meaning ascribed to such term in Section 5.4(c).

(ii) "Initial Filing Deadline" means sixty (60) days after the Quotation Date or, if such date is not a Business Day, the next date that is a Business Day.

(jj) "Initial Registration Statement" has the meaning set forth in Section 5.1(a).

(kk) "Initial Effectiveness Deadline" means the date which is the earliest of (i) if the Initial Registration Statement does not become subject to review by the Commission, (a) ninety (90) days after the Quotation Date or (b) five (5) Trading Days after the Company receives written notification from the Commission that the Initial Registration Statement will not become subject to review and the Company fails to request to accelerate the effectiveness of the Initial Registration Statement, or (ii) if the Initial Registration Statement becomes subject to review by the Commission, one hundred and fifty (150) days after the Quotation Date, or, if such date is not a Business Day, the next date that is a Business Day.

(ll) "Insider" means each director, executive officer, other officer of the Company participating in the offering of the Shares, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, and any promoter connected with the Company in any capacity on the date hereof.

(mm) "Legend Removal Date" shall have the meaning ascribed to such term in Section 6.1(c).

(nn) "Losses" means any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation.

(oo) "Material Adverse Effect" means a material adverse effect on (i) the assets, liabilities, results of operations, condition (financial or otherwise), or business of the Company taken as a whole, (ii) the ability of the Company to perform its obligations under the Transaction Documents or (iii) the legality, validity or enforceability of any Transaction Document.

(pp) "Nasdaq" means The Nasdaq Stock Market LLC.

(qq) "OFAC" means the Office of Foreign Assets Control of the U.S. Treasury Department.

(rr) "OTC" means any of the OTCQB Markets, the OTCQX Markets or the OTC Pink Markets.

(ss) "Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

(tt) "Placement Agent" shall have the meaning ascribed to such term the Recitals to this Agreement.

(uu) "Price Per Share" shall have the meaning ascribed to such term in Section 2.1.

(vv) "Principal Purchasers" means, as of any time, the Purchaser or Purchasers holding as of such time, at least amajority-in-interest of the total number of Shares.

(ww) "Principal Trading Market" means the Trading Market on which the Common Stock is primarily listed or quoted.

(xx) "Prior Agreements" means each of the Amended and Restated Voting Agreement, the Amended and Restated Right of First Refusal and Co-Sale Agreement and the Amended and Restated Investor Rights Agreement, each between the Company and certain of its stockholders and dated as of November 21, 2012, as amended by (i) the Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended

and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement dated August 29, 2016, (ii) the Second Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement dated December 12, 2016, and (iii) the Third Omnibus Amendment to the Amended and Restated Investor Rights Agreement, Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement dated October 26, 2017;

(yy) "Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, a partial proceeding, such as a deposition), whether commenced or threatened in writing.

(zz) "Prospectus" means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement, and all other amendments and supplements to the Prospectus including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

(aaa) "Purchaser Party" shall have the meaning ascribed to such term in Section 6.4. (bbb) "Purchasers" shall have the meaning ascribed to such term in the preamble. (ccc) "Quotation Date" means the day that the Company becomes quoted on the OTC.

(ddd) "Registration Statement" means each registration statement required to be filed under ARTICLE 5, including the Initial Registration Statement, all Additional Registration Statements, and, in each case, the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

(eee) "Registrable Securities" means the Shares and any shares of Common Stock issued by way of (or issuable upon the conversion or exercise of any warrant, right or other security that is issued by way of) a dividend, stock split or other distribution with respect to, or in exchange for, or in replacement of, the Shares, provided, that the holder of such Shares has completed and delivered to the Company a Selling Stockholder Questionnaire; and provided further, that the Shares shall cease to be Registrable Securities upon the earliest to occur of the following: (A) sale of such Shares by any Person to the public either pursuant to a registration statement under the Securities Act or under Rule 144 (in which case, only such Shares sold shall cease to be Registrable Securities) or (B) such Shares becoming eligible for sale by the holder thereof pursuant to Rule 144 without volume or manner of sale restrictions and without current public information pursuant to Rule 144.

(fff) "Removal Request Date" shall have the meaning ascribed to such term in Section 6.1(c).

(ggg) "Restated Certificate" shall mean the Company's Amended and Restated Certificate in effect immediately prior to the Initial Closing, as the same may be amended from time to time.

(hhh) "Rule 144," "Rule 415," and "Rule 424" means Rule 144, Rule 415 and Rule 424, respectively, promulgated by the Commission pursuant to the Securities Act, as such Rules may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC having substantially the same effect as such Rule.

(iii) "SEC Guidance" means (i) any publicly-available written or oral guidance, comments, requirements or requests of the Commission staff and (ii) the Securities Act.

(jjj) "SEC Restrictions" shall have the meaning ascribed to such term in Section 5.1(a).

(kkk) "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

(lll) "Selling Stockholder Questionnaire" shall have the meaning ascribed to such term in Section 5.2(k).

(mmm) "Share Purchase Price" means, with respect to any Purchaser, the total Price Per Share for all Shares being purchased by such Purchaser hereunder.

(nnn) "Short Sales" means all "short sales" as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock).

(ooo) "Trading Day" means a day on which the Principal Trading Market is open for trading.

(ppp) "Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the OTCQB Markets, the OTCQX Markets, the OTC Pink Markets, the NYSE American, the NASDAQ Capital Market, the NASDAQ Global Market, the NASDAQ Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

(qqq) "Transaction Documents" means this Agreement, all exhibits and schedules thereto and hereto and any other documents or agreements executed in connection with the transactions contemplated hereunder.

(rrr) "Transfer Agent" means American Stock Transfer, the current transfer agent of the Company, with a mailing address of 1 Embarcadero Ctr 500, San Francisco, CA 94111, and a telephone number of (800) 937-5449, and any successor transfer agent of the Company.

ARTICLE 2
PURCHASE AND SALE

2.1 Purchase and Sale. Subject to and upon the terms and conditions set forth in this Agreement, at the Closing, the Company shall issue and sell to each Purchaser, and each Purchaser shall, severally and not jointly, purchase from the Company, such number of Shares set forth opposite their respective names on Exhibit A, at a price per Share equal to $7.1800 (the "Price Per Share").

2.2 Closings. The Company agrees to issue and sell to the Purchasers and, in consideration of and in express reliance upon the representations, warranties, covenants, terms and conditions of this Agreement, the Purchasers agree, severally and not jointly, to purchase the Shares.

(a) The initial closing of the purchase and sale of the Shares (the "Initial Closing") shall take place at the offices of Cooley LLP located at 3175 Hanover Street, Palo Alto, California, at 12:01 am on the date hereof, or such other date as the Company and the Purchasers purchasing shares the Initial Closing may mutually agree.

(b) At any time prior to the earlier to occur of (i) the 180th day following the Initial Closing (or such later date as the Company and the Principal Purchasers may mutually agree) and (ii) the business day prior to the date of the filing of the Initial Registration Statement, the Company may sell any Shares not sold at prior Closing(s) to existing stockholders of the Company and to such other persons as may be mutually agreeable to the Company and Nokomis Capital, L.L.C. (the "Additional Purchasers"). All such sales made at any additional closings (each an "Additional Closing"), shall be made on the terms and conditions set forth in this Agreement. The Schedule of Purchasers may be amended by the Company without the consent of the Purchasers to include any Additional Purchasers upon the execution by such Additional Purchasers of a counterpart signature page hereto. Any shares of Common Stock sold pursuant to this Section 2.2(b) shall be deemed to be "Shares" for all purposes under this Agreement, any Additional Purchasers thereof shall be deemed to be "Purchasers" for all purposes under this Agreement and, as used herein, the term "Closing" shall refer to each of the Initial Closing and each Additional Closing.

2.3 Payment. On the Closing Date, (a) each Purchaser purchasing shares at such Closing shall pay to the Company its Share Purchase Price in United States dollars and in immediately available funds, by wire transfer to the Company's account as set forth in instructions previously delivered to each such Purchaser and (b) the Company shall deliver to each Purchaser a certificate for the number of Shares set forth opposite such Purchaser's name on Exhibit A hereto, duly executed on behalf of the Company and registered in the name of such Purchaser as set forth on the Stock Registration Questionnaire included as Exhibit B. Notwithstanding the foregoing, in the event the Company has engaged the Transfer Agent prior to such Closing, the Company shall, in lieu of delivering a certificate to such Purchaser, irrevocably instruct the Transfer Agent to deliver, on an expedited basis, to each Purchaser purchasing shares at such Closing, either in book entry form in the Direct Registration System or in the form of a stock certificate duly executed on behalf of the Company and registered in the name of such Purchaser, in each case as set forth on the Stock Registration Questionnaire included as Exhibit B and completed by such Purchaser.

2.4 Deliveries.

(a) Company. On or prior to the Closing Date, the Company shall deliver or cause to be delivered to each Purchaser purchasing Shares in such Closing the following:

(i) this Agreement duly executed by the Company;

(ii) if applicable, a copy of the irrevocable instructions to the Transfer Agent instructing the Transfer Agent to deliver, on an expedited basis, to such Purchaser, either in book entry form in the Direct Registration System or in the form of a stock certificate as indicated by such Purchaser on the Stock Registration Questionnaire included as Exhibit B, the number of Shares being purchased by such Purchaser at such Closing as set forth opposite such Purchaser's name on Exhibit A hereto, registered in the name of such Purchaser as set forth on the Stock Registration Questionnaire included as Exhibit B;

(iii) the Company shall have delivered a Certificate, executed on behalf of the Company by its chief executive officer and its principal financial officer, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in subsections (i) and (ii) of Section 2.5(b);

(iv) the Company shall have delivered a Certificate, executed on behalf of the Company by its Secretary, dated as of the Closing Date, certifying the resolutions adopted by the Board of Directors and a duly authorized committee thereof approving the transactions contemplated by the Transaction Documents and the issuance of the Shares, certifying the current versions of the Certificate of Incorporation and Bylaws of the Company and certifying as to the signatures and authority of Persons signing the Transaction Documents and related documents on behalf of the Company; and

(v) a legal opinion of Cooley LLP, counsel for the Company, dated as of the Initial Closing, in substantially the form attached hereto as Exhibit C, executed by Cooley LLP and addressed to the Purchasers and to the Placement Agent.

(b) Purchasers. On or prior to the Closing Date, each Purchaser purchasing Shares in such Closing shall deliver or cause to be delivered to the Company the following:

(i) this Agreement duly executed by such Purchaser;

(ii) a fully completed and duly executed Stock Registration Questionnaire in the form attached hereto asExhibit B;

(iii) unless such Purchaser is a director or an executive officer (as such term is defined in Rule 501(f) promulgated by the Commission under the Securities Act) of the Company as of the Closing Date, a fully completed and duly executed Accredited Investor Qualification Questionnaire in the form attached hereto as Exhibit D;

(iv) a fully completed and duly executed Bad Actor Questionnaire in the form attached hereto asExhibit E; and

(v) the Share Purchase Price by wire transfer to the account specified by the Company.

2.5 Closing Conditions.

(a) The obligations of the Company hereunder with respect to any Purchaser in connection with the applicable Closing are subject to the following conditions being met:

(i) the accuracy in all material respects on the Closing Date of the representations and warranties of such Purchaser contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects as of such date);

(ii) all obligations, covenants and agreements of such Purchaser required to be performed at or prior to the Closing Date shall have been performed in all material respects; and

(iii) the delivery by such Purchaser of the items set forth in Section 2.4(b) of this Agreement.

(b) The respective obligations of the Purchasers hereunder in connection with the applicable Closing in are subject to the following conditions being met:

(i) the representations and warranties made by the Company in ARTICLE 3 hereof qualified as to materiality shall be true and correct as of the date hereof and the Closing Date, except to the extent any such representation or warranty expressly speaks as of an earlier date, in which case such representation or warranty shall be true and correct as of such earlier date, and, the representations and warranties made by the Company in ARTICLE 3 hereof not qualified as to materiality shall be true and correct in all material respects as of the date hereof and the Closing Date, except to the extent any such representation or warranty expressly speaks as of an earlier date, in which case such representation or warranty shall be true and correct in all material respects as of such earlier date;

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the applicable Closing Date, whether under this Agreement or the other Transaction Documents, shall have been performed in all material respects;

(iii) the delivery by the Company of the items set forth inSection 2.4(a) of this Agreement;

(iv) the Company shall have obtained any and all consents, permits, approvals, registrations and waivers necessary or appropriate for consummation of the purchase and sale of the Shares and the consummation of the other transactions contemplated by the Transaction Documents, all of which shall be in full force and effect, except for such that would not reasonably be expected to have a Material Adverse Effect;

(v) no judgment, writ, order, injunction, award or decree of or by any court, or judge, justice or magistrate, including any bankruptcy court or judge, or any order of or by any governmental authority, shall have been issued, and no action or proceeding shall have been instituted by any governmental authority, enjoining or preventing the consummation of the transactions contemplated hereby or in the other Transaction Documents;

(vi) the Automatic Conversion shall have occurred and each of the Prior Agreements shall have been terminated; provided, however, that the Amended and Restated Investor Rights Agreement between the Company and certain of its stockholders dated as of November 21, 2012, as amended, shall be terminated only with respect to Sections 3 and 4 thereof (such conversion and termination to occur effective on or prior to the Initial Closing Date); and

(vii) at the Initial Closing, the Purchasers shall be committed to purchasing a minimum of $7,500,000.00 worth of Shares.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Purchasers and to the Placement Agent as of the date hereof and as of the applicable Closing Date (except for the representations and warranties that speak as of a specific date, which shall be made as of such date) that, except as otherwise set forth in the Disclosure Schedule delivered to the Purchasers and the Placement Agent at or prior to the applicable Closing, if any:

3.1 Corporate Organization and Authority. The Company:

(a) is a corporation duly organized, validly existing, authorized to exercise all its corporate powers, rights and privileges, and is in good standing in the State of Delaware;

(b) has the corporate power and corporate authority to execute, and carry out the transactions contemplated by, the Transaction Documents, to issue and sell the Shares, and to own and operate its properties and to carry on its business as now conducted and as proposed to be conducted; and

(c) is qualified as a foreign corporation and is in good standing in all domestic jurisdictions in which such qualification is required, except jurisdictions where the failure to be qualified would not be a Material Adverse Effect.

3.2 Capitalization. Immediately following the Automatic Conversation and a 15:1 reverse stock split of the Company's Common Stock and prior to the Initial Closing, the capitalization of the Company shall consist of:

(a) Common Stock. 100,000,000 authorized shares of Common Stock, of which 14,345,934 shares are issued and outstanding and 156,294 shares of which are issuable upon the exercise of outstanding warrants.

(b) Options. Under the Company's 2002 Equity Incentive Plan (the '2002 Plan") and the Company's 2012 Equity Incentive Plan (the '2012 Plan", and collectively, the "Plans"), (i) an aggregate of 1,119,371 shares of Common Stock have been issued pursuant to restricted stock purchase agreements and/or the exercise of outstanding options and are currently outstanding, (ii) options to purchase an aggregate of approximately 1,337,291 shares of Common Stock have been granted and are currently outstanding, (iii) 443,754 shares of Common Stock remain available for future issuance to officers, directors, employees and consultants of the Company under the 2012 Plan, and (iv) zero shares of Common Stock remain available for future issuance under the 2002 Plan. The Company has not made any representations regarding equity incentives to any officer, employee, director or consultant that are inconsistent with the share amounts and terms set forth in the minutes of the meetings of the Company's Board of Directors (the "Board").

(c) The Company has 5,000,000 authorized shares of Preferred Stock, none of which are issued and outstanding.

(d) All issued and outstanding shares of Common Stock (i) have been duly authorized and validly issued and are fully paid and nonassessable and (ii) were issued in compliance with all applicable state and federal laws concerning the registration or qualification of securities.

(e) The rights, preferences, privileges and restrictions of the Shares are as stated in the Restated Certificate. When issued in compliance with the provisions of the Transaction Documents and the Restated Certificate, the Shares will be validly issued, fully paid and nonassessable, and will be free of any liens or encumbrances other than (i) liens and encumbrances created by or imposed upon the Purchaser; (ii) any right of first refusal on the Shares set forth in the Company's Bylaws and (iii) any restrictions on transfer under state and/or federal securities laws.

(f) Except as set forth in this Section 3.2, there are no outstanding warrants, conversion privileges, preemptive rights, or other rights or agreements to purchase or otherwise acquire or issue any equity securities of the Company. Any and all preemptive rights have been waived or complied with respect to the issuance of the Shares. The issue and sale of the Shares will not result in the right of any holder of Company securities to adjust the exercise, conversion or exchange price under such securities. Except for customary adjustments as a result of stock dividends, stock splits, combinations of shares, reorganizations, recapitalizations, reclassifications or other similar events, there are no anti-dilution or price adjustment provisions contained in any security issued by the Company (or in any agreement providing rights to security holders) and the issuance and sale of the Shares will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchasers) and will not result in a right of any holder of securities to adjust the exercise, conversion, exchange or reset price under such securities.

(g) All outstanding securities of the Company, including, without limitation, all outstanding shares of the capital stock of the Company, all shares of the capital stock of the Company issuable upon the conversion or exercise of all convertible or exercisable securities and all other securities that the Company is obligated to issue, contain or are subject to a one hundred eighty (180) day "market stand-off" restriction upon an initial public offering of the Company's securities pursuant to a registration statement filed with the Securities and Exchange Commission ("SEC") pursuant to the Securities Act.

(h) Effective as of the Closing, the Company will not be a party or subject to any agreement or understanding, and, to the Company's knowledge, there will be no other agreement or understanding still in effect between any persons and/or entities, which affects or relates to the voting or giving of written consents with respect to any security or by a director of the Company.

(i) 409A. The Company believes in good faith that any "nonqualified deferred compensation plan" (as such term is defined under Section 409A(d)(1) of the Code and the guidance thereunder) under which the Company makes, is obligated to make or promises to make, payments (each, a "409A Plan") complies in all material respects, in both form and operation, with the requirements of Section 409A of the Code and the guidance thereunder. To the knowledge of the Company, no payment to be made under any 409A Plan is, or will be, subject to the penalties of Section 409A(a)(1) of the Code.

3.3 Subsidiaries. Other than Sonim Technologies (India) Private Limited (the "Indian Subsidiary"), Sonim Technologies (Shenzhen) Limited (the "Shenzhen Subsidiary"), the Beijing branch of the Shenzhen Subsidiary (the "Beijing Branch") and Sonim Technologies (Hong Kong) Limited (the "Hong Kong Subsidiary") (each a "Subsidiary" and together, the "Subsidiaries"), each of which are wholly-owned subsidiaries, the Company does not own or control any equity security or other interest of any other corporation, limited partnership or other business entity. The Indian Subsidiary is a private limited company duly organized under the laws of India and located in the State of Karnataka. The Indian Subsidiary is validly existing, authorized to exercise all its corporate powers and is in good standing in the State of Karnataka. The Shenzhen Subsidiary is a limited liability company duly organized under the laws of China and located in Shenzhen. The Shenzhen Subsidiary is validly existing, authorized to exercise all its corporate powers and is in good standing in Shenzhen. The Hong Kong Subsidiary is a limited liability company duly organized under the laws of China and located in Hong Kong. The Hong Kong Subsidiary is validly existing and authorized to exercise all its corporate powers. The Company is not a participant in any joint venture, partnership or similar arrangement. Except for the acquisition of Myneton, Inc., on May 9, 2000, and the acquisition of the Indian Subsidiary on October 4, 2005, since its inception, the Company has not consolidated or merged with, acquired all or substantially all of the assets of, or acquired the stock or any interest in any corporation, partnership, association, or other business entity.

3.4 Authorization. All corporate action on the part of the Company, its officers, directors and stockholders necessary for the authorization, execution and delivery of, and performance of all its obligations under the Transaction Documents and for the issuance and delivery of the Shares has been taken or will be taken prior to the Closing. The Transaction Documents have been duly executed by the Company and when delivered by the Company, will constitute legally binding and valid obligations of the Company enforceable against the Company in accordance with their terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, and (iii) to the extent the indemnification provisions may be limited by applicable law.

3.5 Financial Statements. The Company has made available to the Purchasers (i) its audited consolidated balance sheets as of December 31, 2017, December 31, 2016 and December 31, 2015, and audited consolidated statements of income and cash flows for the twelve month periods ending December 31, 2017, December 31, 2016 and December 31, 2015; and (ii) its unaudited consolidated balance sheet as of August 31, 2018 (the "Statement Date"), and its unaudited consolidated statements of income and cash flows for the eight month period ending on the Statement Date (collectively, the "Financial Statements"). The Financial Statements, together with any notes thereto, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods indicated, except as disclosed therein, and present fairly the financial condition and position of the Company and its Subsidiaries, taken as a whole, as of the dates set forth therein; provided, however, that the unaudited financial statements are subject to normal recurring year-end audit adjustments (which are not expected to be material either individually or in the aggregate), and do not contain all footnotes required under generally accepted accounting principles. The Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with generally accepted accounting principles.

3.6 Accountant. To the Company's knowledge, Moss Adams LLP, which has expressed its opinion with respect to the Company's audited Financial Statements as of December 31, 2017, 2016 and 2015 (including the related notes), is an independent registered public accounting firm as required by the Securities Act and the Public Company Accounting Oversight Board (United States). Moss Adams LLP has not been engaged by the Company to perform any "prohibited activities" (as defined in Section 10A of the Exchange Act).

3.7 Liabilities. Neither the Company nor any of its Subsidiaries have liabilities material to the Company and its Subsidiaries taken as a whole, and to the Company's knowledge, there are no material contingent liabilities of the Company or any of its Subsidiaries that are material to the Company and its Subsidiaries taken as a whole not disclosed in the Financial Statements, except current liabilities incurred in the ordinary course of business subsequent to the Statement Date which have not individually exceeded US$500,000.

3.8 Compliance with Laws. Neither the Company nor any of its Subsidiaries is in violation of any applicable statute, rule, regulation, order or restriction of any domestic or foreign government or any instrumentality or agency thereof in respect of the conduct of its business or the ownership of its properties which violation would result in a Material Adverse Effect. No domestic governmental orders, permissions, consents, approvals or authorizations are required to be obtained and no registrations or declarations are required to be filed in connection with the execution and delivery of the Transaction Documents or the issuance of the Shares, except such as have been duly and validly obtained or filed prior to the Closing, or with respect to any filings that may be made after the Closing, as will be filed in a timely manner. Each of the Company and its Subsidiaries has all franchises, permits, licenses and any similar authority necessary for the conduct of its business as now being conducted by it, the lack of which could result in a Material Adverse Effect and believes it can obtain, without undue burden or expense, any similar authority for the conduct of its business as planned to be conducted.

3.9 Agreements; Actions.

(a) Except (i) for the agreements explicitly contemplated hereby; (ii) for stock options or shares of stock granted by the Company to the officers and directors of the Company and any of its Subsidiaries pursuant to the Plans; (iii) for employment letters, indemnification agreements and proprietary information and inventions agreements between the Company and any of its Subsidiaries and their respective officers and directors; and (iv) as set forth in the Disclosure Schedule, there are no agreements, understandings or proposed transactions between the Company or any of its Subsidiaries and any of its officers, directors, or affiliates.

(b) Except as set forth in the Disclosure Schedule and for the agreements or proposed transactions between the Company and any of its Subsidiaries set forth in foregoing subsection (a), there are no agreements, understandings, instruments, contracts or proposed transactions to which the Company or any Subsidiary is a party or by which it is bound which involve (i) obligations of, or payments to, the Company or any Subsidiary in excess of US$500,000 (other than obligations of, or payments to, the Company or any Subsidiary arising from purchase or sale agreements entered into in the ordinary course of business), (ii) the license of any patent, copyright, trade secret or other proprietary right of the Company or any Subsidiary that was not entered into in the ordinary course of business, (iii) any other material agreement not specifically referred to herein or in the Transaction Documents that was not entered into the ordinary course of business, or (iv) indemnification by the Company or any Subsidiary with respect to infringements of proprietary rights (other than indemnification obligations arising from purchase, sale, license agreements or development agreements entered into in the ordinary course of business).

(c) Except as set forth in the Disclosure Schedule or as disclosed in the Financial Statements, (i) the Company has not declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock, (ii) neither the Company nor any Subsidiary has incurred any indebtedness for borrowed money that remains outstanding, (iii) the Company, on a consolidated basis, has not incurred any other liabilities (other than with respect to obligations incurred in the ordinary course of business) individually in excess of US$500,000 or in excess of $1,000,000 in the aggregate, (iv) neither the Company nor any Subsidiary has made any loans or advances to any person, other than ordinary advances for travel expenses, which loans or advances remain outstanding, (v) neither the Company nor any Subsidiary has sold, exchanged or otherwise disposed of any of its material assets or rights, and (vi) neither the Company nor any Subsidiary has, since the Statement Date, agreed to any of the foregoing other than as reflected in the Transaction Documents.

(d) For the purposes of subsections (b) and (c) above, all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same person or entity (including persons or entities the Company or any Subsidiary has reason to believe are affiliated therewith) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such subsections.

(e) Neither the Company nor any Subsidiary is a party to or is bound by any contract, agreement or instrument, or subject to any restriction under the Restated Certificate or the Company's Bylaws, which to the knowledge of the Company or any Subsidiary, adversely affects in any material respect its business as now conducted or as proposed to be conducted, its properties or its financial condition.

3.10 Obligations to Related Parties. There are no obligations of the Company or any Subsidiary to officers, directors, stockholders, or employees of the Company or any Subsidiary other than (a) for payment of salary for services rendered; (b) standard employment matters; (c) reimbursement for reasonable expenses incurred on behalf of the Company or any Subsidiary; (d) as provided in indemnification agreements entered into between the Company and its officers and directors; and (e) for other standard employee benefits made generally available to all employees of the Company or any Subsidiary (including stock option and stock purchase agreements outstanding under any stock option plan approved by the Board).

3.11 Changes. Since the Statement Date, except as set forth in the Disclosure Schedule, there has not been:

(a) Any change in the assets, liabilities, financial condition or operations of the Company from that reflected in the Financial Statements, other than changes in the ordinary course of business, none of which individually or in the aggregate has had a Material Adverse Effect;

(b) Any resignation or termination of any officer, Key Employee (as defined in Section 3.15(a)), or group of employees of the Company or any Subsidiary;

(c) To the Company's knowledge, any material change, except in the ordinary course of business, in the contingent obligations of the Company or any Subsidiary by way of guaranty, endorsement, indemnity, warranty or otherwise;

(d) To the Company's knowledge, any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the properties, business or prospects or financial condition of the Company or any Subsidiary;

(e) Any waiver by the Company or any Subsidiary of a valuable right or of a material debt owed to it;

(f) Any material change in any compensation arrangement or agreement with any employee, officer, director or stockholder of the Company or any Subsidiary;

(g) To the Company's knowledge, any labor organization activity related to the Company or any Subsidiary;

(h) Any debt, obligation or liability incurred, assumed or guaranteed by the Company or any Subsidiary, except those for immaterial amounts and for current liabilities incurred in the ordinary course of business;

(i) Any sale, assignment or transfer of any patents, trademarks, copyrights, trade secrets or other intangible assets of the Company or any Subsidiary outside of the ordinary course of business;

(j) Any amendment to any material agreement to which the Company or any Subsidiary is a party or by which it is bound;

(k) Any declaration, setting aside or payment or other distribution in respect of any of the Company's or any Subsidiary's capital stock, or any direct or indirect redemption, purchase or other acquisition of any of such stock by the Company or any Subsidiary;

(l) Receipt of notice that there has been a loss of, or material order cancellation by, any major customer of the Company or any Subsidiary;

(m) Any loans or guarantees made by the Company or any Subsidiary to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business;

(n) Any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to any of its material properties or assets, except liens for taxes not yet due or payable and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets;

(o) To the Company's knowledge, any other event or condition of any character that, either individually or cumulatively, has resulted in a Material Adverse Effect; or

(p) Any arrangement or commitment by the Company or any Subsidiary to do any of the acts described in foregoing subsections (a) through (o).

3.12 Litigation. There is no legal action, proceeding or investigation pending or to the Company's knowledge, threatened, that questions the validity of the Transaction Documents, or the right of the Company to enter into the Transaction Documents or to consummate the transactions contemplated hereby and thereby, or that would result, either individually or in the aggregate, in any Material Adverse Effect or any change in the current equity ownership of the Company or any of its Subsidiaries. The foregoing includes, without limitation, (a) actions pending or, to the Company's knowledge, threatened in writing, involving the prior employment of any of the

Company's or its Subsidiaries' employees, their use in connection with the Company's or the Subsidiaries' business of any information or techniques allegedly proprietary to any of their former employers, or their obligations under any agreements with prior employers, or (b) actions pending or, to the Company's knowledge, threatened in writing, involving any officers or directors of the Company or any of its Subsidiaries in their personal capacity. To the Company's knowledge, there is no judgment, decree or order of any court in effect against the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries is in default with respect to any order of any governmental authority to which the Company or any of its Subsidiaries is a party or by which it is bound. Neither the Company nor any of its Subsidiaries have any present intention to commence litigation against any other party. To the Company's knowledge, neither the Company nor any Subsidiary nor any current employee of the Company (during their tenure with the Company) nor any Subsidiary has been debarred or suspended from doing business with any governmental authority, and, to the Company's knowledge, no circumstances exist that would warrant the institution of debarment or suspension proceedings against the Company, any Subsidiary or any employee of the Company or any Subsidiary (for actions taken during their tenure to the Company).

3.13 Title to Property and Assets; Leases. Except for (a) liens for current taxes not delinquent, and (b) liens imposed by law and incurred in the ordinary course of business for obligations not past due to carriers, warehousemen, laborers, material, men and the like, none of which, individually or in the aggregate, materially interferes with the use of such property or assets, the Company and each Subsidiary owns its property and assets free and clear of all mortgages, liens, claims and encumbrances. To the Company's or such Subsidiary's knowledge, the Company and each Subsidiary holds a valid leasehold interest in all leased property and assets free of any liens, claims, or encumbrances, subject to foregoing subsections (a) and (b). The Company and each Subsidiary is in compliance with all material terms of each lease to which it is a party or is otherwise bound. The Company does not own any real property.

3.14 Patents and Other Proprietary Rights. The Company and its Subsidiaries own or possess all material patents, trademarks, service marks, trade names, copyrights, trade secrets, information, proprietary rights and processes necessary for their business as now conducted, and as proposed to be conducted, without any known conflict with, or known infringement of, the rights of others. All licenses, agreements and arrangements relating to the patents, trademarks, service marks, trade names, copyrights and other proprietary rights of the Company and its Subsidiaries have been entered into in the ordinary course of business, are in full force and effect and no notice has been given on either side to terminate any of them and no amendment made or accepted to their terms since they were first entered into; and, to the Company's knowledge, the material obligations of all parties under each of the same have been fully complied with and no known disputes exist or are anticipated with respect to any of such agreements. Other than as set forth in the immediately preceding sentence, there are no outstanding options, licenses or agreements of any kind relating to the patents, trademarks, service marks, trade names, copyrights and other proprietary rights of the Company and its Subsidiaries, nor is the Company or any of its Subsidiaries bound by or a party to any options, licenses or agreements of any kind with respect to the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, proprietary rights and processes of any other person or entity, other than such licenses or agreements arising from the purchase of "off the shelf" or standard products. Except as set forth in the Disclosure Schedule, neither the Company nor any of its Subsidiaries has received any communications alleging, nor is the Company aware of any basis for such allegation, that the Company or any of its Subsidiaries has violated or, by conducting its business as proposed, would violate any of the patents, trademarks, service marks, trade names, copyrights or trade secrets or other proprietary rights of any other person or entity. The Company is not aware that any of the employees of the Company or any of its Subsidiaries are obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of such employee's best efforts to promote the interests of the Company and its Subsidiaries that would conflict with the business of the Company and its Subsidiaries as proposed to be conducted. Neither the execution nor delivery of the Transaction Documents, nor the carrying on of the Company's or its Subsidiaries' business by the employees of the Company or the Subsidiaries, nor the conduct of the Company or the Subsidiaries' business as now conducted and as proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any contract, covenant or instrument under which any of such employees is now obligated. The Company does not believe it is or will be necessary to use any inventions of any of the Company's or its Subsidiaries' employees (or persons they currently intend to hire) made prior to their employment by the Company or its Subsidiaries, except for inventions, trade secrets or proprietary information that have been assigned to the Company or its Subsidiaries. The Company has taken reasonable measures to protect its material patents, trademarks, service marks, trade names, copyrights, trade secrets, and other proprietary rights including those filings required for the registration or certification of the foregoing. The Disclosure Schedule contains a complete list of the Company's patents, trademarks, copyrights and domain names and pending patent, trademark and copyright applications.

3.15 Employees.

(a) As of the Statement Date, the Company employs approximately 506 full-time employees and engages approximately 113 consultants or independent contractors. The Disclosure Schedule sets forth all compensation, including salary, bonus, severance obligations and deferred compensation, payable for each officer, employee, consultant and independent contractor of the Company whose annual compensation exceeds US$200,000 (each such employee, a "Key Employee").

(b) The Company is not delinquent in payments to any of its employees, consultants, or independent contractors for any wages, salaries, commissions, bonuses, or other direct compensation for any service performed for it or amounts required to be reimbursed to such employees, consultants or independent contractors. The Company has complied in all material respects with all applicable state and federal equal employment opportunity laws and with other laws related to employment, including those related to wages, hours, worker classification and collective bargaining. The Company has withheld and paid to the appropriate governmental entity or is holding for payment not yet due to such governmental entity all amounts required to be withheld from employees of the Company and is not liable for any arrears of wages, taxes, penalties or other sums for failure to comply with any of the foregoing.

(c) The Company is not aware that any officer, Key Employee or group of employees of the Company or any of its Subsidiaries intends to terminate his, her or their employment with the Company or any of its Subsidiaries, nor does the Company or any of its Subsidiaries have a present intention to terminate the employment of any officer, Key Employee or group of employees of the Company or any of its Subsidiaries. The employment of each employee of the Company is terminable at the will of the Company in compliance with all applicable state and federal laws.

(d) To the Company's knowledge, no employee of the Company or any of its Subsidiaries, nor any consultant with whom the Company or any of its Subsidiaries has contracted, is in violation of any term of any employment contract, proprietary information agreement or any other agreement relating to the right of any such individual to be employed by, or to contract with, the Company or such Subsidiary; and to the Company's knowledge the continued employment by the Company and each of its Subsidiaries of its present employees, and the performance of the Company's and each of its Subsidiaries' contracts with its independent contractors, will not result in any such violation. Neither the Company nor any of its Subsidiaries has received any notice alleging that any such violation has occurred. No employee of the Company or any of its Subsidiaries has been granted the right to continued employment by the Company or such Subsidiary or to any material compensation following termination of employment with the Company or such Subsidiary.

(e) Each employee, former employee and consultant of the Company and each of its Subsidiaries has executed and delivered to the Company or such Subsidiary the appropriate form of Confidential Information and Invention Assignment Agreement as provided to counsel to the Purchasers. The Company is not aware that any employee, former employee or consultant of the Company or any of its Subsidiaries is in violation thereof.

(f) Each former Key Employee whose employment was terminated by the Company in the past three years has entered into an agreement with the Company providing for the full release of any claims against the Company or any related party arising out of such employment.

(g) The Disclosure Schedule sets forth each employee benefit plan maintained, established or sponsored by the Company, or which the Company participates in or contributes to, which is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Company has made all required contributions and has no liability to any such employee benefit plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA, and has complied in all material respects with all applicable laws for any such employee benefit plan.

(h) To the Company's knowledge, none of the Key Employees or directors of the Company has been (a) subject to voluntary or involuntary petition under the federal bankruptcy laws or any state insolvency law or the appointment of a receiver, fiscal agent or similar officer by a court for his or her business or property; (b) convicted in a criminal proceeding or named as a subject of a pending criminal proceeding (excluding traffic violations and other minor offenses); (c) subject to any order, judgment or decree (not subsequently reversed, suspended, or vacated) of any court of competent jurisdiction permanently or temporarily enjoining him or her from engaging, or otherwise imposing limits or conditions on his or her engagement in any securities, investment advisory, banking, insurance, or other type of business or acting as an officer or director of a public company; or (d) found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated any federal or state securities, commodities, or unfair trade practices law, which such judgment or finding has not been subsequently reversed, suspended, or vacated.

(i) Neither the Company nor any of its Subsidiaries has collective bargaining agreements with any of its employees. There is no labor union organizing activity pending or, to the Company's knowledge, threatened, with respect to the Company or any of its Subsidiaries.

(j) To the Company's knowledge, the Company and its Subsidiaries have complied in all material respects with all applicable state and federal equal employment opportunity and other laws related to employment. Except for the Company's standard forms of employment offer letters, neither the Company nor its Subsidiaries is a party to or bound by any currently effective employment contract, deferred compensation agreement, bonus plan, incentive plan, profit sharing plan, retirement agreement, or other employee compensation agreement.

3.16 Compliance with Other Instruments. Neither the Company nor any of its Subsidiaries is in violation or default of any term of its formation documents, Bylaws, or other governing documents, or of any provision of any mortgage, indenture, contract, agreement, instrument or contract to which it is party or by which it is bound or of any judgment, decree, order or writ other than any such violation that would not have a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole. The execution, delivery, and performance of and compliance with the Transaction Documents and the issuance and sale of the Shares pursuant hereto, will not, with or without the passage of time or giving of notice, result in any such violation, or be in conflict with or constitute a default under any such term, or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of the properties or assets of the Company or any of its Subsidiaries or the suspension, revocation, impairment, forfeiture or non-renewal of any permit, license, authorization or approval applicable to the Company or any of its Subsidiaries, its business or operations or any of its assets or properties.

3.17 Tax Returns and Payments. The Company and each of its Subsidiaries have timely filed all tax returns (federal, state and local) required to be filed by it. All taxes shown to be due and payable on such returns, any assessments imposed, and to the Company's and each of its Subsidiaries' knowledge, all other taxes due and payable by the Company and each Subsidiary have been paid or will be paid prior to the time they become delinquent. Neither the Company nor any Subsidiary has been advised (a) that any of its returns, federal, state or other, have been or are being audited, or (b) of any deficiency in assessment or proposed judgment to its federal, state or other taxes. The Company, including its Subsidiaries, has no knowledge of any liability of any tax to be imposed upon its properties or assets that is not adequately provided for on its books. Neither the Company nor any Subsidiary has elected pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), to be treated as a Subchapter S corporation or a collapsible corporation pursuant to Section 1362(a) or Section 341(f) of the Code, nor has any of them made any other elections pursuant to the Code (other than elections that relate solely to methods of accounting, depreciation or amortization) that would result in a Material Adverse Effect. Neither the Company nor any Subsidiary has ever had any material tax deficiency proposed or assessed against it and has not executed any waiver of any statute of limitations on the assessment or collection of any tax or governmental charge. None of the Company's or any of its Subsidiaries' federal income tax returns and none of its state income or franchise tax or sales or use tax returns has ever been audited by governmental authorities. Since the Statement Date, neither the Company nor any Subsidiary has incurred any taxes, assessments or governmental charges other than in the ordinary course of business and the Company and each Subsidiary have made adequate provisions on its books of account for

all taxes, assessments and governmental charges with respect to its business, properties and operations for such period. The Company and each Subsidiary have withheld or collected from each payment made to each of its employees, the amount of all taxes (including, but not limited to, federal income taxes, Federal Insurance Contribution Act taxes and Federal Unemployment Tax Act taxes) required to be withheld or collected therefrom, and has paid the same to the proper tax receiving officers or authorized depositories.

3.18 Obligations of Management. Each officer and Key Employee of the Company and its Subsidiaries is currently devoting substantially all of his or her business time to the conduct of the business of the Company. The Company is not aware that any officer or Key Employee of the Company or any Subsidiary is planning to work less than full time at the Company or any Subsidiary, as applicable, in the future. No officer or Key Employee is currently working or, to the Company's knowledge, plans to work for a competitive enterprise, whether or not such officer or Key Employee is or will be compensated by such enterprise.

3.19 Registration Rights and Voting Rights. Except as provided in this Agreement, the Company is under no contractual obligation to register under the Securities Act any of its presently outstanding securities or any of its securities that may subsequently be issued. To the Company's knowledge, other than the Prior Agreements, which have been terminated prior to the date of this Agreement, no stockholder of the Company has entered into any agreement with respect to the voting of capital shares of the Company.

3.20 Brokers and Finders. Other than the Placement Agent, the Company has not retained any investment banker, broker or finder in connection with the sale of the Shares.

3.21 Governmental Consents.

(a) No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any United States federal, state, local or provincial governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by the Transaction Documents, or in order to secure an exemption from registration under the Securities Act and qualification under the California Corporate Securities Laws and other applicable blue sky laws of the Shares, except such as have been duly and validly obtained or filed, or with respect to any filings that may be made after the Closing, as will be duly and validly filed in a timely manner.

(a) With respect to the Shares to be offered and sold hereunder in reliance on Rule 506 under the Securities Act, none of the Insiders or the Placement Agent, at the time of sale (each, an "Issuer Covered Person" and, together, "Issuer Covered Persons"), is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) of the Securities Act. The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event.

(b) Assuming (i) the accuracy of the representations and warranties of the Purchasers set forth inARTICLE 4 hereof, (ii) none of the Issuer Covered Persons is subject to any Disqualification Event except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) of the Securities Act, and (C) the Issuer Covered Persons have complied with the "bad actor" disclosure requirements set forth in Rule 506(e) of the Securities Act and any disclosure requirements in connection with any waiver of the disqualification provisions of Rule 506(d) of the Securities Act, then the offer, issuance and sale of the Shares to the Purchasers pursuant to the Agreement, are exempt from the registration requirements of the Securities Act.

3.22 Corporate Documents. The Company's Restated Certificate and bylaws, as amended to date and as presently in effect, are in the form previously provided to the Purchasers.

3.23 Minute Books. The minute books of the Company contain a complete summary of all meetings of directors and stockholders since the time of incorporation and reflect all transactions referred to in such minutes accurately in all material respects.

3.24 Disclosure. The Company has provided the Purchasers with all the information that the Purchasers have requested for deciding whether to acquire the Shares and all information that the Company believes is reasonably necessary to enable the Purchasers to make such a decision, including certain of the Company's projections describing its proposed business (collectively, the "Information"). To the Company's knowledge, none of the representations or warranties of the Company contained in this Agreement, as modified by the Disclosure Schedule, or any certificate furnished or to be furnished to the Purchasers at the Closing (when read together) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. The Company represents that the assumptions, projections and predictions contained in the Information were made in good faith and that there is a reasonable basis therefor; however, the Company does not warrant that it will achieve any such projections or that its assumptions or predictions will be accurate.

3.25 No Conflict of Interest. Neither the Company nor any Subsidiary is indebted, directly or indirectly, to any of its officers or directors or to their respective spouses or children, in any amount whatsoever other than in connection with expenses or advances of expenses incurred in the ordinary course of business or relocation expenses of employees. To the Company's knowledge, none of the Company's or its Subsidiaries' officers or directors, or any members of their immediate families, are, directly or indirectly, indebted to the Company or any of its Subsidiaries (other than in connection with purchases of the Company's stock) or have any direct or indirect ownership interest in any firm or corporation with which the Company or any of its Subsidiaries is affiliated or with which the Company or any of its Subsidiaries has a business relationship, or any firm or corporation which competes with the Company, except that officers, directors and/or stockholders of the Company or any of its Subsidiaries may own stock in (but not exceeding two percent of the outstanding capital stock of) any publicly traded company that may compete with the Company. Neither the Company nor any Subsidiary is a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

3.26 Environmental and Safety Laws. To the Company's knowledge, neither the Company nor any of its Subsidiaries is in violation of any applicable statute, law or regulation relating to the environment or occupational health and safety, and no material expenditures are or will be required in order to comply with any such existing statute, law or regulation.

3.27 Insurance. The Company has in full force and effect fire and casualty insurance policies with sufficient coverage in amounts (subject to reasonable deductions) to allow the Company to replace any of its material properties that might be damaged or destroyed in a material manner.

3.28 Permits. The Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business, the lack of which could reasonably be expected to have a Material Adverse Effect. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

3.29 83(b) Elections. To the Company's knowledge, all elections and notices under Section 83(b) of the Code have been or will be timely filed by all individuals who have acquired unvested shares of the Company's Common Stock.

3.30 Real Property Holding Corporation. The Company is not now and has never been a "United States real property holding corporation" as defined in the Code and any applicable regulations promulgated thereunder. The Company has filed with the Internal Revenue Service all statements, if any, with its United States income tax returns which are required under the Code and such regulations.

3.31 Data Privacy. In connection with the Company's collection, storage, transfer (including any transfer across national borders) and/or use of any personally identifiable information from any individuals, including any customers, prospective customers, employees and/or other third parties (collectively "Personal Information"), to the Company's knowledge, the Company is and has been in material compliance with all applicable laws in all relevant jurisdictions, the Company's privacy policies and the requirements of any contract or codes of conduct to which the Company is a party. The Company has commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company is and has been in compliance in all material respects with all applicable laws relating to data loss, theft and breach of security notification obligations.

3.32 Scope of Liability for the Company. Liability for the Company for any breach of the representations and warranties that are qualified by "knowledge" contained in this ARTICLE 3 shall be limited to only those situations in which the Company has knowledge that the representation and warranty in question was false as of the applicable Closing Date. All references to any "knowledge" of the Company and/or the Subsidiaries in this ARTICLE 3 shall mean to the knowledge of each of Bob Plaschke, Jim Walker, Jeff Pon, Joe Hooks, Peter Liu, Bengt Jonassen and Chuck Becher and the knowledge that each of the foregoing would reasonably be expected to have obtained in the reasonable and diligent performance of their Company duties.

3.33 No Directed Selling Efforts or General Solicitation. Neither the Company nor, to the Company's Knowledge, any Person acting on its behalf has conducted any general solicitation or general advertising (as those terms are used in Regulation D) in connection with the offer or sale of any of the Shares.

3.34 Investment Company. The Company is not and, after giving effect to the offering and sale of the Shares, will not be an "investment company," as such term is defined in the Investment Company Act of 1940, as amended.

3.35 Commissions. No Person will have, as a result of the transactions contemplated by the Transaction Documents, any valid right, interest or claim against the Company or upon any other Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company. The Company shall pay, and hold the Purchasers harmless against, any liability, loss or expense (including, without limitation, reasonable attorney's fees and out-of-pocket expenses) arising in connection with any such claim for fees pursuant to any such agreement, arrangement or understanding entered into by or on behalf of the Company.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS

Each Purchaser, for itself and for no other Purchaser, hereby represents and warrants, as of the date of each Closing in which such Purchaser purchases Shares, to the Company and to the Placement Agent as follows (unless as of a specific date therein):

4.1 Organization; Authority. Such Purchaser is either an individual or an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Purchaser of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

4.2 Purchaser Status. At the time such Purchaser was offered the Shares, it was, and as of the date hereof it is, an "accredited investor" as defined in Rule 501 under the Securities Act. Such Purchaser is not a broker-dealer registered under Section 15 of the Exchange Act. Such Purchaser is acting alone in its determination as to whether to invest in the Shares. Such Purchaser is not a party to any voting agreements or similar arrangements

with respect to the Shares. Except as expressly disclosed in a Schedule 13D or Schedule 13G (or amendments thereto) filed by such Purchaser with the Commission with respect to the beneficial ownership of the Company's Common Stock, such Purchaser is not a member of a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, voting or disposing of the Shares.

4.3 Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, such Purchaser has not, nor has any Person acting on behalf of or pursuant to any understanding with such Purchaser, directly or indirectly executed any purchases or sales, including Short Sales, of the securities of the Company during the period commencing as of the time that such Purchaser was first contacted by the Company, the Placement Agent or any other Person regarding the transactions contemplated hereby and ending immediately prior to the date hereof. Notwithstanding the foregoing, in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the representation set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Shares covered by this Agreement. Such Purchaser, its Affiliates and authorized representatives and advisors who are aware of the transactions contemplated by the Transaction Documents, maintained the confidentiality of all disclosures made to it in connection with such transactions (including the existence and terms of such transactions). Notwithstanding the foregoing, for avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect Short Sales or similar transactions in the future.

4.4 General Solicitation; Pre-Existing Relationship. Such Purchaser is not purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement. Such Purchaser also represents that such Purchaser was contacted regarding the sale of the Shares by the Company or the Placement Agent (or an authorized agent or representative of the Company or the Placement Agent) with which such Purchaser had a substantial pre-existing relationship.

4.5 Purchase Entirely for Own Account. The Shares to be received by such Purchaser hereunder will be acquired for such Purchaser's own account, not as nominee or agent, and not with a view to the resale or distribution of any part thereof in violation of the Securities Act, and such Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same in violation of the Securities Act without prejudice, however, to such Purchaser's right at all times to sell or otherwise dispose of all or any part of such Shares in compliance with applicable federal and state securities laws. Nothing contained herein shall be deemed a representation or warranty by such Purchaser to hold the Shares for any period of time.

4.6 Experience of Such Purchaser. Such Purchaser, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

4.7 Disclosure of Information. Such Purchaser has had an opportunity to receive all information related to the Company requested by it and to ask questions of and receive answers from the Company and the Placement Agent regarding the Company, its business and the terms and conditions of the offering of the Shares. Neither such inquiries nor any other due diligence investigation conducted by such Purchaser shall modify, limit or otherwise affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement.

4.8 Placement Agent. Such Purchaser hereby acknowledges and agrees that it has independently evaluated the merits of its decision to purchase the Shares, and that (i) Placement Agent is acting solely as placement agent in connection with the execution, delivery and performance of the Transaction Documents and is not acting as an underwriter or in any other capacity and is not and shall not be construed as a fiduciary for such Purchaser, the Company or any other Person in connection with the execution, delivery and performance of the Transaction Documents, and (ii) such Purchaser has not relied on the Placement Agent or its officers, directors, employees, attorneys or Affiliates with respect to the negotiation, execution or performance of the Transaction Documents or any representation or warranty made in, in connection with, or as an inducement to the Transaction Documents.

4.9 Interested Stockholders. Each Purchaser that is an "Interested Stockholder" (as such term is defined in Section 203 of the General Corporation Law of the State of Delaware) represents and warrants that either (a) it has been an Interested Stockholder for at least three years prior to the date hereof or (b) the transaction that resulted in such Purchaser becoming an Interested Stockholder was approved by the Board of Directors or a duly authorized committee thereof.

4.10 Restricted Securities. Such Purchaser understands that the Shares are "restricted securities" and have not been registered under the Securities Act and may not be offered, resold, pledged or otherwise transferred except (i) pursuant to an exemption from registration under the Securities Act or pursuant to an effective registration statement in compliance with Section 5 under the Securities Act and (ii) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

4.11 No Rule 506 Disqualifying Activities. Such Purchaser has not taken any of the actions set forth in, and is not subject to, the disqualification provisions of Rule 506(d)(1) of the Securities Act.

4.12 Compliance. No part of the funds being used by such Purchaser to acquire the Shares has been, or shall be, directly or indirectly derived from, or related to, any activity that may contravene United States federal or state or non-United States laws or regulations.

4.13 Residency. Such Purchaser is a resident of or an entity organized under the jurisdiction specified below its address onExhibit A hereto.

4.14 ERISA. If such Purchaser is (1) an employee benefit plan subject to Title I of ERISA, (2) a plan or account subject to Section 4975 of the Code or (3) an entity deemed to hold "plan assets" of any such plan or account, such Purchaser hereby represents and warrants, solely for purposes of assisting the Placement Agent in relying on the exception from fiduciary status under U.S. Department of Labor Regulations set forth in Section 29 CFR 2510.3-21(c)(1), that a fiduciary acting on its behalf is causing such Purchaser to enter into the Transaction Documents and the transactions contemplated hereby and thereby and that such fiduciary:

(a) is an entity specified in Section 29 CFR 2510.3-21(c)(1)(i)(A)-(E);

(b) is independent (for purposes of Section 29 CFR 2510.3-21(c)(1)) of each Placement Agent;

(c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies, including such Purchaser's transactions under the Transaction Documents;

(d) has been advised that, with respect to each Placement Agent, neither such Placement Agent nor any of its respective affiliates has undertaken or will undertake to provide impartial investment advice, or has given or will give advice in a fiduciary capacity, in connection with such Purchaser's transactions contemplated by the Transaction Documents;

(e) is a "fiduciary" under Section 3(21)(a) of ERISA or Section 4975(e)(3) of the Code, or both, as applicable, with respect to, and is responsible for exercising independent judgment in evaluating, such Purchaser's transactions contemplated hereby; and

(f) understands and acknowledges that no fees, compensation arrangements or financial interests provided for in connection with the transactions contemplated hereby is a fee or other compensation for the provision of investment advice, and that neither the Placement Agent nor any of its affiliates, nor any of their respective directors, officers, members, partners, employees, principals or agents, has received or will receive a fee or other compensation from such Purchaser or such fiduciary for the provision of investment advice in connection with such Purchaser's transactions contemplated by the Transaction Documents.

4.15 Securities Laws Representations and Covenants of the Foreign Purchasers

(a) If the Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, or if the Purchaser is a US subsidiary or affiliate of a foreign parent company, the "Foreign Purchaser"), the Foreign Purchaser hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Shares or any use of this Agreement or the other Transaction Documents, including (i) the legal requirements within its jurisdiction for the purchase of the Shares, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any government or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Shares. The Foreign Investor further represents that either (x) it does not now, nor will it after the Closing, hold ten percent (10%) or greater, directly or indirectly, of the voting interest in the Company or (y) if it does or will, the Foreign Purchaser shall provide such information as the Company may request to comply with state, federal, or local regulations. The Company's offer and sale and the Foreign Purchaser's subscription and payment for and continued beneficial ownership of the Shares will not violate any applicable securities or other laws of the Foreign Purchaser's jurisdiction.

(b) Each Foreign Purchaser represents and warrants to the Company as follows:

(i) The Foreign Purchaser is not a "U.S. Person" (as defined under Regulation S of the Securities Act) and that the Shares to be purchased by the Foreign Purchaser will be acquired for investment for the Investor's own account, not as a nominee or agent, and not for the account or benefit of, a U.S. Person, and not with a view to the resale or distribution of any part thereof in the United States and that the Foreign Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same.

(ii) The Foreign Purchaser represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person in the United States or to a U.S. Person, or any hedging transaction with any third person in the United States or to a United States resident, with respect to any of the Shares.

(iii) The Foreign Purchaser understands that the Shares are not registered under the Securities Act on the ground that the sale to the Foreign Purchaser as provided for in this Agreement and the issuance of Shares to such Foreign Purchaser hereunder is exempt from registration under the Securities Act pursuant to Regulation S thereof, and that the Company's reliance on such exemption is predicated on the Foreign Purchaser's representations set forth herein. The Foreign Purchaser hereby agrees to resell the Shares only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an exemption from registration. The Foreign Purchaser further agrees not to engage in hedging transactions with regard to such Shares unless in compliance with the Securities Act.

(c) The Foreign Purchaser has been informed, and it understands and agrees that a legend substantially similar to the one set forth below will be placed on the certificates for the Shares and stop transfer instructions will be placed with the transfer agent of the Shares:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATES IN THE UNITED STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. FURTHER, THESE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO

OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE ACT) (I) AS PART OF THEIR DISTRIBUTION AT ANYTIME OR (II) OTHERWISE UNTIL THE EXPIRATION OF THE APPLICABLE RESTRICTED PERIOD AS DETERMINED IN ACCORDANCE WITH REGULATION S, EXCEPT IN EITHER CASE IN ACCORDANCE WITH REGULATIONS UNDER THE ACT. IN ADDITION, NO HEDGING TRANSACTION MAY BE CONDUCTED WITH RESPECT TO THESE SHARES UNLESS SUCH TRANSACTIONS ARE IN COMPLIANCE WITH THE ACT."

4.16 Commissions. No Person will have, as a result of the transactions contemplated by the Transaction Documents, any valid right, interest or claim against such Purchaser or upon the Company or any other Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of such Purchaser. Such Purchaser shall pay, and hold the Company and other Purchasers harmless against, any liability, loss or expense (including, without limitation, reasonable attorney's fees and out-of-pocket expenses) arising in connection with any such claim for fees pursuant to any such agreement, arrangement or understanding entered into by or on behalf of such Purchaser.

The Company acknowledges and agrees that the representations contained in ARTICLE 4 shall not modify, amend or affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transaction contemplated hereby.

ARTICLE 5
REGISTRATION RIGHTS

5.1 Registration Statement.

(a) On or prior to the Initial Filing Deadline, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all Registrable Securities for an offering to be made on a continuous basis pursuant to Rule 415. The Registration Statement shall be on Form S-1 (or, if applicable, on another appropriate form in accordance with the Securities Act) and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Registration Statement) the "Plan of Distribution" in substantially the form attached hereto as Exhibit F. Notwithstanding any other provision of this ARTICLE 5, if the staff of the Commission does not permit all of the Registrable Securities to be registered on the initial Registration Statement filed pursuant to this Section 5.1(a) (the "Initial Registration Statement") or requires any Purchaser to be named as an "underwriter", then the Company shall use commercially reasonable efforts to persuade the staff of the Commission that the offering contemplated by the Registration Statement is a valid secondary offering and not an offering "by or on behalf of the issuer" as defined in Rule 415 and that none of the Purchasers is an "underwriter"; provided, however, that in no event shall the Company be required to continue discussions with the staff of the Commission if the Company reasonably determines that doing so is reasonably likely to cause the Company to incur liquidated damages pursuant to Section 5.1(d) because of a failure to have the Initial Registration Statement declared effective prior to the Initial Effectiveness Deadline. In the event that, despite the Company's commercially reasonable efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, Securities Act Rules Compliance and Disclosure Interpretation 612.09 and compliance with the terms of this Section 5.1(a), the staff of the Commission refuses to alter its position, the Company shall (i) remove from the Registration Statement such portion of the Registrable Securities (the "Cut Back Shares") as determined below and/or (ii) agree to such restrictions and limitations on the registration and resale of the Registrable Securities as the staff of the Commission may require to assure the Company's compliance with the requirements of Rule 415 (collectively, the "SEC Restrictions"); provided, however, that the Company shall not agree to name any Purchaser as an "underwriter" in such Registration Statement without the prior written consent of such Purchaser; provided, further, that if any such Purchaser refuses to be named as an underwriter as required by the SEC Restrictions, such Purchaser's Registrable Securities shall be removed from the Initial Registration Statement and such Registrable Securities shall be deemed to constitute Cut Back Shares and the provisions of this Section 5.1(a) shall apply to such Cut Back Shares. Except as provided in the immediately preceding sentence, any cut-back imposed pursuant to this Section 5.1(a) shall be allocated among the Purchasers on a *pro rata* basis by removing Registrable Securities on a *pro rata* basis based on

the total number of unregistered Registrable Securities held by such Purchasers, in each case unless the SEC Restrictions otherwise require or provide or the Purchasers otherwise agree. In the event of a cutback hereunder, the Company shall give each Purchaser at least three (3) Trading Days' prior written notice along with the calculations as to such Purchaser's allotment. In furtherance of the foregoing, each Purchaser shall promptly notify the Company when it has sold substantially all of its Registrable Securities covered by the Initial Registration Statement (or any Additional Registration Statement (as defined below)) so as to enable the Company to determine whether it can file one or more additional registration statements covering the Cut Back Shares and the Company agrees that it shall file one or more additional Registration Statements (each, an "Additional Registration Statement") as promptly as possible, and in any event on or prior to the applicable Additional Filing Deadline, successively using its commercially reasonable efforts to register on each such Additional Registration Statement the maximum number of remaining Cut Back Shares that continue to constitute Registrable Securities until all of the Cut Back Shares that continue to constitute Registrable Securities have been registered with the Commission.

(b) The Company shall use its commercially reasonable efforts to cause each Registration Statement to be declared effective by the Commission as promptly as possible after the filing thereof, but in any event prior to the applicable Effectiveness Deadline, and shall use commercially reasonable efforts to keep the Registration Statement continuously effective under the Securities Act until the earlier of (i) the date that all Registrable Securities covered by such Registration Statement have been sold or can be sold publicly without restriction or limitation under Rule 144 (including, without limitation, the requirement to be in compliance with Rule 144(c)(1)) or (ii) the date that is two (2) years following the Closing Date (the "Effectiveness Period"). Not later than two Trading Days after a Registration Statement is declared effective, the Company shall file a prospectus supplement for any Registration Statement to the extent required pursuant to Rule 424.

(c) The Company shall notify the Purchasers in writing promptly (and in any event within two Trading Days) after receiving notification from the Commission that a Registration Statement has been declared effective.

(d) Should an Event (as defined below) occur, then upon the occurrence of such Event and on every monthly anniversary thereof until the applicable Event is cured, the Company shall pay to each Purchaser an amount in cash, as liquidated damages and not as a penalty, equal to one percent (1.0%) of the aggregate Share Purchase Price of the Registrable Securities then held by the Purchaser, subject to adjustment as provided below (which remedy shall be exclusive of any other remedies available under this Agreement or under applicable law); provided, however, that the total amount of payments pursuant to this Section 5.1(d) shall not exceed, when aggregated with all such payments paid to the applicable Purchaser, five percent (5%) of the aggregate Share Purchase Price hereunder. The payments to which a Purchaser shall be entitled pursuant to this Section 5.1(d) are referred to herein as "Event Payments." Any Event Payments payable pursuant to the terms hereof shall apply on a pro rated basis for any portion of a month prior to the cure of an Event. In the event the Company fails to make Event Payments in a timely manner, such Event Payments shall bear interest at the rate of one percent (1.0%) per month (prorated for partial months) until paid in full. All pro rated calculations made pursuant to this paragraph shall be based upon the actual number of days in such pro rated month. The parties agree that the Company will not be liable for any Event Payments under this Section 5.1(d) arising with respect to any period after the expiration of the Effectiveness Period. The parties further agree that Company will not be liable for any Event Payments under this Section 5.1(d) with respect to any Cut Back Shares that are removed from a Registration Statement pursuant to Section 5.1(a); accordingly, any Event Payments shall be calculated, as to each Purchaser, to apply only to the percentage of such Purchaser's Registrable Securities that are both (x) then issued and outstanding and (y) permitted in accordance with SEC Guidance to be included in such Registration Statement. Notwithstanding the foregoing, the applicable Filing Deadline or Effectiveness Deadline for a Registration Statement shall be extended without Event Payments hereunder in the event that the Company's failure to file or obtain the effectiveness of such Registration Statement on a timely basis results from (i) the failure of any Purchaser, other than a Purchaser that is also a director or officer of the Company, to timely provide the Company with information reasonably requested by the Company and necessary to complete the Registration Statement in accordance with the requirements of the Securities Act or (ii) events or circumstances that are not in any way attributable to the Company's actions or inactions, including, but not limited to, the failure of any Purchaser, other than a Purchaser that is also a director or officer of the Company, to promptly notify the Company when it has sold substantially all of its Registrable Securities covered by the Initial Registration Statement or any Additional Registration Statement or to otherwise comply with the terms of this Agreement, and in any event, no Purchaser causing the failure described in (i) or (ii), above shall be entitled to Event Payments relating to the failure caused by such Purchaser.

For such purposes, each of the following shall constitute an "Event":

(x) a Registration Statement is not filed on or prior to its Filing Deadline or is not declared effective on or prior to its Effectiveness Deadline; and

(y) except as provided for in Section 5.1(e) (the "Excluded Events"), after the Effective Date of a Registration Statement and through the end of the Effectiveness Period, a Purchaser is not permitted to sell the applicable Registrable Securities subject to such Registration Statement.

(e) Notwithstanding anything in this Agreement to the contrary, the Company may, by written notice to the Purchasers, suspend sales under a Registration Statement after the Effective Date thereof and/or require that the Purchasers immediately cease the sale of shares of Common Stock pursuant thereto and/or defer the filing of any Additional Registration Statement if the Company is engaged in a material merger, acquisition or sale or any other pending development that the Company believes may be material, and the Board of Directors determines in good faith, by appropriate resolutions, that, as a result of such activity, (A) it would be materially detrimental to the Company (other than as relating solely to the price of the Common Stock) to maintain a Registration Statement at such time or (B) it is in the best interests of the Company to suspend sales under such registration at such time. Upon receipt of such notice, each Purchaser agrees to immediately discontinue any sales of Registrable Securities pursuant to such Registration Statement until such Purchaser is advised in writing by the Company that the current Prospectus or amended Prospectus, as applicable, may be used. In no event, however, shall this right be exercised to suspend sales beyond the period during which (in the good faith determination of the Board of Directors) the failure to require such suspension would be materially detrimental to the Company. The Company's rights under this Section 5.1(e) may be exercised for a period of no more than 20 Trading Days at a time with a subsequent permitted trading window of at least 90 Trading Days, and not more than two times in any twelve-month period. Immediately after the end of any suspension period under this Section 5.1(e), the Company shall take all necessary actions (including filing any required supplemental prospectus) to restore the effectiveness of the applicable Registration Statement and the ability of the Purchasers to publicly resell their Registrable Securities pursuant to such effective Registration Statement.

5.2 Registration Procedures. In connection with the Company's registration obligations hereunder, the Company shall:

(a) Not less than five Trading Days prior to the filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto, furnish via email to those Purchasers or their counsels who have supplied the Company with email addresses copies of all such documents proposed to be filed, which documents (other than any document that is incorporated or deemed to be incorporated by reference therein) will be subject to the review of such Purchasers. The Company shall reflect in each such document when so filed with the Commission such comments regarding the Purchasers and the plan of distribution as the Purchasers may reasonably and promptly propose no later than two Trading Days after the Purchasers have been so furnished with copies of such documents as aforesaid.

(b) (i) Subject to Section 5.1(e), prepare and file with the Commission such amendments, including post-effective amendments, to each Registration Statement and the Prospectus used in connection therewith as may be necessary to keep the Registration Statement continuously effective, as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement, and as so supplemented or amended to be filed pursuant to Rule 424; and (iii) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by the Registration Statement during the applicable period in accordance with the intended methods of disposition by the Purchasers thereof set forth in the Registration Statement as so amended or in such Prospectus as so supplemented.

(c) Notify the Purchasers as promptly as reasonably possible, and if requested by the Purchasers, confirm such notice in writing no later than two Trading Days thereafter, of any of the following events: (i) the Commission notifies the Company whether there will be a "review" of any Registration Statement or the receipt of any comments or correspondence from the Commission; (ii) any Registration Statement or any post-effective amendment is declared effective; (iii) the Commission issues any stop order suspending the effectiveness of any Registration Statement or initiates any Proceedings for that purpose; (iv) the Company receives notice of any suspension of the qualification or exemption from qualification of any Registrable Securities for sale in any jurisdiction, or the initiation or threat of any Proceeding for such purpose; (v) the financial statements included in any Registration Statement become ineligible for inclusion therein; or (vi) the Company becomes aware that any Registration Statement or Prospectus or other document contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) Use reasonable best efforts to avoid the issuance of or, if issued, obtain the withdrawal of (i) any order suspending the effectiveness of any Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, as soon as possible.

(e) If requested by a Purchaser, provide such Purchaser, without charge, at least one conformed copy of each Registration Statement and each amendment thereto, including financial statements and schedules, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission; *provided,* that the Company shall have no obligation to provide any document pursuant to this clause that is available on the Commission's EDGAR system.

(f) Promptly deliver to each Purchaser, without charge, as many copies of the Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such Persons may reasonably request. The Company hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Purchasers in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto to the extent permitted by federal and state securities laws and regulations.

(g) Prior to any resale of Registrable Securities by a Purchaser, use commercially reasonable best efforts to register or qualify or cooperate with the selling Purchasers in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions within the United States as any Purchaser requests in writing, to keep each such registration or qualification (or exemption therefrom) effective for so long as required, but not to exceed the duration of the Effectiveness Period, and to do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by a Registration Statement; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(h) Use reasonable best efforts to cause all Registrable Securities covered by a Registration Statement to be listed or quoted on the Trading Market;

(i) If requested by the Purchasers, cooperate with the Purchasers to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by this Agreement and under law, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Purchasers may reasonably request.

(j) Upon the occurrence of any event described in Section 5.2(c)(iii)-(vi), as promptly as reasonably practicable, prepare a supplement or amendment, including a post-effective amendment, to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be

incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither the Registration Statement nor such Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) It shall be a condition precedent to the obligations of the Company to complete the registration pursuant to this Agreement with respect to the Registrable Securities of any particular Purchaser that such Purchaser furnish to the Company a completed Selling Stockholder Questionnaire in the form proffered by the Company (the "Selling Stockholder Questionnaire") and such other information regarding itself, the Registrable Securities and other shares of Common Stock held by it and the intended method of disposition of the Registrable Securities held by it (if different from the Plan of Distribution set forth on Exhibit F hereto) as shall be reasonably required to effect the registration of such Registrable Securities and shall complete and execute such documents in connection with such registration as the Company may reasonably request.

(l) The Company shall comply with all applicable rules and regulations of the Commission under the Securities Act and the Exchange Act, including, without limitation, Rule 172 under the Securities Act, file any final Prospectus, including any supplement or amendment thereof, with the Commission pursuant to Rule 424 under the Securities Act, promptly inform the Purchasers in writing if, at any time during the Effectiveness Period, the Company does not satisfy the conditions specified in Rule 172 and, as a result thereof, the Purchasers are required to make available a Prospectus in connection with any disposition of Registrable Securities and take such other actions as may be reasonably necessary to facilitate the registration of the Registrable Securities hereunder.

(m) Not identify any Purchaser as an underwriter without its prior written consent in any public disclosure or filing with the Commission or any Trading Market and any Purchaser being deemed an underwriter by the Commission shall not relieve the Company of any obligations it has under this Agreement; provided, however, that the foregoing shall not prohibit the Company from including the disclosure found in the "Plan of Distribution" section attached hereto as Exhibit F in the Registration Statement. In addition, and notwithstanding anything to the contrary contained herein, if the Company has received a comment by the Commission requiring a Purchaser to be named as an underwriter in the Registration Statement (which notwithstanding the reasonable best efforts of the Company is not withdrawn by the Commission) and such Purchaser refuses to be named as an underwriter in the Registration Statement, such Purchaser's Registrable Securities shall be removed from the Registration Statement, such Registrable Securities shall be deemed to constitute Cut Back Shares and the Purchaser shall not be entitled to any Event Payments with respect to such Registration Statement.

5.3 Registration Expenses. The Company shall pay all fees and expenses incident to the performance of or compliance with ARTICLE 5 of this Agreement by the Company, including without limitation (a) all registration and filing fees and expenses, including without limitation those related to filings with the Commission, any Trading Market, and in connection with applicable state securities or Blue Sky laws, (b) printing expenses (including without limitation expenses of printing certificates for Registrable Securities), (c) messenger, telephone and delivery expenses, (d) fees and disbursements of counsel for the Company, (e) fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement, (f) all listing fees to be paid by the Company to the Trading Market and (g) reasonable and reasonably-documented fees and disbursements, not to exceed $10,000 in the aggregate, of one counsel for the Purchasers. In no event shall the Company be responsible for any underwriting, broker or similar fees or commissions of any Purchaser or, except to the extent provided for above or in the Transaction Documents, any legal fees or other costs of the Purchasers.

5.4 Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless each Purchaser, the officers, directors, partners, members, agents and employees of each of them, each Person who controls any such Purchaser (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, agents and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all Losses, as incurred, arising out of or relating to any violation or alleged violation by the Company of the

Securities Act, the Exchange Act, any other law, including, without limitation, any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities, any untrue or alleged untrue statement of a material fact contained in the Registration Statement, any Prospectus or in any amendment or supplement thereto, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in the light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (A) such untrue statements, alleged untrue statements, omissions or alleged omissions are based solely upon information regarding such Purchaser furnished in writing to the Company by such Purchaser expressly for use therein, or to the extent that such information relates to such Purchaser or such Purchaser's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Purchaser expressly for use in the Registration Statement, or (B) with respect to any Prospectus, if the untrue statement or omission of material fact contained in such Prospectus was corrected on a timely basis in the Prospectus, as then amended or supplemented, if such corrected prospectus was timely made available by the Company to the Purchaser, and the Purchaser seeking indemnity hereunder was advised in writing not to use the incorrect prospectus prior to the use giving rise to Losses.

(b) Indemnification by Purchasers. Each Purchaser shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses (as determined by a court of competent jurisdiction in a final judgment not subject to appeal or review) arising solely out of any untrue statement of a material fact contained in the Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto, or arising out of or relating to any omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in the light of the circumstances under which they were made) not misleading, but only to the extent that such untrue statement or omission is contained in any information so furnished by such Purchaser in writing to the Company specifically for inclusion in such Registration Statement or such Prospectus or to the extent that such untrue statements or omissions are based solely upon information regarding such Purchaser furnished to the Company by such Purchaser in writing expressly for use in the Registration Statement or Prospectus, or to the extent that such information relates to such Purchaser or such Purchaser's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Purchaser expressly for use in the Registration Statement (it being understood that the information provided by the Purchaser to the Company in the Questionnaire and the Plan of Distribution set forth on Exhibit F, as the same may be modified by such Purchaser constitutes information reviewed and expressly approved by such Purchaser in writing expressly for use in the Registration Statement), such Prospectus or such form of Prospectus or in any amendment or supplement thereto. In no event shall the liability of any selling Purchaser hereunder be greater in amount than the dollar amount of the net proceeds received by such Purchaser upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "Indemnified Party"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "Indemnifying Party") in writing, and the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof; provided, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have proximately and materially adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (i) the Indemnifying Party has agreed in writing to pay such fees and expenses; or (ii) the Indemnifying Party shall have failed within 15 days of receiving notification of a Proceeding from an Indemnified Party to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; (iii) any counsel engaged by the applicable Indemnifying Party shall fail to timely commence or diligently conduct the defense of any such claim and such failure has materially prejudiced

(or, in the reasonable judgment of the Indemnified Party, is in danger of materially prejudicing) the outcome of the applicable claim; or (iv) such Indemnified Party shall have been advised by counsel that a conflict of interest is likely to or may exist between the applicable Indemnifying Party and Indemnified Party or that there may be one or more different or additional defenses, claims, counterclaims or causes of action available to such Indemnified Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and the reasonable fees and expenses of separate counsel shall be at the expense of the Indemnifying Party). It being understood, however, that the Indemnifying Party shall not, in connection with any one such Proceeding (including separate Proceedings that have been or will be consolidated before a single judge) be liable for the fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties, which firm shall be appointed by a majority of the Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

All reasonable fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section) shall be paid to the Indemnified Party, as incurred, within 20 Trading Days of written notice thereof to the Indemnifying Party (regardless of whether it is ultimately determined that an Indemnified Party is not entitled to indemnification hereunder; provided, that the Indemnifying Party may require such Indemnified Party to undertake to reimburse all such fees and expenses to the extent it is finally judicially determined (not subject to appeal) that such Indemnified Party is not entitled to indemnification hereunder).

(d) Contribution. If a claim for indemnification under Section 5.4(a) or (b) is unavailable to an Indemnified Party (by reason of public policy or otherwise), then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in Section 5.4(c), any reasonable attorneys' or other reasonable fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5.4(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5.4(d), no Purchaser shall be required to contribute, in the aggregate, any amount in excess of the amount by which the proceeds actually received by such Purchaser from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. 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 indemnity and contribution agreements contained in this Section are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties, including pursuant to Section 6.6 hereof.

5.5 Dispositions. Each Purchaser agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with sales of Registrable Securities pursuant to the Registration Statement and shall sell its Registrable Securities that it sells pursuant to the Registration Statement in accordance

with the Plan of Distribution set forth in the Prospectus. Each Purchaser further agrees that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 5.2(c)(iii)-(vi), such Purchaser will discontinue disposition of such Registrable Securities under the Registration Statement until such Purchaser is advised in writing by the Company that the use of the Prospectus, or amended Prospectus, as applicable, may be used. The Company may provide appropriate stop orders to enforce the provisions of this paragraph. Each Purchaser, severally and not jointly with the other Purchasers, agrees that the removal of the restrictive legend from certificated or uncertificated Shares as set forth in Section 6.1 is predicated upon the Company's reliance that the Purchaser will comply with the provisions of this subsection.

5.6 No Piggyback on Registrations. Neither the Company nor any of its security holders (other than the Purchasers in such capacity pursuant hereto) may include securities of the Company in the Registration Statement other than the Registrable Securities. The Company shall not file any other registration statements, other than any registration statements on Form S-4 or Form S-8 (each as promulgated under the Securities Act), prior to the Effective Date of the Initial Registration Statement, *provided* that this Section 5.6 shall not prohibit the Company from filing amendments to registration statements filed prior to the date of this Agreement.

5.7 Amendments; Waivers. Notwithstanding anything in this Agreement to the contrary, the provisions of this ARTICLE 5 may be amended or waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely), with the written consent of (i) the Company and (ii) the Purchaser or Purchasers holding at least a majority of the then outstanding Registrable Securities. Notwithstanding the foregoing, a waiver or consent to depart from the provisions of this ARTICLE 5 with respect to a matter that relates exclusively to the rights of Purchasers and that does not directly or indirectly affect the rights of other Purchasers may be given by Purchasers of all of the Registrable Securities to which such waiver or consent relates; provided, however, that the provisions of this sentence may not be amended, modified or supplemented except in accordance with the provisions of the immediately preceding sentence.

ARTICLE 6
OTHER AGREEMENTS OF THE PARTIES

6.1 Transfer Restrictions.

(a) The Shares may only be disposed of in compliance with state and federal securities laws, and each Purchaser agrees that it will sell, transfer or otherwise dispose of the Shares only in compliance with all applicable state and federal securities laws, and, as applicable, in accordance with the requirements of Section 5.5 hereof. In connection with any transfer of Shares other than pursuant to an effective registration statement under the Securities Act or Rule 144, to the Company or to an Affiliate of a Purchaser, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Shares under the Securities Act.

(b) The Purchasers agree to the imprinting, so long as is required by this Section 6.1, of a legend on any of the Shares, whether in certificated or uncertificated form, in substantially the following forms, as applicable:

THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT EXCEPT PURSUANT TO A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE ACT

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S), AS PROVIDED IN THE BYLAWS OF THE CORPORATION.

In addition, if any Purchaser is an Affiliate of the Company, the Shares issued to such Purchaser shall bear a customary "affiliates" legend.

(c) Instruments, whether certificated or uncertificated, evidencing the Shares shall not contain any legend (including the legends set forth in Section 6.1(b) hereof), (i) while a registration statement (including the Registration Statement) covering the resale of such Shares is effective under the Securities Act, (ii) if such Shares are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such Shares and without volume or manner-of-sale restrictions, (iii) following any sale of such Shares pursuant to Rule 144 or (iv) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission) or otherwise. Upon request by any Purchaser, following such time as a legend is no longer required under this Section 6.1(c), the Company shall cause its counsel to issue a legal opinion to the Transfer Agent (if required by the Transfer Agent) to effect the removal of the legend hereunder from any Shares. The Company agrees that following such time as a legend is no longer required under this Section 6.1(c), no later than three Trading Days following the delivery by a Purchaser to the Company of all of (i) an instrument, whether certificated or uncertificated, representing the Shares issued with a restrictive legend, (ii) a written request addressed to the Company that such restrictive legend be removed, and (iii) customary broker and representation letters in form and substance reasonably satisfactory to the Company (the date that all of such foregoing information and documentation is delivered to the Company by a Purchaser, the "Removal Request Date" and such third Trading Day thereafter, the "Legend Removal Date"), the Company will deliver or cause to be delivered to such Purchaser an instrument, certificated or uncertificated as directed by such Purchaser, representing such Shares that is free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 6.1(c). Shares subject to legend removal hereunder shall, unless otherwise directed by a Purchaser, be transmitted by the Transfer Agent to the Purchaser by crediting the account of the Purchaser's prime broker with the Depository Trust Company System as directed by such Purchaser.

(d) In addition to a Purchaser's other available remedies, if the Company shall fail for any reason (other than failure of such Purchaser to comply with the provisions set forth in Section 6.1) to deliver any Shares without a restrictive legend by the Legend Removal Date, and if on or after the Legend Removal Date such Purchaser purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Purchaser of any portion of such Shares that such Purchaser anticipated receiving without legend by the Legend Removal Date (a "Buy-In"), then the Company shall, within two (2) Trading Days after such Purchaser's request and in such Purchaser's discretion, either: (i) pay cash to such Purchaser in an amount equal to such Purchaser's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased by such Purchaser (the "Buy-In Price"), at which point the Company's obligation to deliver such unlegended Shares shall terminate, or (ii) promptly honor its obligation to deliver to such Purchaser such unlegended Shares as provided above and pay cash to such Purchaser in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of Shares, times (B) the Fair Market Value of one share of Common Stock as of the Removal Request Date.

6.2 Furnishing of Information; Public Information. In order to enable the Purchasers to sell Shares under Rule 144, for a period of one year from the effective date of the Company's Initial Registration Statement, the Company covenants to use commercially reasonable efforts to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports that would be required to be filed by the Company after the effective date of the Company's Initial Registration Statement pursuant to Section 13(a) or 15(d) of the Exchange Act. During such one year period, if the Company is not required to file reports pursuant to Section 13(a) or 15(d) of the Exchange Act, it will prepare and furnish to the Holders and make publicly available in accordance with Rule 144(c) promulgated under the Securities Act annual and quarterly financial statements, together with a discussion and analysis of such financial statements in form and substance substantially similar to those that would otherwise be required to be included in reports required by Section 13(a) or 15(d) of the Exchange Act, as well as any other information required thereby, in the time period that such filings would have been required to have been made under the Exchange Act.

6.3 Use of Proceeds. The Company shall use the net proceeds from the sale of the Shares hereunder for funding research and development and its other operations, or for working capital and other general corporate purposes, and shall not use any such proceeds in violation of FCPA or OFAC regulations. For clarity, the net proceeds will not be used to repurchase existing stockholder shares or to pay down non-revolving debt.

6.4 Indemnification of Purchasers. Subject to the provisions of this Section 6.4, the Company will indemnify and hold each Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling Persons (each, a "Purchaser Party") harmless from any and all Losses that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents or (b) any action instituted against the Purchaser Parties in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser Parties, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is found by a court of competent jurisdiction in a final, non-appealable decision to be based upon a breach of such Purchaser Party's representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser Parties may have with any such stockholder or any violations by such Purchaser Parties of state or federal securities laws or any conduct by such Purchaser Parties which constitutes fraud, gross negligence, willful misconduct or malfeasance of such Purchaser Party). If any action shall be brought against any Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. Any Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel reasonably acceptable to such Purchaser Party or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to any Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is found by a court of competent jurisdiction in a final, non-appealable decision to be attributable to any Purchaser Party's breach of any of the representations, warranties, covenants or agreements made by such Purchaser Party in this Agreement or in the other Transaction Documents. No Purchaser shall be liable for the indemnification obligations of any other Purchaser and no Purchaser's liability shall exceed the purchase price paid for the Shares pursuant to this Agreement. The indemnification required by this Section 6.4 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Purchaser Party against the Company or others and any liabilities the Company may be subject to pursuant to law.

6.5 Reservation of Common Stock. The Company has reserved and the Company shall continue to reserve and keep available at all times, free of preemptive rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to issue the Shares pursuant to this Agreement (the "Required Minimum"). If, on any date, the number of authorized but unissued (and otherwise unreserved) shares of Common Stock is less than the Required Minimum on such date, then, not later than the Company's next annual meeting of stockholders occurring on or after the 60th day following such date, the Board of Directors shall use commercially reasonable efforts to amend the Company's certificate of incorporation to increase the number of authorized but unissued shares of Common Stock to at least the Required Minimum at such time.

6.6 Listing of Common Stock; Uplisting to The NASDAQ Capital Market. The Company will use its commercially reasonable efforts to effect the quotation of its Common Stock on the OTC and will comply in all material respects with the Company's reporting, filing and other obligations under the bylaws or rules of the applicable OTC trading market, and will use its commercially reasonable efforts to effect an uplisting to NASDAQ as soon as reasonably practicable. In addition, the Purchasers and the Company agree to cooperate in good faith, if

necessary, to restructure the transactions contemplated by the Transaction Documents such that they do not contravene the rules and regulations of the Principal Trading Market; provided, however, that such restructuring does not impact the economic interests of the Purchasers contemplated by the Transaction Documents. Each Purchaser agrees to provide information reasonably requested by the Company to comply with this Section 6.6. The provisions of this Section 6.6 shall terminate and be of no further force and effect upon the expiration of the Effectiveness Period.

6.7 Equal Treatment of Purchasers. No consideration (including any modification of any Transaction Document) shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration is also offered to all of the parties to this Agreement. For clarification purposes, this provision constitutes a separate right granted to each Purchaser by the Company and negotiated separately by each Purchaser, and is intended for the Company to treat the Purchasers as a class and shall not in any way be construed as the Purchasers acting in concert or as a group with respect to the purchase, disposition or voting of Shares or otherwise.

6.8 Form D; Blue Sky Filings. The Company agrees to timely file a Form D with respect to the Shares as required under Regulation D and to provide a copy thereof, promptly upon request of any Purchaser. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Shares for, sale to the Purchasers at the Closing under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of any Purchaser. Each Purchaser shall provide any information reasonably requested by the Company to comply with this Section 6.18.

6.9 Acknowledgment Regarding Purchaser's Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding (except for Section 4.3), it is understood and acknowledged by the Company that: (i) none of the Purchasers has been asked by the Company to agree, nor has any Purchaser agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Shares for any specified term, (ii) past or future open market or other transactions by any Purchaser, specifically including, without limitation, Short Sales or "derivative" transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company's publicly-traded securities, (iii) any Purchaser, and counter-parties in "derivative" transactions to which any such Purchaser is a party, directly or indirectly, may presently have a "short" position in the Common Stock and (iv) each Purchaser shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) one or more Purchasers may engage in hedging activities at various times during the period that the Shares are outstanding, and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are being conducted. Except as contemplated by Section 4.3 hereof, Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

6.10 Other Actions. Except as otherwise set forth in this Agreement, from the date of this Agreement until the earlier to occur of the Closing or the termination of this Agreement in accordance with the terms hereof, the Company and the Purchasers shall not, and shall not permit any of their respective Affiliates to, take, or agree or commit to take, any action that would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the consummation of the transactions contemplated by this Agreement.

ARTICLE 7
MISCELLANEOUS

7.1 Fees and Expenses. Except as set forth in Section 5.3, the parties hereto shall pay their own costs and expenses in connection herewith, including all attorneys' fees.

7.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules; provided, however, that any nondisclosure or

confidentiality agreement previously entered into between the Company and any Purchaser(s) shall remain in full force and effect. At or after the Closing, and without further consideration, the Company will execute and deliver to the Purchasers, and the Purchasers will execute and deliver to the Company, such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under the Transaction Documents.

7.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number or by electronic mail at the email address set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number or by electronic mail at the email address set forth on Exhibit A attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (c) the second (2nd) Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

(i) if to the Company, to Sonim Technologies, Inc., 1875 South Grant Street, Suite 750, San Mateo, California, Attention: Chief Executive Officer, (facsimile: (650) 378-8109), with a copy to Cooley LLP, 3175 Hanover Street, Palo Alto, California 94304 (facsimile: (650) 849-7400), Attention: Jon E. Gavenman; and

(ii) if to the Purchasers, to their respective addresses as set forth on Exhibit A attached hereto.

7.4 Amendments; Waivers. Subject to the provisions of Section 5.7, no provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Principal Purchasers or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought, provided, however, that any proposed amendment or waiver that disproportionately, materially and adversely affects the rights and obligations of any Purchaser relative to the comparable rights and obligations of the other Purchasers shall require the prior written consent of such adversely affected Purchaser. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right. Any amendment effected in accordance with accordance with this Section 7.4 shall be binding upon each Purchaser and the Company.

7.5 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

7.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Purchaser. With the consent of the Company which will not be unreasonably withheld, any Purchaser may assign any or all of its rights under this Agreement to any Person to whom such Purchaser assigns or transfers any Shares, provided, that a Purchaser may assign any or all rights under this Agreement to an Affiliate of such Purchaser without the consent of the Company, and provided, further: (i) such transferor agrees in writing with the transferee or assignee to assign such rights, and a copy of such agreement is furnished to the Company after such assignment; (ii) the Company is furnished with written notice of (x) the name and address of such transferee or assignee and (y) if the transferor is assigning any registration rights under ARTICLE 5 hereof, the Registrable Securities with respect to which such registration rights are being transferred or assigned; (iii) following such transfer or assignment, the further disposition of such securities by the transferee or assignee is restricted under the Securities Act and applicable state securities laws, unless such disposition was made pursuant to an effective registration statement or an exemption under Rule 144 under the Securities Act; (iv) such transferee agrees in writing to be bound, with respect to the transferred Shares, by the provisions of the Transaction Documents that apply to the "Purchasers" including, without limitation, all of representations, warranties and agreements set forth in ARTICLE 4 hereof; and (v) such transfer shall have been made in accordance with the applicable requirements of this Agreement and with all laws applicable thereto.

7.7 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in Sections 5.4 and 6.4 and this Section 7.7. In addition, the Placement Agent shall be an intended third party beneficiary of (i) the Company's representations and warranties set forth in ARTICLE 3 hereof and (ii) each Purchaser's representations, warranties and agreements set forth in ARTICLE 4 hereof, including Section 4.8 hereof.

7.8 Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York without regard to the choice of law principles thereof. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the state and federal courts located in the State of New York for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Agreement and the transactions contemplated hereby. Service of process in connection with any such suit, action or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Agreement. Each of the parties hereto irrevocably consents to the jurisdiction of any such court in any such suit, action or proceeding and to the laying of venue in such court. Each party hereto irrevocably waives any objection to the laying of venue of any such suit, action or proceeding brought in such courts and irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. If any party hereto shall commence an Action or Proceeding to enforce any provisions of the Transaction Documents, then, the prevailing party in such Action or Proceeding shall be reimbursed by the non-prevailing party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such Action or Proceeding.

7.9 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.**

7.10 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Shares.

7.11 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

7.12 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

7.13 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

7.14 Replacement of Shares. If any certificate or instrument evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Shares.

7.15 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

7.16 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance or non-performance of the obligations of any other Purchaser under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Purchaser pursuant hereof or thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in its review and negotiation of the Transaction Documents. The Company has elected to provide all Purchasers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any of the Purchasers.

7.17 Adjustments in Share Numbers and Prices. In the event of any stock split, subdivision, dividend or distribution payable in shares of Common Stock (or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly shares of Common Stock), combination or other similar recapitalization or event occurring after the date hereof, each reference in any Transaction Document to a number of shares or a price per share shall be deemed to be amended to appropriately account for such event.

7.18 Liquidated Damages. The Company's obligations to pay any partial liquidated damages or other amounts owing under the Transaction Documents is a continuing obligation of the Company and shall not terminate until all unpaid partial liquidated damages and other amounts have been paid notwithstanding the fact that the instrument or security pursuant to which such partial liquidated damages or other amounts are due and payable shall have been canceled.

7.19 Waiver of Conflicts. Each party to this Agreement acknowledges that Cooley LLP ("Cooley"), outside general counsel to the Company, has in the past performed and is or may now or in the future represent one or more Purchasers or their affiliates in matters unrelated to the transactions contemplated by this Agreement (the "Offering"), including representation of such Purchasers or their affiliates in matters of a similar nature to the Offering. The applicable rules of professional conduct require that Cooley inform the parties hereunder of this representation and obtain their consent. Cooley has served as outside general counsel to the Company and has negotiated the terms of the Offering solely on behalf of the Company. The Company and each Purchaser hereby (a) acknowledge that they have had an opportunity to ask for and have obtained information relevant to such representation, including disclosure of the reasonably foreseeable adverse consequences of such representation; (b) acknowledge that with respect to the Offering, Cooley has represented solely the Company, and not any Purchaser or any stockholder, director or employee of the Company or any Purchaser; and (c) gives its informed consent to Cooley's representation of the Company in the Offering.

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

SONIM TECHNOLOGIES, INC.

By: /s/ Bob Plaschke
Name: Bob Plaschke
Title: Chief Executive Officer

[Signature Page to Securities Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

NOKOMIS CAPITAL MASTER FUND, LP

By: /s/ Brett Hendrickson
Name: Brett Hendrickson
Title: Portfolio Manager

Address for Notice:
2305 Cedar Springs Rd.
Suite 420
Dallas, TX 75201
Telephone No.:
Facsimile No.:
E-mail Address:

Attention: S. Kitty

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

B. RILEY FINANCIAL, INC.

By: /s/ Kenny Young
Name: Kenny Young
Title: President

Address for Notice:
21255 Burbank Blvd.
Suite 400
Woodland Hills, CA 91367
Telephone No.: 818-884-3737
Facsimile No.:
E-mail Address: kyoung@brileyfin.com
Attention: Kenny Young

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

BRC PARTNERS OPPORTUNITY FUND, LP

By: /s/ John Fichthorn
Name: John Fichthorn
Title: Head of Alternatives

Address for Notice:
119 Rowayton Avenue
2nd Floor
Norwalk, CT 06853
Telephone No.: 212-230-3230
Facsimile No.: 212-230-3245
E-mail Address: jfichthorn@brileyalts.com
Attention: John Fichthorn

[Signature Page to Securities Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

LLOYD I. MILLER, III TRUST A-4

By: /s/ Neil Subin
Name: Neil Subin
Title: Manager, Milfam LLC, Investment Advisor

Address for Notice:
3300 S. Dixie Hwy #1-365
West Palm Beach, FL 33405
Telephone No.: 561-612-4650
Facsimile No.:
E-mail Address: neil@limadvisory.com
Attention: cc: Jon Marcus
jon@limadvisory.com
561-612-4645

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

BRIAN POTIKER REVOCABLE TRUST UAD 8/7/96

By: /s/ Brian Potiker
Name: Brian Potiker
Title: Trustee

Address for Notice:
c/o HSP Group, LLC
433 N. Camden Drive, Suite 810
Beverly Hills, CA 90210
Telephone No.: 310-271-4381
Facsimile No.: 310-271-4379
E-mail Address: bpotiker@hspgroupllc.com
Attention: Brian Potiker

[Signature Page to Securities Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

J. SCOTT LIOLIOS

/s/ J. Scott Liolios
(Signature)

Address for Notice:
4685 MacArthur Court, #400
Newport Beach, CA 92660
Telephone No.: 949-574-3860
Facsimile No.: 949-574-3870
E-mail Address: scott@liolios.com
Attention: Scott Liolios

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

WILMOT LIVING TRUST, U/D/T DATED APRIL 18, 1995

By: /s/ Robert and Mary Wilmot
Name: Robert and Mary Wilmot
Title: Trustees

Address for Notice:
10990 Northcote Place
Nevada City, CA 95959
Telephone No.: 530-265-4834
Facsimile No.: 530-265-4834
E-mail Address: robb_wilmot@sbcglobal.net
Attention:

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

JOHN C. SCARISBRICK

/s/ John C. Scarisbrick
(Signature)

Address for Notice:
67 N. Hancock St.
Lexington, MA 02420
Telephone No.:
Facsimile No.:
E-mail Address:
Attention:

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

VEDOSO HOLDINGS LIMITED

By: /s/ Franck Ullmann Hamon
Name: Franck Ullmann Hamon
Title: CEO

Address for Notice:
39 Avenue Pierre
Premier Dr Serbie
75008 Paris
Telephone No.: +33156520025
Facsimile No.: +33156520027
E-mail Address: ullmann@verdoso.com
Attention: Sylvie Leblay

[Signature Page to Securities Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

CIABATTONI LIVING TRUST

By: /s/ Anthony J. Ciabattoni
Name: Anthony J. Ciabattoni
Title: TTEE

Address for Notice:
16 Lagunita Drive
Laguna Beach, CA 92651
Telephone No.: 949-497-8888
Facsimile No.:
E-mail Address: sulmare@cox.net
Attention:

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

PARK WEST PARTNERS INTERNATIONAL LIMITED

By: Park West Asset Management LLC
Title: Investment Manager

By: /s/ Grace Jimenez
Name: Grace Jimenez
Title: Chief Financial Officer

Address for Notice:
c/o Park West Asset Management LLC
900 Larkspur Landing Circle, Suite 165
Larkspur, CA 94939
Telephone No.: 415-524-2900
Facsimile No.: 415-524-2942
E-mail Address: operations@parkwestllc.com
Attention: Jacia Monaco

[Signature Page to Securities Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

PARK WEST INVESTORS MASTER FUND, LIMITED

By: Park West Asset Management LLC
Title: Investment Manager

By: /s/ Grace Jimenez
Name: Grace Jimenez
Title: Chief Financial Officer

Address for Notice:
c/o Park West Asset Management LLC
900 Larkspur Landing Circle, Suite 165
Larkspur, CA 94939
Telephone No.: 415-524-2900
Facsimile No.: 415-524-2942
E-mail Address: operations@parkwestllc.com
Attention: Jacia Monaco

[Signature Page to Securities Purchase Agreement]

EXHIBIT A
SCHEDULE OF PURCHASERS

Initial Closing: November 2, 2018

Name of Purchaser and Address/Contact Information	**Shares Purchased**	**Aggregate Share Purchase Price**
Nokomis Capital Master Fund, LP 2305 Cedar Springs Rd., Suite 420 Dallas, TX 75201	696,378	$ 4,999,994.04
B. Riley Financial, Inc. 21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367 Attn: Kenny Young, President	240,377	$ 1,725,906.86
BRC Partners Opportunity Fund, LP 119 Rowayton Avenue, 2nd Floor Norwalk, CT 06853 Attn: John Fichthorn, Head of Alternatives	115,034	$ 825,944.12
Lloyd I. Miller, III Trust A-4 3300 S. Dixie Hwy #1-365 West Palm Beach, FL 33405 Attn: Neil Subin, Manager, Milfam LLC, Investment Advisor	115,034	$ 825,944.12
TOTAL:	***1,166,823***	***$ 8,377,789.14***

EXHIBIT A (Cont'd)
SCHEDULE OF PURCHASERS

Additional Closing: December 7, 2018

Name of Purchaser and Address/Contact Information	Shares Purchased	Aggregate Share Purchase Price
Brian Potiker Revocable Trust UAD 8/7/96 c/o HSP Group, LLC 433 N. Camden Drive Beverly Hills, CA 90210	3,544	$ 25,445.92
John C. Scarisbrick 67 N Hancock St Lexington, MA 02420	16,208	$ 116,373.44
Wilmot Living Trust, U/D/T dated April 18, 1995 Attn: Robert and Mary Wilmot, Trustees 10990 Northcote Place Nevada City, CA 95959	14,693	$ 105,495.74
J. Scott Liolios 4658 MacArthur Court, #400 Newport Beach, CA 92660	13,927	$ 99,995.86
TOTAL:	***48,372***	***$ 347,310.96***

EXHIBIT A (Cont'd)
SCHEDULE OF PURCHASERS

Additional Closing: December 12, 2018

Name of Purchaser and Address/Contact Information	Shares Purchased	Aggregate Share Purchase Price
Verdoso Holdings Limited 26 rue Glesener L 1630 Luxembourg	55,710	$ 399,997.80
TOTAL:	***55,710***	***$ 399,997.80***

EXHIBIT A (Cont'd)
SCHEDULE OF PURCHASERS

Additional Closing: January 18, 2019

Name of Purchaser and Address/Contact Information	**Shares Purchased**	**Aggregate Share Purchase Price**
Ciabattoni Living Trust Attn: Anthony J. Ciabattoni, Trustee 16 Lagunita Drive Laguna Beach, CA 92651	4,788	$ 34,381.00
Park West Investors Master Fund, Limited c/o Park West Asset Management LLC 900 Larkspur Landing Circle, Suite 165 Larkspur, CA 94939	201,448	$ 1,446,396.64
Park West Partners International, Limited c/o Park West Asset Management LLC 900 Larkspur Landing Circle, Suite 165 Larkspur, CA 94939	21,392	$ 153,594.56
TOTAL:	***227,628***	***$ 1,634,372.20***

EXHIBIT B

STOCK REGISTRATION QUESTIONNAIRE

Pursuant to Section 2.4 of the Agreement, please provide us with the following information:

The exact name that the Shares are to be registered in (this is the name that will appear on the common stock certificate(s) or Direct Registration System advice(s)):	_____
The relationship between the Purchaser of the Shares and the Registered Purchaser listed in response to Item 1 above:	_____
The mailing address, telephone and telecopy number of the Registered Purchaser listed in response to Item 1 above:	_____
	_____
	_____
	_____
	_____
The Tax Identification Number (or, if an individual, the Social Security Number) of the Registered Purchaser listed in response to Item 1 above:	_____
[TRANSFER AGENT] Account Number of the Registered Purchaser listed in response to Item 1 above (indicate none if such Registered Purchaser does not yet have one):	_____
Form of delivery of Shares:	Stock certificate(s): ☐ ☐ Electronic book-entry in the Direct Registration System: ☐ ☐

EXHIBIT C

FORM OF LEGAL OPINION

EXHIBIT D

ACCREDITED INVESTOR QUALIFICATION QUESTIONNAIRE

INVESTOR SUITABILITY QUESTIONNAIRE
SONIM TECHNOLOGIES, INC.

This Questionnaire is being distributed to certain individuals and entities which may be offered the opportunity to purchase securities (the ***"Securities"***) of **SONIM TECHNOLOGIES, INC.**, a Delaware corporation (the ***"Company"***). The purpose of this Questionnaire is to assure the Company that all such offers and purchases will meet the standards imposed by the Securities Act of 1933, as amended (the "Act"), and applicable state securities laws.

All answers will be kept confidential. However, by signing this Questionnaire, the undersigned agrees that this information may be provided by the Company to its legal and financial advisors (including Cooley LLP), and the Company and such advisors may rely on the information set forth in this Questionnaire for purposes of complying with all applicable securities laws and may present this Questionnaire to such parties as it reasonably deems appropriate if called upon to establish its compliance with such securities laws. The undersigned represents that **the information contained herein is complete and accurate and will notify the Company of any material change in any of such information prior to the undersigned's investment in the Company.**

FOR INDIVIDUAL INVESTORS

Accredited Investor Certification. The undersigned makes one of the following representations regarding its income or net worth and certain related matters ***and has checked the applicable representation:***

☐ The undersigned's income[1] during each of the last two years exceeded $200,000 or, if the undersigned is married, the joint income of the undersigned and the undersigned's spouse during each of the last two years exceed $300,000, and the undersigned reasonably expects the undersigned's income, from all sources during this year, will exceed $200,000 or, if the undersigned is married, the joint income of undersigned and the undersigned's spouse from all sources during this year will exceed $300,000.

☐ The undersigned's net worth[2], including the net worth of the undersigned's spouse, is in excess of $1,000,000 (excluding the value of the undersigned's primary residence).

☐ The undersigned cannot make any of the representations set forth above.

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1 For purposes of this Questionnaire, ***"income"*** means adjusted gross income, as reported for federal income tax purposes, increased by the following amounts: (a) the amount of any tax exempt interest income received, (b) the amount of losses claimed as a limited partner in a limited partnership, (c) any deduction claimed for depletion, (d) amounts contributed to an IRA or Keogh retirement plan, (e) alimony paid, and (f) any amounts by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Internal Revenue Code.

2 For purposes of this Questionnaire, ***"net worth"*** means the excess of total assets, excluding your primary residence, at fair market value over total liabilities, including your mortgage or any other liability secured by your primary residence only if and to the extent that it exceeds the value of your primary residence. Net worth should include the value of any other shares of stock or options held by you and your spouse and any personal property owned by you or your spouse (e.*g.* furniture, jewelry, other valuables, etc.).

FOR ENTITY INVESTORS

Accredited Investor Certification. The undersigned makes one of the following representations regarding its net worth and certain related matters***and has checked the applicable representation:***

☐ The undersigned is a trust with total assets in excess of $5,000,000 whose purchase is directed by a person with such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.

☐ The undersigned is a bank, insurance company, investment company registered under the United States Investment Company Act of 1940, as amended (the "Companies Act"), a broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended, a business development company, a Small Business Investment Company licensed by the United States Small Business Administration, a plan with total assets in excess of $5,000,000 established and maintained by a state for the benefit of its employees, or a private business development company as defined in Section 202(a)(22) of the United States Investment Advisers Act of 1940, as amended.

☐ The undersigned is an employee benefit plan and *either* all investment decisions are made by a bank, savings and loan association, insurance company, or registered investment advisor, or the undersigned has total assets in excess of $5,000,000 or, if such plan is a self-directed plan, investment decisions are made solely by persons who are accredited investors.

☐ The undersigned is a corporation, limited liability company, partnership, business trust, not formed for the purpose of acquiring the Securities, or an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), in each case with total assets in excess of $5,000,000.

☐ The undersigned is an entity in which all of the equity owners (in the case of a revocable living trust, its grantor(s)) qualify under any of the above subparagraphs, or, if an individual, each such individual has a net worth,[2] either individually or upon a joint basis with such individual's spouse, in excess of $1,000,000 (within the meaning of such terms as used in the definition of "***accredited investor"*** contained in Rule 501 under the Securities Act), *or* has had an individual income[1] in excess of $200,000 for each of the two most recent years, or a joint income with such individual's spouse in excess of $300,000 in each of those years, and has a reasonable expectation of reaching the same income level in the current year.

☐ The undersigned cannot make any of the representations set forth above.

IN WITNESS WHEREOF, the undersigned has executed this Investor Suitability Questionnaire as of the date written below.

Name of Investor

(Signature)

Name of Signing Party (Please Print)

Title of Signing Party (Please Print)

Date Signed

EXHIBIT E

BAD ACTOR QUESTIONNAIRE

CONFIDENTIAL
Rule 506 Disqualification Event Questionnaire

COMPLETED ON BEHALF OF: _____

This Questionnaire is being furnished to you to obtain information in connection with a potential offering (the ***"Offering"***) of securities under Rule 506 of the Securities Act of 1933, as amended (the ***"Securities Act"***). As used in this Questionnaire, "you" also refers to any entity on whose behalf you are responding.

Please review Exhibit A and confirm that you can make all of the statements on behalf of yourself, as well as any entity that you control, directly or indirectly. If you cannot make one or more of the statements, please contact us to provide details. If you have doubts regarding whether you can make all of the statements, please contact us.

By completing and signing this Questionnaire, you also indicate: (i) your consent for Cooley LLP and its clients to rely upon the information provided; (ii) your agreement to promptly notify Cooley LLP and the applicable issuer of securities of any changes in information provided that occurs after the date you sign this Questionnaire and prior to the applicable offering of securities; and (iii) your confirmation that the statements on Exhibit A are true and correct, to the best of your knowledge, information and belief after a reasonable investigation, as of the date you sign this Questionnaire, as they pertain to you and to any entity that you control.[3]

Please return this Questionnaire to Cooley LLP, Attn: Alla Kagan, bye-mail to akagan@cooley.com. If you have any questions with respect to these matters, please call Alla at +1 650 843 5998.

The statements on Exhibit A are true and correct to the best of my knowledge, information and belief after a reasonable investigation as of the date below.

_____ _____

Date Signature

_____

Name

Address:

[3] While the SEC has not provided specific guidance as to what they mean by "control" in this context, in other contexts the SEC has determined that *control* means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

EXHIBIT A

Criminal Convictions.

You have not been convicted, within ten years before the sale of the securities (or five years, in the case of issuers, their predecessors and affiliated issuers[4]), of any felony or misdemeanor:

- in connection with the purchase or sale of any security;
- involving the making of any false filing with the Securities Exchange Commission (the "***SEC***"); or
- arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities.

Court Orders, Injunctions and Decrees.

You are not subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the sale of the securities, that, at the time of such sale, restrains or enjoins you from engaging or continuing to engage in any conduct or practice:

- in connection with the purchase or sale of any security;
- involving the making of any false filing with the SEC; or
- arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.

Final Orders from Specified State or Federal Regulators.

You are not subject to a final order[5] of a state securities commission (or an agency of officer of a state performing similar functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing similar functions); an appropriate federal banking agency; the Commodity Futures Trading Commission; or the National Credit Union Administration that:

- at the time of the sale of the securities, bars you from:
  - association with an entity regulated by such commission, authority, agency or officer;
  - engaging in the business of securities, insurance or banking; or
  - engaging in savings association or credit union activities; or
- constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before the sale of the securities.

SEC Disciplinary Orders.

You are not subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934, as amended (the ***"Exchange Act"***) or section 203(e) or 203(f) of the Investment Advisers Act of 1940, as amended (the***"Advisers Act"***) that, at the time of the sale of the securities:

- suspends or revokes your registration as a broker, dealer, municipal securities dealer or investment adviser;
- places limitations on the activities, functions or operations of, or imposes civil money penalties on, such person; or
- bars you from being associated with any entity or from participating in the offering of any penny stock.

SEC Cease and Desist Orders.

You are not subject to any order of the SEC, entered within five years before the sale of the securities, that, at the time of such sale, orders you to cease and desist from committing or causing a future violation of:

- any scienter-based anti-fraud provision of the federal securities laws, including, but not limited to, Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder; or
- Section 5 of the Securities Act.

Suspension or Expulsion from SRO Membership or Association with an SRO Member.

You have not been suspended or expelled from membership in, or suspended or barred from association with a member of, a securities self-regulatory organization (e.g., a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade.

SEC Refusal or Stop Order.

You have not filed (as a registrant or issuer), nor were you named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years before the sale of the securities, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the time of the sale of the securities, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

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4 An *affiliated issuer* is a person or entity that is issuing securities in the Offering (including offerings subject to integration with the Offering under Rule 502(a) of Regulation D) that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Company.

5 A "final order" is a written directive or declaratory statement issued by a federal or state agency described in Rule 506(d)(1)(iii) under the Securities Act of 1933 under applicable statutory authority that provides for notice and an opportunity for a hearing, which constitutes a final disposition or action by that federal or state agency.

U.S. Postal Service False Representation Orders.

You are not subject to a United States Postal Service false representation order entered within five years before the sale of the securities, nor are you, at the time of the sale of the securities, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

Commission-based Solicitors.

You are not aware of any person or entity, other than any person or entity engaged directly by the issuer, entitled (directly or indirectly) to receive any remuneration in connection with this offering other than as identified by you in writing to the issuer's outside corporate counsel within the 20 days prior to the consummation of the offering.

EXHIBIT F

PLAN OF DISTRIBUTION

We are registering the shares of common stock issued to the selling stockholders to permit the resale of these shares of common stock by the selling stockholders from time to time from after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling stockholders of the shares of common stock. We will bear all fees and expenses incident to our obligation to register the shares of common stock.

Each selling stockholder may, from time to time, sell any or all of their shares of common stock covered hereby on The NASDAQ Global Market or any other stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or privately negotiated prices. A selling stockholder may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales, to the extent permitted by law;
- in transactions through broker-dealers that agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The selling stockholders may also sell the shares of common stock under Rule 144 under the Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated, but, except as set forth in a supplement to this prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with FINRA Rule 2440; and in the case of a principal transaction a markup or markdown in compliance with FINRA IM-2440-1.

In connection with the sale of the shares of common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the shares of common stock in the course of hedging the positions they assume. The selling stockholders may also sell the shares of common stock short and deliver these securities to close out their short positions or to return borrowed shares in connection with such short sales, or loan or pledge the shares of common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or create one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares of common stock offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The selling stockholders and any broker-dealers or agents that are involved in selling the shares of common stock may be deemed to be "underwriters" within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such selling stockholders, broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Selling stockholders who are "underwriters" within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act and may be subject to certain statutory liabilities of, including but not limited to, Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Exchange Act. Each selling stockholder has informed us that it is not a registered broker-dealer or an affiliate of a registered broker-dealer. In no event shall any broker-dealer receive fees, commissions and markups which, in the aggregate, would exceed eight percent (8%).

We are required to pay certain fees and expenses incurred by us incident to the registration of the shares. We have agreed to indemnify the selling stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act, and the selling stockholders may be entitled to contribution. We may be indemnified by the selling stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act that may arise from any written information furnished to us by the selling stockholders specifically for use in this prospectus, or we may be entitled to contribution.

The selling stockholders will be subject to the prospectus delivery requirements of the Securities Act including Rule 172 thereunder unless an exemption therefrom is available.

We agreed to cause the registration statement of which this prospectus is a part to remain effective until the earlier to occur of [•] or the date on which all of the shares registered hereby are either sold pursuant to the registration statement or sold or available for resale without restriction under Rule 144 under the Securities Act. The shares of common stock will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the shares of common stock covered hereby may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the shares of common stock may not simultaneously engage in market making activities with respect to the shares of common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the selling stockholders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of shares of common stock by the selling stockholders or any other person. We will make copies of this prospectus available to the selling stockholders and have informed them of the need to deliver a copy of this prospectus at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

There can be no assurance that any selling stockholder will sell any or all of the shares of common stock we registered on behalf of the selling stockholders pursuant to the registration statement of which this prospectus forms a part.

Once sold under the registration statement of which this prospectus forms a part, the shares of common stock will be freely tradable in the hands of persons other than our affiliates.

Exhibit 10.1

SONIM TECHNOLOGIES, INC.

2012 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: NOVEMBER 15, 2012
APPROVED BY THE STOCKHOLDERS: NOVEMBER 20, 2012
TERMINATION DATE: NOVEMBER 14, 2022

1. GENERAL.

(a) Eligible Stock Award Recipients. Employees, Directors and Consultants are eligible to receive Stock Awards.

(b) Available Stock Awards. The Plan provides for the grant of the following types of Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Stock Awards.

(c) Purpose. The Plan, through the granting of Stock Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine (A) who will be granted Stock Awards; (B) when and how each Stock Award will be granted; (C) what type of Stock Award will be granted; (D) the provisions of each Stock Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Stock Award; (E) the number of shares of Common Stock subject to a Stock Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Stock Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which a Stock Award may be exercised or vest (or at which cash or shares of Common Stock may be issued).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or a Stock Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under his or her then-outstanding Stock Award without his or her written consent except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to make the Plan or Stock Awards granted under the Plan compliant with the requirements for Incentive Stock Options or exempt from or compliant with the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. However, if required by applicable law, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Stock Awards available for issuance under the Plan. Except as provided in the Plan (including subsection (viii) below) or a Stock Award Agreement, no amendment of the Plan will impair a Participant's rights under an outstanding Stock Award unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however,* that a Participant's rights under any Stock Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Stock Awards without the affected Participant's consent (A) to maintain the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change

results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Stock Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Stock Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Committee may, at any time, abolish the subcommittee and/or revest in the Committee any powers delegated to the subcommittee. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one (1) or more Officers the authority to do one or both of the following: (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Stock Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; provided, however, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself.

Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. Shares Subject to the Plan.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date will not exceed Twenty-Seven Million Forty Thousand (27,040,000) shares (the ***"Share Reserve"***).

(ii) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be equal to two (2) times the Share Reserve set forth in Section 3(a)(i) above.

(d) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), or (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from or alternatively comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five (5) years from the date of grant.

(c) Consultants. A Consultant will not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or sale of the Company's securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however*, that each Stock Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten (10) years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Stock Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Stock Award if such Stock Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder;*provided, however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Stock Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Award Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (and pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three (3) months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Stock Award Agreement, which period will not be less than thirty (30) days if necessary to comply with applicable laws unless such termination is for Cause) and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement. In addition, unless otherwise provided in a Participant's Stock Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date twelve (12) months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six (6) months if necessary to comply with applicable laws), and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date eighteen (18) months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six (6) months if necessary to comply with applicable laws), and (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is anon-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six (6) months following the date of grant of the Option or SAR (although the Stock Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement, in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier

than six (6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(m), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(m) is not violated, the Company will not be required to exercise its repurchase right until at least six (6) months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase. Subject to the "Repurchase Limitation" in Section 8(m), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal. The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal will be subject to the "Repurchase Limitation" in Section 8(m). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal will otherwise comply with any applicable provisions of the bylaws of the Company.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock underlying a Restricted Stock Award may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Subject to the "Repurchase Limitation" in Section 8(m), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

(c) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than one hundred percent (100%) of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY.

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) Securities Law Compliance. The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however,* that this undertaking will not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of a Stock Award or the subsequent issuance of cash or Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. MISCELLANEOUS.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Stock Award Agreement as a result of a clerical error in the papering of the Stock Award Agreement, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Stock Award Agreement.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to a Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Stock Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to the Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Stock Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Stock Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Stock Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Stock Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds one hundred thousand dollars ($100,000) (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing

the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however*, that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Stock Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award shall incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements shall be interpreted in accordance with Section 409A of the Code.

(l) Compliance with Exemption Provided by Rule 12h-1(f). If at the end of the Company's most recently completed fiscal year: (i) the aggregate of the number of persons who hold outstanding compensatory employee stock options to purchase shares of Common Stock granted pursuant to the Plan or otherwise (such persons, "***Holders of Options***") equals or exceeds five hundred (500), and (ii) the Company's assets exceed $10 million, then the following restrictions will apply during any period during which the Company does not have a class of its securities registered under Section 12 of the Exchange Act and is not required to file reports under Section 15(d) of the Exchange Act: (A) the Options and, prior to exercise, the shares of Common Stock to be issued on exercise of the Options may not be transferred until the Company is no longer relying on the exemption provided by Rule 12h-1(f) promulgated under the Exchange Act ("***Rule 12h-1(f)***"), except: (1) as permitted by Rule 701(c) promulgated under the Securities Act, (2) to a guardian upon the disability of the Holder of Options, or (3) to an executor upon the death of the Holder of Options (collectively, the "***Permitted Transferees***"); provided, however, the following transfers are permitted: (i) transfers by Holders of Options to the Company, and (ii) transfers in connection with a change of control or other acquisition involving the Company, if following such transaction, the Options no longer remain outstanding and the Company is no longer relying on the exemption provided by Rule 12h-1(f); provided further, that any Permitted Transferees may not further transfer the Options; (B) except as otherwise provided in (A) above, the Options and shares of Common Stock issuable on exercise of the Options are restricted as to any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" as defined by Rule 16a-1(h) promulgated under the Exchange Act, or any "call equivalent position" as defined by Rule 16a-1(b) promulgated under the Exchange Act by Holders of Options prior to exercise of an Option until the Company is no longer relying on the exemption provided by Rule 12h-1(f); and (C) at any time that the Company is relying on the exemption provided by Rule 12h-1(f), the Company will deliver to Holders of Options (whether by physical or electronic delivery or written notice of the availability of the information on an internet site) the information required by Rule 701(e)(3), (4), and (5) promulgated under the Securities Act every six (6) months, including financial statements that are not more than one hundred eighty (180) days old; provided, however, that the Company may condition the delivery of such information upon the Holder of Options' agreement to maintain its confidentiality.

(m) Repurchase Limitation. The terms of any repurchase right will be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock will be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock will be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company will not exercise its repurchase right until at least six (6) months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of
securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however,* that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the Stock Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five (5) days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; provided, however, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction, which exercise is contingent upon the effectiveness of such Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero ($0) if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Common Stock in connection with the Corporate Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. PLAN TERM; EARLIER TERMINATION OR SUSPENSION OF THE PLAN.

(a) Plan Term. The Board may suspend or terminate the Plan at any time. Unless terminated sooner by the Board, the Plan will automatically terminate on the day before the tenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) No Impairment of Rights. Suspension or termination of the Plan will not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. EFFECTIVE DATE OF PLAN.

This Plan will become effective on the Effective Date.

12. CHOICE OF LAW.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Affiliate***" means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) "***Board***" means the Board of Directors of the Company.

(c) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) "***Cause***" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof

or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company will otherwise occur, except for a liquidation into a parent corporation; or

(iv) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided, however,* that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply.

(f) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) "***Committee***" means a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(h) "***Common Stock***" means the common stock of the Company.

(i) "***Company***" means Sonim Technologies, Inc., a Delaware corporation.

(j) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan.

(k) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(l) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least ninety percent (90%) of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(m) "***Director***" means a member of the Board.

(n) "***Disability***" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(o) "***Effective Date***" means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders, and (ii) the date this Plan is adopted by the Board.

(p) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(q) "***Entity***" means a corporation, partnership, limited liability company or other entity.

(r) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(s) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities.

(t) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(u) "***Incentive Stock Option***" means an option granted pursuant to Section 5 of the Plan that is intended to be, and that qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(v) "***Nonstatutory Stock Option***" means any option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(w) "***Officer***" means any person designated by the Company as an officer.

(x) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(y) "***Option Agreement***" means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(z) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(aa) "***Other Stock Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(c).

(bb) "***Other Stock Award Agreement***" means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(cc) "***Own***," "***Owned***," "***Owner***," "***Ownership***" A person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(dd) "***Participant***" means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ee) "***Plan***" means this Sonim Technologies, Inc. 2012 Equity Incentive Plan.

(ff) "***Restricted Stock Award***" means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(gg) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(hh) "***Restricted Stock Unit Award***" means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(ii) "***Restricted Stock Unit Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(jj) "***Rule 405***" means Rule 405 promulgated under the Securities Act.

(kk) "***Rule 701***" means Rule 701 promulgated under the Securities Act.

(ll) "***Securities Act***" means the Securities Act of 1933, as amended.

(mm) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(nn) "***Stock Appreciation Right Agreement***" means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(oo) "***Stock Award***" means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right or any Other Stock Award.

(pp) "***Stock Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(qq) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%) .

(rr) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Affiliate.

NOTICE OF EXERCISE

SONIM TECHNOLOGIES, INC.
1825 SOUTH GRANT STREET, SUITE 200
SAN MATEO, CA 94402
ATTN: STOCK ADMINISTRATOR

Date of Exercise: _____

This constitutes notice to Sonim Technologies, Inc. (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$_____	$_____
Cash payment delivered herewith:	$_____	$_____
[Value of _____Shares delivered herewith[1]:	$_____	$_____]
[Regulation T Program (cashless exercise)[2]:	$_____	$_____]

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the2012 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

1 Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

2 Shares must meet the public trading requirements set forth in the option

I hereby make the following certifications and representations with respect to the number of Shares listed above, which are being acquired by me for my own account upon exercise of the option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and are deemed to constitute "restricted securities" under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge that I will not be able to resell the Shares for at least ninety (90) days after the stock of the Company becomes publicly traded (*i.e.,* subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's Articles of Incorporation, Bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

Very truly yours,

_____

SONIM TECHNOLOGIES, INC.
2012 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Sonim Technologies, Inc. (the "***Company***") has granted you an option under its 2012 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. EXERCISE PRIOR TO VESTING ("EARLY EXERCISE"). If permitted in your Grant Notice (*i.e.*, the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however,* that:

(a) a partial exercise of your option will be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise will be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

(c) you will enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds one hundred thousand dollars ($100,000), your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however,* that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* [if during any part of such three (3) month period, the sale of any Common Stock received upon exercise of your option would violate the Company's insider trading policy, then your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service during which the sale of the Common Stock received upon exercise of your option would not be in violation of the Company's insider trading policy;

(c) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

(d) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or your Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rules or regulation (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 9(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. TRANSFERABILITY. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

12. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company will have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

13. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

15. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

16. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

18. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

19. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

20. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

21. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

* * *

This Option Agreement will be deemed to be signed by you upon the signing by you of the Stock Option Grant Notice to which it is attached.

SONIM TECHNOLOGIES, INC.
STOCK OPTION GRANT NOTICE
(2012 EQUITY INCENTIVE PLAN)

Sonim Technologies, Inc. (the "***Company***"), pursuant to its 2012 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this notice and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant:	☐ Incentive Stock Option[1]	☐ Nonstatutory Stock Option
Exercise Schedule:	☐ Same as Vesting Schedule	☐ Early Exercise Permitted
Vesting Schedule:	**[**One-fourth **(**1/4th) of the shares vest one year after the Vesting Commencement Date; the balance of the shares vest in a series of thirty-six (36) successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date, subject to Optionholder's Continuous Service as of each such date.]	
Payment:	By one or a combination of the following items (described in the Option Agreement):	
	☐ By cash, check, bank draft or money order payable to the Company	
	☐ Pursuant to a Regulation T Program if the shares are publicly traded	
	☐ By delivery of already-owned shares if the shares are publicly traded	

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder, and (ii) the following agreements only. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

OTHER AGREEMENTS: _____

[1] If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first*exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

SONIM TECHNOLOGIES, INC.

By: _____
Signature

Title: _____
Date: _____

_____
OPTIONHOLDER:

_____
Signature

Date: _____

ATTACHMENTS: Option Agreement, 2012 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

ATTACHMENT II

2102 EQUITY INCENTIVE PLAN NAME

ATTACHMENT III

NOTICE OF EXERCISE

LEASE AGREEMENT

This Lease, made this 25th day of May, 2006 between CROSSROADS ASSOCIATES AND CLOCKTOWER ASSOCIATES, hereinafter called Landlord, and SONIM TECHNOLOGIES, INC., a Delaware Corporation, hereinafter called Tenant.

WITNESSETH:

Landlord hereby leases to Tenant and Tenant hereby hires and takes from Landlord those certain premises (the "Premises") outlined in red on Exhibit "A" and designated as "Suite 620" attached hereto and incorporated herein by this reference thereto and more particularly described as follows:

Approximately 3,556 square feet of rentable space (which includes Tenant's prorata share of building common areas) located on the sixth floor of the "Building" located at 1875 South Grant Street, San Mateo, San Mateo County, California. Tenant's Suite Number in the Building shall be 620. The square feet of rentable area within the Premises has been determined by Landlord's architect.

As used herein the Complex shall mean and include all of the land outlined in red and described in Exhibit "B", attached hereto, and all of the buildings, improvements, fixtures and equipment now or hereafter situated on said land.

Said letting and hiring is upon and subject to the terms, covenants and conditions hereinafter set forth and Tenant covenants as a material part of the consideration for this Lease to perform and observe each and all of said terms, covenants and conditions. This Lease is made upon the conditions of such performance and observance.

1. **USE** Tenant shall use the Premises only in conformance with applicable governmental laws, regulations, rules and ordinances for the purpose of General Office uses and for no other purpose. Tenant shall not do or permit to be done in or about the Premises or the Complex nor bring or keep or permit to be brought or kept in or about the Premises or the Complex anything which is prohibited by or will in any way increase the existing rate of (or otherwise affect) fire or any insurance covering the Complex or any part thereof, or any of its contents, or will cause a cancellation of any insurance covering the Complex or any part thereof, or any of its contents. Tenant shall not do or permit to be done anything in, on or about the Premises or the Complex which will in any way obstruct or interfere with the rights of other tenants or occupants of the Complex or injure or annoy them, or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises or the Complex. No sale by auction shall be permitted on the Premises. Tenant shall not place any loads upon the floors, walls, or ceiling, which endanger the structure, or place any harmful fluids or other materials in the drainage system of the building, or overload existing electrical or other mechanical systems. No waste materials or refuse shall be dumped upon or permitted to remain upon any part of the Premises or outside of the building in which the Premises are a part, except in trash containers placed inside exterior enclosures designated by Landlord for that purpose or inside of the building proper where designated by Landlord. No materials, supplies, equipment, finished products or semi-finished products, raw materials or articles of any nature shall be stored upon or permitted to remain outside the Premises or on any portion of common area of the Complex. No loudspeaker or other devise, system or apparatus which can be heard outside the Premises shall be used in or at the Premises without the prior written consent of Landlord. Tenant shall not commit or suffer to be committed any waste in or upon the Premises. Tenant shall indemnify, defend and hold Landlord harmless against any loss, expense, damage, attorney's fees, or liability arising out of failure of Tenant to comply with any applicable law. Tenant shall comply with any covenant, condition, or restriction ("CC&R's") affecting the Premises. The provisions of this paragraph are for the benefit of Landlord only and shall not be construed to be for the benefit of any tenant or occupant of the Complex. Notwithstanding anything in this Lease to the contrary, Tenant shall not be responsible for compliance with any applicable laws or CC&R's affecting the Premises where such compliance would require expenditures or is not related specifically to Tenant's use and occupancy of the Premises.

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2. **TERM**

A. The term of this Lease shall be for a period of Thirteen (13) months (unless sooner terminated as hereinafter provided) and, subject to Paragraph 2(B) shall commence on the 15th day of July, 2006 and end on the 14th day of August, 2007.

Landlord and Tenant hereby acknowledge that the entire 8th floor of the 1875 South Grant Street Building, is currently leased to Oracle USA, Inc., a Colorado Corporation (hereinafter referred to as Oracle), as successor in interest to Siebel Systems, Inc., a Delaware corporation (hereinafter referred to as "Siebel") pursuant to the terms of a Lease Agreement (the "Siebel Lease") dated June 4, 1996 and the First Amendment to Lease Through the Seventeenth Amendment to Lease, all entered into by Siebel, as Tenant, and Crossroads Associates and Clocktower Associates, as Landlord. Tenant is currently in possession of and occupies the eighth floor of the 1875 Building pursuant to the terms of a Sublease Agreement with Oracle with an expiration date of August 7, 2006. Tenant represents and warrants to Landlord that to Tenant's knowledge, there are no facts or circumstances which have arisen or which may arise in the future under or in connection with the Oracle Lease or Tenant's Sublease with Oracle for which Landlord is or may be liable to Tenant. Tenant hereby acknowledges that it is Landlord's intention to make certain renovations and to construct certain improvements on the 8th floor of the 1875 Building during the term of Tenant's Sublease with Oracle. The improvements and renovations include, but are not limited to, the renovation of the elevator lobby, construction of a loop corridor, and the installation of private offices and other rooms such as server rooms and storage rooms and kitchens.To accommodate such construction, Tenant agrees to relocate Tenant's personnel from June 15, 2006 through July 14, 2006 to the area generally designated as Suite 850 on Exhibit C. Landlord hereby agrees to use good construction practices to allow Tenant to conduct Tenant's business during the construction period and to safeguard Tenant's personnel and equipment. Landlord shall use best efforts to minimize the disruption to Tenant and to diligently prosecute improvements and renovations to completion. In turn, Tenant agrees to accommodate Landlord's construction and to cooperate in the scheduling of the work.

B. Possession of the Premises shall be deemed tendered and the term of this Lease shall commence on July 15, 2006. Upon the full execution of this Lease Agreement, Tenant shall have early access to the Premises prior to July 15, 2006 for the installation of furniture, telephone and computer related equipment subject to all the terms and conditions of the Lease excluding the payment of Basic Rent and Additional Rent. In the event Tenant's installation of furniture, telephone and computer related equipment is completed prior to July 15, 2006, Tenant is herein granted the right to occupy the Premises early with operating personnel subject to all the terms and conditions of the Lease. During this early occupancy, Tenant will only be responsible for the payment of Additional Rent prior to July 15, 2006. In the event Tenant occupies the Premises early, as provided for herein, nevertheless the commencement date of the Lease shall remain July 15, 2006.

3. **DELETED**

4. **RENT**

A. **Basic Rent.** Tenant agrees to pay to Landlord at such place as Landlord may designate without deduction, offset, prior notice, or demand, and Landlord agrees to accept as Basic Rent for the Premises the total sum of Sixty Six Thousand One Hundred Forty One and 60/100($66,141.60) Dollars in lawful money of the United States of America, payable as follows:

$ 5,511.80 shall be due and payable upon execution of this Lease and represents payment of the Basic Rent for the second month of the Lease. The following amounts shall be due and payable on or before the first day of each month of the Lease term as indicated for the time periods described:

MONTH OF LEASE	BASIC RENT PER MONTH
1	**$0.00**
2-13	**$5,511.80**

Tenant will not be responsible for the payment of Basic Rent for the first month of the lease term, as provided for herein. However, Tenant will be responsible for the payment of Additional Rent beginning with the first month of the lease term.

B. **Time for Payment.** In the event that the term of this Lease commences on a date other than the first day of a calendar month, on the date of commencement of the term hereof Tenant shall pay to

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Landlord as rent for the period from such date of commencement to the first day of the next succeeding calendar month that proportion of the monthly rent hereunder which the number of days between such date of commencement and the first day of the next succeeding calendar month bears to thirty (30). In the event that the term of this Lease for any reason ends on a date other than the last day of a calendar month, on the first day of the last calendar month of the term hereof Tenant shall pay to Landlord as rent for the period from said first day of said last calendar month to and including the last day of the term hereof that proportion of the monthly rent hereunder which the number of days between said first day of said last calendar month and the last day of the term hereof bears to thirty (30).

C. **Late charge.** Notwithstanding any other provision of this Lease, if Tenant is in default in the payment of rent as set forth in this Paragraph 4 when due and the cure period set forth in Section 22 has expired, or any part thereof, Tenant agrees to pay Landlord, in addition to the delinquent rental due, a late charge for each rental payment in default ten (10) days. Said late charge shall equal ten (10%) percent of each rental payment so in default.

D. **Additional Rent.** Beginning with the commencement date of the term of this Lease, Tenant shall pay to Landlord in addition to the Basic Rent and as Additional Rent the following:

(1) Tenant's proportionate share of all utilities relating to the Complex as set forth in Paragraph 11, and

(2) Tenant's proportionate share of all Taxes relating to the Complex as set forth in Paragraph 12, and

(3) Tenant's proportionate share of all insurance premiums relating to the Complex, as set forth in Paragraph 15, and

(4) Tenant's proportionate share of expenses for the operation, management, maintenance and repair of the Building (including common areas of the Building) and Common Areas of the Complex in which the Premises are located as set forth in Paragraph 7, and

(5) All charges, costs and expenses, which Tenant is required to pay hereunder, together with all interest and penalties, costs and expenses including attorney's fees and legal expenses, that may accrue thereto in the event of Tenant's failure to pay such amounts, and all damages, reasonable costs and expenses which landlord may incur by reason of default of Tenant or failure on Tenant's part to comply with the terms of this Lease. In the event of nonpayment by Tenant of Additional Rent, Landlord shall have all the rights and remedies with respect thereto as Landlord has for nonpayment of rent.

Tenant shall pay to Landlord monthly, in advance, Tenant's prorata share of an amount estimated by Landlord to be Landlord's approximate average monthly expenditure for such Additional Rent items, which estimated amount shall be reconciled at the end of each calendar year as compared to Landlord's actual expenditure for said Additional Rent items, with Tenant paying to Landlord, upon demand, any amount of actual expenses expended by Landlord in excess of said estimated amount, or Landlord refunding to Tenant (providing Tenant is not in default in the performance of any of the terms, covenants and conditions of this Lease) any amount of estimated payments made by Tenant in excess of Landlord's actual expenditures for said Additional Rent items. Within 90 days after receipt of Landlord's statement setting forth actual expenditures for Additional Rent items (the "Statement"), Tenant shall have the right to audit at Landlord's local offices, at Tenant's expense, Landlord's accounts and records relating to Additional Rent. Such audit shall be conducted by a certified public accountant approved by Landlord, which approval shall not be unreasonably withheld. If such audit reveals that Landlord has overcharged Tenant, the amount overcharged shall be paid to Tenant within 30 days after the audit is concluded. In addition, if the Statement exceeds the actual Additional Rent which should have been charged to Tenant by more than 5%, the reasonable cost of the audit shall be paid by Landlord.

Tenant's payment for such Additional Rent as of the commencement of the Term of this Lease shall beThree Thousand Three Hundred Seven and 08/100 ($3,307.08) Dollars per month ($0.93 x 3,556 s.f. = $3,307.08). Any payments required to be made by Tenant for Additional Rent shall be made by check or instrument separate from that check or instrument used by Tenant to make any payments for Basic Rent pursuant to paragraph 4 A.

The respective obligations of Landlord and Tenant under this paragraph shall survive the expiration or other termination of the term of this Lease, and if the term hereof shall expire or shall otherwise terminate on a day other than the last day of a calendar year, the actual Additional Rent incurred for the calendar year in which the term hereof expires or otherwise terminates shall be determined and settled on the basis of the statement of actual Additional Rent for such calendar year and shall be prorated in the proportion which the number of days in such calendar year preceding such expiration or termination bears to 365.

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E. **Place of Payment of Rent and Additional Rent.** All Basic Rent hereunder and all payments hereunder for Additional Rent shall be paid to Landlord at the office of Landlord at 1875 South Grant Street, Suite 100, San Mateo, CA 94402, or to such other person or to such other place as Landlord may from time to time designate in writing.

F. **Security Deposit.** Concurrently with Tenant's execution of this Lease, Tenant shall deposit with Landlord the sum of Nine Thousand and 00/100 ($9,000.00) Dollars (the "Security Deposit"). Said sum shall be held by Landlord as a Security Deposit for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the term hereof. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of rent and any of the monetary sums due herewith, Landlord may (but shall not be required to) use, apply or retain all or any part of this Security Deposit for the payment of any other amount which Landlord may spend by reason of Tenant's default or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said Deposit is so used or applied, Tenant shall, within ten (10) days after written demand therefor, deposit cash with Landlord in the amount sufficient to restore the Security Deposit to its original amount. Tenant's failure to do so shall be a material breach of this Lease. Landlord shall not be required to keep this Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on such Deposit. if Tenant fully and faithfully performs every provision of this Lease to be performed by it, the Security Deposit or any balance thereof shall be returned to Tenant (or at Landlord's option, to the last assignee of Tenant's interest hereunder) at the expiration of the Lease term and after Tenant has vacated the Premises. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer said Deposit to Landlord's successor in interest whereupon Tenant agrees to release Landlord from liability for the return of such Deposit or the accounting therefor.

5. **RULES AND REGULATIONS AND COMMON AREA** Subject to the terms and conditions of this Lease and such Rules and Regulations as Landlord may from time to time prescribe, Tenant and Tenant's employees, invitees and customers, shall, in common with other occupants of the Complex in which the Premises are located, and their respective employees, invitees and customers, and others entitled to the use thereof, have the non-exclusive right to use the access roads, parking areas, and facilities provided and designated by Landlord for the general use and convenience of the occupants of the Complex in which the Premises are located, which areas and facilities are referred to herein as "Common Area" This right shall terminate upon the termination of this Lease. Landlord reserves the right from time to time to make changes in the shape, size, location, amount and extent of Common Area. Landlord further reserves the right to promulgate such reasonable rules and regulations relating to the use of the Common Area, and any part or parts thereof, as Landlord may deem appropriate for the best interests of the occupants of the Complex. The Rules and Regulations shall be binding upon Tenant upon delivery of a copy of them to Tenant, and Tenant shall abide by them and cooperate in their observance. Such Rules and Regulations may be amended by Landlord from time to time, with or without advance notice, and all amendments shall be effective upon delivery of a copy to Tenant. Landlord shall not be responsible to Tenant for the non-performance by any other tenant or occupant of the Complex of any of said Rules and Regulations.

Landlord shall operate, manage and maintain the Common Area. The manner in which the Common Area shall be maintained and the expenditures for such maintenance shall be at the reasonable discretion of Landlord.

6 **PARKING** Tenant shall have the right at no charge to use with other tenants or occupants of the Complex eleven (11) undesignated parking spaces in the common parking areas of the Complex. Tenant agrees that Tenant, Tenant's employees, agents, representatives and/or invitees shall not use parking spaces in excess of the eleven (11) spaces allocated to Tenant hereunder. Landlord shall have the right, at Landlord's sole discretion, to specifically designate the location of Tenant's parking spaces within the common parking areas of the Complex in the event of a dispute among the tenants occupying the building and/or Complex referred to herein, in which event Tenant agrees that Tenant, Tenant's employees, agents, representatives and/or invitees shall not use any parking spaces other than those parking spaces specifically designated by Landlord for Tenant's use. Said parking spaces, if specifically designated by landlord to Tenant, may be relocated by Landlord at any time, and from time to time. Landlord reserves the right, at Landlord's sole discretion, to rescind any specific designation of parking spaces, thereby returning Tenant's parking spaces to the common parking area. Landlord shall give Tenant written notice of any change in Tenant's parking spaces. Tenant shall not, at any time, park, or permit to be parked, any trucks or vehicles adjacent to the loading areas so as to interfere in any way with the use of such areas, nor

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shall Tenant at any time park, or permit the parking of Tenant's trucks or other vehicles or the trucks and vehicles of Tenant's suppliers or others, in any portion of the common area not designated by Landlord for such use by Tenant. Tenant shall not park not permit to be parked, any inoperative vehicles or equipment on any portion of the common parking area or other common areas of the Complex. Tenant agrees to assume responsibility for compliance by its employees with the parking provision contained herein. If Tenant or its employees park in other than such designated parking areas, then Landlord may charge Tenant, as an additional charge, and Tenant agrees to pay, ten ($10.00) Dollars per day for each day or partial day each such vehicle is parked in any area other than that designated. Tenant hereby authorizes Landlord at Tenant's sole expense to tow away from the Complex any vehicle belonging to Tenant or Tenant's employees parked in violation of these provisions, or to attach violation stickers or notices to such vehicles. Tenant shall use the parking areas for vehicle parking only, and shall not use the parking areas for storage.

7. **EXPENSES OF OPERATION, MANAGEMENT AND MAINTENANCE OF THE COMMON AREAS OF THE COMPLEX, PREMISES AND BUILDING IN WHICH THE PREMISES ARE LOCATED** As Additional Rent and in accordance with Paragraph 4 D of this Lease, Tenant shall pay to Landlord Tenant's proportionate share (calculated on a square footage or other equitable basis as calculated by Landlord) of all expenses of operation, management, maintenance and repair of the Common Areas of the Complex including, but not limited to, license, permit and inspection fees; security; utility charges associated with exterior landscaping and lighting (including water and sewer charges); all charges incurred in the maintenance of landscaped areas, lakes, parking lots, sidewalks, driveways; maintenance, repair and replacement of all fixtures and electrical, mechanical and plumbing systems; structural elements and exterior surfaces of the buildings; salaries and employees benefits of personnel and payroll taxes applicable thereto; supplies, materials, equipment and tools; the cost of capital expenditures which have the effect of reducing operating expenses, provided, however, that in the event Landlord makes such capital improvements, Landlord may amortize its investment in said improvements (together with interest at the rate of eight (8%) percent per annum on the unamortized balance) as an operating expense in accordance with standard accounting practices, provided, that such amortization is not a rate greater than the anticipated savings in the operating expenses and provided that only the portion of such amortized amount as is allocable to the balance of the Lease term shall be Additional Rent.

As Additional Rent and in accordance with paragraph 4D of this Lease, Tenant shall pay its proportionate share (calculated on a square footage or other equitable basis as calculated by Landlord) of the cost of operation (including common utilities), management, maintenance and repair of the Premises and the building (including common areas such as lobbies, restrooms, janitor's closets, hallways, elevators, mechanical and telephone rooms, stairwells, entrances, spaces above the ceilings) in which the Premises are located. The maintenance items herein referred to include, but are not limited to, janitorization, electrical systems (such as outlets, lighting fixtures, lamps, bulbs, tubs, ballasts), heating and airconditioning controls (such as mixing boxes, thermostats, time clocks, supply and return grills), all interior improvements within the Premises including but not limited to: wall coverings, window coverings, acoustical ceilings, vinyl tile, carpeting, partitioning, doors (both interior and exterior, including closing mechanisms, latches, locks), and all other interior improvements of any nature whatsoever, all windows, window frames, plate glass, glazing, truck doors, main plumbing systems of the building (such as water and drain lines, sinks, toilets, faucets, drains, showers and water fountains), main electrical systems (such as panels and conduits), heating and air conditioning systems (such as compressors, fans, air handlers, ducts, boilers, heaters), store fronts, roofs, downspouts, building common area interiors (such as wall coverings, window coverings, floor coverings and partitioning), ceilings, building exterior doors, skylights (if any), automatic fire extinguishing systems and elevators; license, permit, and inspection fees; security; salaries and employee benefits of personnel and payroll taxes applicable thereto; supplies, materials, equipment and tools; the cost of capital expenditures which have the effect of reducing operating expenses, as set forth in the prior paragraph above. Tenant hereby waives all rights under, and benefits of, subsection 1 of Section 1932 and Section 1941 and 1942 of the California Civil Code and under any similar law, statute or ordinance now or hereafter in effect. Tenant agrees to provide carpet shields under all rolling chairs or to otherwise be responsible for wear and tear of the carpet caused by such rolling chairs if such wear and tear exceeds that caused by normal foot traffic in surrounding areas. Areas of excessive wear shall be replaced at Tenant's sole expense upon Lease termination.

"Additional Rent" as used herein shall not include Landlord's debt repayments; interest on charges; expenses directly or indirectly incurred by Landlord for the benefit of any other tenant; cost for the installation of partitioning or any other tenant improvements; cost of attracting tenants; depreciation; interest; executive salaries; costs of repairs and other work occasioned by fire, windstorm, or other casualty of an insurable nature; any costs, fines, or penalties incurred due to violations by Landlord of any

governmental rule or authority, this Lease or any other lease in the Building, or due to Landlord's negligence or willful misconduct; the cost of correcting any building code or other violations which were violations prior to the Commencement Date of this Lease; the cost of containing, removing, or otherwise remediating any contamination of the Building (including the underlying land and ground water) by any toxic or hazardous materials (including, without limitation, asbestos and "PCB's") where such contamination was not caused by Tenant; or any other expense that under generally accepted accounting principles and practice consistently applied would not be considered a normal maintenance or operating expense.

Landlord agrees to provide five-day janitorial service for the leased Premises and to maintain the Complex in a first-class manner.

8. **ACCEPTANCE AND SURRENDER OF PREMISES** By entry hereunder, Tenant accepts the Premises as being in good and sanitary order, condition and repair and accepts the building and improvements included in the Premises in their present condition and without representation or warranty by Landlord as to the condition of such building or as to the use or occupancy which may be made thereof. Any exceptions to the foregoing must be by written agreement executed by Landlord and Tenant. Tenant agrees on the last day of the Lease term, or on the sooner termination of this Lease, to surrender the Premises promptly and peaceably to Landlord in good condition and repair (damage by Acts of God, fire or normal wear and tear excepted), with all interior walls painted and repaired, or cleaned so that they appear freshly painted, and repaired and replaced, if damaged; all floors cleaned and waxed; all carpets cleaned and shampooed; provided each of the foregoing shall be required only as necessary to restore damage beyond ordinary wear and tear; together with all alterations, additions and improvements which may have been made in, to, or on the Premises (except movable trade fixtures installed at the expense of Tenant) except that Tenant shall ascertain from Landlord within thirty (30) days before the end of the term of this Lease whether Landlord desires to have the Premises or any part or parts thereof restored to their condition and configuration as when the Premises were delivered to Tenant and if Landlord shall so desire, then Tenant shall restore said Premises or such part or parts thereof before the end of this Lease at Tenant's sole cost and expense. Tenant, on or before the end of the term or sooner termination of this Lease, shall remove all of Tenant's personal property (Except for Landlord provided cubes and furniture) and trade fixtures from the Premises, and all property not so removed on or before the end of the term or sooner termination of this Lease shall be deemed abandoned by Tenant and title to same shall thereupon pass to Landlord without compensation to Tenant. Landlord may, upon termination of this Lease, remove all moveable furniture and equipment so abandoned by Tenant, at Tenant's sole cost, and repair any damage caused by such removal at Tenant's sole cost. If the Premises are not surrendered at the end of the term or sooner termination of this Lease, Tenant shall indemnify Landlord against loss or liability resulting from the delay by Tenant in so surrendering the Premises including, without limitation, any claims made by any succeeding tenant founded on such delay. Nothing contained herein shall be construed as an extension of the term hereof or as a consent of Landlord to any holding over by Tenant. The voluntary or other surrender of this Lease or the Premises by Tenant or a mutual cancellation of this Lease shall not work as a merger and, at the option of Landlord, shall either terminate all or any existing subleases or subtenancies or operate as an assignment to Landlord of all or any such subleases or subtenancies. Notwithstanding anything to the contrary set forth herein, except to the extent caused by Tenant, the base Building electrical, heating, ventilation and air conditioning, mechanical and plumbing systems servicing the Premises shall be in good and working order as of the Lease Commencement date of July 15, 2006. If the foregoing are not in good and working order as provided above, Landlord shall be responsible for repairing or restoring same at its cost and expense promptly, provided that Tenant has delivered written notice thereof to Landlord not later than 30 days following the Lease Commencement date of July 15, 2006.

TENANT AGREES TO LEASE THE PREMISES IN AN "AS IS" CONDITION, and any alteration or modifications to the Premises shall be made in accordance with Paragraphs 8 & 9 of the Lease and shall not delay the commencement of the Lease nor delay the payment of rent and all such modifications shall be at Tenant's sole cost and expense.

9. **ALTERATIONS AND ADDITIONS** Tenant shall not make, or suffer to be made, any alteration or addition to the Premises, or any part thereof, without the written consent of Landlord, not to be unreasonably withheld, first hand and obtained by Tenant, but at the cost of Tenant, and any addition to, or alteration of, the Premises, except moveable furniture and trade fixtures, shall at once become a part of the Premises and belong to Landlord. If Landlord consents to the making of any alteration, addition, or improvement to or of the Premises by Tenant, the same shall be made by Landlord at Tenant's sole cost and expense. Any modifications to the building or building systems required by governmental code for Tenant's use or otherwise as a result of Tenant's alterations, additions or improvements shall be made at

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Tenant's sole cost and expense. Tenant shall retain title to all moveable furniture and trade fixtures placed in the Premises. All heating, lighting, electrical, airconditioning, partitioning, drapery, carpeting and floor installations made by Tenant, together with all property that has become an integral part of the Premises, shall not be deemed trade fixtures. Tenant agrees that it will not proceed to make any alterations or additions, without having obtained consent from Landlord to do so, and until five (5) days from the receipt of such consent, in order that Landlord may post appropriate notices to avoid any liability to contractors or material suppliers for payment for Tenant's improvements. Tenant will at all times permit such notices to be posted and to remain posted until the completion of work. Tenant shall, if required by Landlord, secure at Tenant's own cost and expense, a completion and lien indemnity bond, satisfactory to Landlord, for such work. Tenant further covenants and agrees that any mechanic's liens filed against the Premises or against the Complex for work claimed to have been done for, or materials claimed to have been furnished to Tenant, will be discharged by Tenant, by bond or otherwise, within ten (10) days after the filing thereof, at the cost and expense of Tenant. Any exceptions to the foregoing must be made in writing and executed by both Landlord and Tenant.

10. **DELETED**

11. **UTILITIES OF THE BUILDING IN WHICH THE PREMISES ARE LOCATED**As Additional Rent and in accordance with paragraph 4D of this Lease, Tenant shall pay its proportionate share (calculated on a square footage or other equitable basis as calculated by Landlord) of the cost of all utility charges such as water, gas, electricity, telephone, telex and other electronic communications service, sewer service, waste pick-up and any other utilities, materials of services furnished directly to the building in which the Premises are located, including, without limitation, any temporary or permanent utility surcharge or other exactions whether or not hereinafter imposed.

Landlord shall not be liable for and Tenant shall not be entitled to any abatement or reduction of rent by reason of any interruption or failure of utility services to the Premises when such interruption or failure is caused by accident, breakage, repair, strikes, lockouts or other labor disturbances or labor disputes of any nature, or by any other cause, similar or dissimilar, beyond the reasonable control of Landlord.

Provided that Tenant is not in default in the performance or observance of any of the terms, covenants or conditions of this Lease to be performed or observed by it, Landlord shall furbish to the Premises between the hours of 8:00 a.m. and 6:00 p.m., Mondays through Fridays (holidays excepted) and subject to the rules and regulations of the Complex hereinbefore referred to, reasonable quantities of water, gas and electricity suitable for the intended use of the Premises and heat and airconditioning required in Landlord's judgement for the comfortable use and occupation of the Premises for such purposes. Tenant agrees that at all times it will cooperate fully with Landlord and abide by all regulations and requirements that Landlord may prescribe for the proper functioning and protection of the building heating, ventilating and airconditioning systems. Whenever heat generating machines, equipment, or any other devices (including exhaust fans) are used in the Premises by Tenant which affect the temperature or otherwise maintained by the airconditioning system, Landlord shall have the right, upon reasonable advance notice to Tenant, to install supplementary airconditioning units in the Premises and the costs thereof, including the cost of installation and the cost of operation and maintenance thereof, shall be paid by Tenant to Landlord upon demand by Landlord. Tenant will not, without the written consent of Landlord, use any apparatus or device in the Premises (including, without limitation), electronic data processing machines or machines using current in excess of 110 Volts which will in any way increase the amount of electricity, gas, water or airconditioning usually furnished or supplies to premises being used as general office space, or connect with electric current (except through existing electrical outlets in the Premises), or with gas or water pipes any apparatus or device for the purposes of using electric current, gas or water. If Tenant shall require water, gas or electric current in excess of that usually furnished or supplied to premises being used as general office space, Tenant shall first obtain the written consent of Landlord, which consent shall not be unreasonably withheld and Landlord may cause an electric current, gas, or water meter to be installed in the Premises in order to measure the amount of electric current, gas or water consumed for any such excess use. The cost of any such meter and of the installation, maintenance and repair thereof, all charges for such excess water, gas and electric current consumed (as shown by such meters and at the rates then charged by the furnishing public utility); and any additional expense incurred by Landlord in keeping account of electric current, gas, or water so consumed shall be paid by Tenant, and Tenant agrees to pay Landlord therefor promptly upon demand by Landlord.

12. **TAXES** A. As Additional Rent and in accordance with paragraph 4D of this Lease, Tenant shall pay to Landlord Tenant's proportionate share of all Real Property Taxes, which prorata share shall be

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allocated to the leased Premises by square footage or other equitable basis, as calculated by Landlord. The term "Real Property Taxes", as used herein, shall mean (i) all taxes, assessments, levies and other charges of any kind or nature whatsoever, general and special, foreseen and unforeseen (including all installments of principal and interest required to pay any general or special assessments for public improvements and any increases resulting from reassessments caused by any change in ownership of the Complex) now or hereafter imposed by any government or quasi-governmental authority or special district having the direct or indirect power to tax or levy assessments, which are levied or assessed against, or with respect to the value, occupancy or use of, all or any portion of the Complex (as now constructed or as may at any time hereafter be constructed, altered, or otherwise changed) or Landlord's interest therein; any improvements located within the Complex (regardless of ownership); the fixtures, equipment and other property of Landlord, real or personal, that are an integral part of and located in the Complex; or parking areas, public utilities, or energy within the Complex; (ii) all charges, levies or fees imposed by reason of environmental regulation or other governmental control of the Complex; and (iii) all costs and fees (including attorney's fees) incurred by Landlord in contesting any Real Property Tax and in negotiating with public authorities as to any Real Property Tax. If at any time during the term of this Lease the taxation or assessment of the Complex prevailing as of the commencement date of this Lease shall be altered so that in lieu of or in addition to any Real Property Tax described above there shall be levied, assessed or imposed (whether by reason of a change in the method of taxation or assessment, creation of a new tax or charge, or any other cause) an alternate or additional tax or charge (i) on the value, use or occupancy of the Complex or Landlord's interest therein or (ii) on or measured by the gross receipts, income or rentals from the Complex, on Landlord's business of leasing the Complex, or computed in any manner with respect to the operation of the Complex, then any such tax or charge, however designated, shall be included within the meaning of the term "Real Property Taxes" for purposes of this Lease. If any Real Property Tax is based upon property or rents unrelated to the Complex, then only that part of such Real Property Tax that is fairly allocable to the Complex shall be included within the meaning of the term "Real Property Taxes". Notwithstanding the foregoing, the term "Real Property Taxes" shall not include estate, inheritance, gift or franchise taxes of Landlord or the federal or state net income tax imposed on Landlord's income from all sources.

B**. Taxes on Tenant's Property**

(1)Tenant shall be liable for and shall pay ten days before delinquency, taxes levied against any personal property or trade fixtures placed by Tenant in or about the Premises. If any such taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property or if the assessed value of the Premises is increased by the inclusion therein of a value placed upon such personal property or trade fixtures of Tenant and if Landlord, after written notice to Tenant, pays the taxes based on such increased assessment, which Landlord shall have the right to do so regardless of the validity thereof, but only under proper protest if requested by Tenant, Tenant shall upon demand, as the case may be, repay to Landlord the taxes so levied against Landlord, or the proportion of such taxes resulting from such increase in the assessment; provided that in any such event Tenant shall have the right, in the name of Landlord and with Landlord's full cooperation, to bring suit in any court of competent jurisdiction to recover the amount of any such taxes so paid under protest, and any amount so recovered shall belong to Tenant.

(2)If the Tenant improvements in the Premises, whether installed, and/or paid for by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, are assessed for Real Property Tax purposes at a valuation higher than the valuation at which standard office improvements in other space in the Complex are assessed, then the Real Property Taxes and assessments levied against Landlord or the Complex by reason of such excess assessed valuation shall be deemed to be taxes levied against personal property of Tenant and shall be governed by the provisions of 12A(i), above. If the records of the County Assessor are available and sufficient detailed to serve as a basis for determining whether said Tenant improvements are assessed at a higher valuation than standard office improvements in other space in the Complex, such records shall be binding on both the Landlord and the Tenant. If the records of the County Assessor are not available or sufficiently detailed to serve as a basis for making said determination, the actual cost of construction shall be used.

13. **LIABILITY INSURANCE** Tenant, at Tenant's expense, agrees to keep in force during the term of this Lease a policy of comprehensive public liability insurance with limits in the amount of $1,000,000/2,000,000 for injuries to or death of persons occurring in, on or about the Premises or the Complex, and property damage insurance with limits of $500,000. The policy or policies affecting such insurance, certificates of which shall be furnished to Landlord, shall name Landlord as additional insured, and shall insure any liability of Landlord, contingent or otherwise, as respects acts or omissions of Tenant, its agents, employees or invitees or otherwise by any conduct or transactions of any of said persons in or about or concerning the Premises, including any failure of Tenant to observe or perform any of its

obligations hereunder; shall be issued by an insurance company admitted to transact business in the State of California; and shall provide that the insurance effected thereby shall not be canceled, except upon thirty (30) days' prior written notice to Landlord. If, during the term of this Lease, in the considered opinion of Landlord's Lender, insurance advisor or counsel, the amount of insurance described in this paragraph 13 is not adequate, Tenant agrees to increase said coverage to such reasonable amount as Landlord's Lender, insurance advisor or counsel shall deem adequate.

14. **TENANT'S PERSONAL PROPERTY INSURANCE AND WORKER'S COMPENSATION INSURANCE** Tenant shall maintain a policy or policies of fire and property damage insurance in "all risk" form with a sprinkler leakage endorsement insuring the personal property, inventory, trade fixtures and leasehold improvements within the leased Premises for the full replacement value thereof. The proceeds from any of such policies shall be used for the repair or replacement of such items so insured.

Tenant shall also maintain a policy or policies of worker's compensation insurance and any other employee benefit insurance sufficient to comply with all the laws.

15. **PROPERTY INSURANCE** Landlord shall purchase and keep in force and, as Additional Rent and in accordance with Paragraph 4D of this Lease, Tenant shall pay to Landlord Tenant's proportionate share (calculated on a square footage or other equitable basis as calculated by Landlord) of the cost of policy or policies of insurance covering loss or damage to the Premises and Complex in the amount of the full replacement value thereof, providing protection against those perils included within the classification of "all risks" insurance and flood and/or earthquake insurance, if available at commercially reasonable rates, plus a policy of rental income insurance in the amount of one hundred (100%) percent of twelve (12) months Basic Rent, plus sums paid as Additional Rent. If such insurance costs is increased due to Tenant's use of Premises or the Complex, Tenant agrees to pay to Landlord the full cost of such increase. Tenant shall have no interest in nor any right to the proceeds of any insurance procured by Landlord for the Complex.

Landlord and Tenant do each hereby respectively release the other, to the extent of insurance coverage of the releasing party, from any liability for loss or damage caused by fire or any of the extended coverage casualties included in the releasing party's insurance policies, irrespective of the cause of such fire or casualty; provided, however, that if the insurance policy of either releasing party prohibits such waiver, then this waiver shall not take effect until consent to such waiver is obtained. If such waiver is so prohibited, the insured party affected shall promptly notify the other party thereof.

16. **INDEMNIFICATION** Landlord shall not be liable to Tenant and Tenant hereby waives all claims against Landlord for any injury to or death of any person or damage to or destruction of property in or about the Premises or the Complex by or from any cause whatsoever, including, without limitation, gas, fire, oil, electricity or leakage of any character from the roof, walls, basement or other portion of the Premises or the Complex but excluding, however, the negligence or willful misconduct of Landlord, its agents, servants, employees, invitees, or contractors. Except as to injury to persons or damage to property the principal cause of which is the negligence or willful misconduct of Landlord, Tenant shall hold Landlord harmless from and defend Landlord against any and all expenses, including reasonable attorney's fees, in connection therewith, arising out of any injury to or death of any person or damage to or destruction of property occurring in, on or about the Premises, or any part thereof, from any cause whatsoever.

17. **COMPLIANCE** Tenant, as its sole cost and expense, shall promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now or hereafter in effect; with the requirements of any board of fire underwriters or other similar body now or hereafter constituted; and with any direction or occupancy certificate issued pursuant to law by any public officer; provided, however, that no such failure shall be deemed a breach of the provisions if Tenant, immediately upon notification, commences to remedy or rectify said failure. The judgement of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any such law, statute, ordinance or governmental rule, regulation, requirement, direction or provision, shall be conclusive of that fact as between Landlord and Tenant. This paragraph shall not be interpreted as requiring Tenant to make structural changes or improvements, except to the extent such changes or improvements are required as a result of Tenant's use of the Premises. Tenant shall, at its sole cost and expense, comply with any and all requirements pertaining to said Premises, of any insurance organization or company, necessary for the maintenance of reasonable fire and public liability insurance covering the Premises. Notwithstanding anything to the contrary contained in this Lease, Tenant's compliance obligations hereunder shall not include any compliance which would require capital expenditures or is not related specifically to Tenant's use and occupancy of the Premises.

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18. **LIENS** Tenant shall keep the Premises and the Complex free from any liens arising out of any work performed, materials furnished or obligation incurred by Tenant. In the event that Tenant shall not, within ten (10) days following the imposition of such lien, cause the same to be released of record, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but no obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All sums paid by Landlord for such purpose, and all expenses incurred by it in connection therewith, shall be payable to Landlord by Tenant on demand with interest at the prime rate of interest as quoted by the Bank of America.

19. **ASSIGNMENT AND SUBLETTING** Tenant shall not assign, transfer or hypothecate the leasehold estate under this Lease, or any interest therein, and shall not sublet the Premises, or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person or entity to occupy or use the Premises, or any portion thereof, without, in each case, the prior written consent of Landlord which consent will not be unreasonably withheld or delayed. Landlord may require Tenant to sublease at the prevailing market rate. As a condition for granting its consent to any subletting, Landlord may require that Tenant agrees to pay to Landlord, as additional rent, 50% of all rents or other considerations received by Tenant from its subtenants in excess of the rent payable by Tenant to Landlord hereunder as offset by Tenant's reasonable costs in connection with such sublease. Tenant shall, by thirty (30) days' written notice, advise Landlord of its intent to sublet the Premises or any portion thereof for any part of the term hereof. Upon receipt of said notice, Landlord may, in its sole discretion, elect to terminate this Lease upon notice to Tenant as to the portion of the Premises described in Tenant's notice on the date specified in Tenant's notice. If Tenant intends to sublet the entire Premises and Landlord elects to terminate this Lease, this Lease shall be terminated on the date specified in Tenant's notice. If, however this Lease shall terminate pursuant to the foregoing with respect to less than all the Premises, the rent, as defined and reserved hereinabove shall be adjusted on a pro-rata basis to the number of square feet retained by Tenant, and this Lease as so amended shall continue in full force and effect. In the event Landlord elects to terminate this Lease by reason of a proposed sublease, Tenant shall be entitled to rescind its proposed sublease (and thus avoid termination of the Lease) by giving notice of such rescission within 5 days following receipt by Tenant of such Landlord's notice to terminate. In the event Tenant is allowed to assign, transfer or sublet the whole or any part of the Premises, with the prior written consent of Landlord, no assignee, transferee or subtenant shall assign or transfer this Lease, either in whole or in part, or sublet the whole or any part of the premises, without also having obtained the prior written consent of Landlord. A consent of Landlord to one assignment, transfer, hypothecation, subletting, occupation or use by any other person shall not release Tenant from any of Tenant's obligations hereunder to be deemed to be a consent to any subsequent similar or dissimilar assignment, transfer, hypothecation, subletting, occupation or use by any other person. Any such assignment, transfer, hypothecation, subletting, occupation or use without such consent shall be void and shall constitute a breach of this Lease by Tenant and shall, at the option of Landlord exercised by written notice to Tenant, terminate this Lease. The leasehold estate under this Lease shall not, nor. shall any interest therein, be assignable for any purpose by operation of law without the written consent of Landlord. As a condition to its consent, Landlord may require Tenant to pay all expenses in connection with the assignment, and Landlord may require Tenant's assignee or transferee (or other assignees or transferees) to assume in writing all of the obligations under this Lease and for Tenant to remain liable to landlord under the Lease. Notwithstanding anything to the contrary contained in this Lease, Tenant may assign this Lease or sublet the Premises, or any portion thereof, without Landlord's consent, to any entity which controls, is controlled by, or is under common control with Tenant; to any entity which results from a merger of, reorganization of, or consolidation with Tenant; to any entity engaged in a joint venture with Tenant; or to any entity which acquires substantially all of the stock or assets of Tenant, as a going concern, with respect to the business that is being conducted in the Premises (hereinafter each a "Permitted Transfer"). In addition, a sale or transfer of the capital stock of Tenant shall be deemed a Permitted Transfer if (1) such sale or transfer occurs in connection with any bona fide financing or capitalization for the benefit of Tenant, or (2) Tenant is or becomes a publicly traded corporation. Landlord shall have no right to terminate the Lease in connection with, and shall have no right to any sums or other economic consideration resulting from any Permitted Transfer.

20. **SUBORDINATION AND MORTGAGES** In the event Landlord's title or leasehold interest is now or hereafter encumbered by a deed of trust, upon the interest of Landlord in the land and buildings in which the demised Premises are located, to secure a loan from a lender (hereinafter referred to as "Lender") to Landlord, Tenant shall, at the request of Landlord or Lender, execute in writing an agreement subordinating its rights under this Lease to the lien of such deed of trust, or, if so requested, agreeing that the lien of Lender's deed of trust shall be or remain subject and subordinate to the rights of Tenant under this Lease. Notwithstanding any such subordination, Tenant's possession under this Lease shall not be disturbed if Tenant is not in default and so long as Tenant shall pay all rent and observe and perform all of

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the provisions set forth in this Lease. Tenant agrees to send to any mortgagees and/or deed of trust holders, by registered mail, a copy of any notice of default served by Tenant upon the Landlord, provided that prior to such notice, Tenant has been notified, in writing (by way of notice of assignment of rents or otherwise) of the addresses of such mortgages and/or deed of trust holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, any such mortgagees and/or deed of trust holders shall have an additional thirty (30) days within which to cure such default, or if such default is not reasonably susceptible of cure within that time, then such additional time as may be reasonably necessary if within such (30) days, any mortgagee and/or deed of trust holder has commenced and is diligently pursuing the remedies necessary to cure such default, (including but not limited to commencement of foreclosure proceedings), in which event this Lease shall not be terminated when such remedies are being diligently pursued.

21. **ENTRY BY LANDLORD** Landlord reserves, and shall at all reasonable times and upon reasonable notice have, the right to enter the Premises to inspect them; to perform any services to be provided by Landlord hereunder; to submit the Premises to prospective purchasers, mortgagers or tenants; to post notices of nonresponsibility; and to alter, improve or repair the Premises and any portion of the Complex, all without abatement of rent; and may erect scaffolding and other necessary structures in or through the Premises where reasonably required by the character of the work to be performed; provided, however, that the business of Tenant shall be interfered with to the least extent that is reasonably practical. For each of the foregoing purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in an emergency in order to obtain entry to the Premises, and any entry to the Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Tenant from the Premises or any portion thereof. Landlord shall also have the right at any time to change the arrangement or location of entrances or passageways, doors and doorways, and corridors, elevators, stairs, toilets or other public parts of the Complex and to change the name, number or designation by which the Complex is commonly known, and none of the foregoing shall be deemed and actual or constructive eviction of Tenant, or shall entitle Tenant to any reduction of rent hereunder.

22. **BANKRUPTCY AND DEFAULT** The commencement of a bankruptcy action or liquidation action or reorganization action or insolvency action or an assignment of or by Tenant for the benefit of creditors, or any similar action undertaken by Tenant, or the insolvency of Tenant, shall, at Landlord's option, constitute a breach of this Lease by Tenant. If the trustee or receiver appointed to serve during a bankruptcy, liquidation, reorganization, insolvency or similar action elects to reject Tenant's unexpired Lease, the trustee or receiver shall notify Landlord in writing of its election within thirty (30) days after an order for relief in a liquidation action or within thirty (30) days after the commencement of any action.

Within thirty (30) days after court approval of the assumption of this Lease, the trustee or receiver shall cure (or provide adequate assurance to the reasonable satisfaction of Landlord that the trustee or receiver shall cure) any and all previous defaults under the unexpired Lease and shall compensate Landlord for all actual pecuniary loss and shall provide adequate assurance of future performance under said Lease to the reasonable satisfaction of Landlord. Adequate assurance of future performance, as used herein, includes, but shall not be limited to: (i) assurance of source and payment of rent, and other consideration due under this Lease; (ii) assurance that the assumption or assignment of this Lease will not breach substantially any provision, such as radius, location, use, or exclusivity provision, in any agreement relating to the above described Premises.

Nothing contained in this section shall affect the existing right of Landlord to refuse to accept an assignment upon commencement of or in connection with a bankruptcy, liquidation, reorganization or insolvency action or an assignment of Tenant for the benefit of creditors or other similar act. Nothing contained in this Lease shall be construed as giving or granting or creating an equity in the demised Premises to Tenant. In no event shall the leasehold estate under this Lease, or any interest therein, be assigned by voluntary or involuntary bankruptcy proceeding without the prior written consent of Landlord. In no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency or reorganization proceedings.

The failure to perform or honor any covenant, condition or representation made under this Lease shall constitute a default hereunder by Tenant upon expiration of the appropriate grace period hereinafter provided. Tenant shall have a period of five (5) days from the date of written notice from Landlord within which to cure any default in the payment of rental or adjustments thereto. Tenant shall have a period of ten (10) days from the date of written notice from Landlord within which to cure any other default under this Lease; provided, however, that if the nature of such non-monetary default is such that it cannot reasonably be cured within said 10 days, Tenant shall be deemed to not be in default if Tenant commences to cure such default within 10 days and thereafter diligently prosecutes such cure to completion. Upon an uncured default of this Lease by Tenant, Landlord shall have the following rights and remedies in addition to any other rights or remedies available to Landlord at law or in equity:

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(a) The rights and remedies provided for by California Civil Code Section 1951.2, including but not limited to, recovery of the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss for the same period that Tenant proves could be reasonably avoided, as computed pursuant to subsection (b) of said Section 1951.2. Any proof by Tenant under subparagraphs (2) and (3) of Section 1951.2 of the California Civil Code of the amount of rental loss that could be reasonably avoided shall be made in the following manner: Landlord and Tenant shall each select a licensed real estate broker in the business of renting property of the same type and use as the Premises and in the same geographic vicinity. Such two real estate brokers shall select a third licensed real estate broker, and the three licensed real estate brokers so selected shall determine the amount of the rental loss that could be reasonably avoided from the balance of the term of this Lease after the time of award. The decision of the majority of said licensed real estate brokers shall be final and binding upon the parties hereto.

(b) The rights and remedies provided by California Civil Code which allows Landlord to continue the Lease in effect and to enforce all of its rights and remedies under this Lease, including the right to recover rent as it becomes due, for so long as Landlord does not terminate Tenant's right to possession; acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver upon Landlord's initiative to protect its interest under this Lease shall not constitute a termination of Tenant's right to possession.

(c) The right to terminate this Lease by giving notice to Tenant in accordance with applicable law.

(d) The right and power, as attorney-in-fact for Tenant, to enter the Premises and remove therefrom all persons and property, to store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant and to sell such property and apply such proceeds therefrom pursuant to applicable California law. Landlord, as attorney-in-fact for Tenant, may from time to time sublet the Premises or any part thereof for such term or terms (which may extend beyond the term of this Lease) and at such rent and such other terms as Landlord in its sole discretion may be deem advisable, with the right to make alterations and repairs to the Premises. Upon each subletting, (i) Tenant shall be immediately liable to pay Landlord, in addition to indebtedness other than rent due hereunder, the cost of such subletting, including, but not limited to, reasonable attorney's fees, and any real estate commissions actually paid, and the cost of such alterations and repairs incurred by Landlord and the amount, if any, by which the rent hereunder for the period of such subletting (to the extent such period does not exceed the term hereof) exceeds the amount to be paid as rent for the Premises for such period or (ii) at the option of Landlord, rents received from such subletting shall be applied first to payment of indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs of such subletting and of such alterations and repairs; third to payment of rent due to unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same becomes due hereunder. If Tenant has been credited with any rent to be received by such subletting under option (i) and such rent shall not be promptly paid to Landlord by the subtenant(s), or if such rentals received from such subletting under option (ii) during any month be less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. For all purposes set forth in this subparagraph (d), Landlord is hereby irrevocably appointed attorney-in-fact for Tenant, with power of substitution. No taking possession of the Premises by landlord, asattorney-in-fact for Tenant, shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant. Notwithstanding any such subletting without termination, Landlord may at any time hereafter elect to terminate this Lease for such previous breach.

(e) The right to have a receiver appointed for Tenant upon application by Landlord, to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Landlord as attorney-in-fact for Tenant pursuant to subparagraph (d) above.

23. **ABANDONMENT** Tenant shall not abandon the Premises at any time during the term of this Lease; and if Tenant shall abandon, said Premises, or be dispossessed by the process of law, or otherwise, any personal property belonging to Tenant and left on the Premises shall be deemed to be abandoned, at the option of Landlord, except such property as may be mortgaged to Landlord.

24. **DESTRUCTION** In the event the Premises are destroyed in whole or in part from any cause, Landlord may, at its option:

(a) Rebuild or restore the Premises to their condition prior to the damage or destruction, or

(b) Terminate this Lease.

If Landlord does not give Tenant notice in writing within thirty (30) days from the destruction of the Premises of its election to either rebuild and restore them, or to terminate this Lease, Landlord shall be deemed to have elected to rebuild or restore them, in which event Landlord agrees, at its expense,

promptly to rebuild or restore the Premises to their condition prior to the damage or destruction. Tenant shall be entitled to a reduction in rent while such repair is being made in the proportion that the area of the Premises rendered untenantable by such damage bears to the total area of the Premises. If Landlord does not complete the rebuilding or restoration within one ninety (90) days following the date of destruction (such period of time to be extended for delays caused by the fault or neglect of Tenant or because of Acts of God, acts of public agencies, labor disputes, strikes, fires, freight embargoes, rainy or stormy weather, inability to obtain materials, supplies or fuels, acts of contractors or subcontractors, or delay of the contractors or subcontractors dues to such causes or other contingencies beyond the control of Landlord), then Tenant shall have the right to terminate this Lease by giving fifteen (15) days prior written notice to Landlord. Notwithstanding anything herein to the contrary, Landlord's obligation to rebuild or restore shall be limited to the building and interior improvements constructed by Landlord as they existed as of the commencement date of the Lease and shall not include restoration of Tenant's trade fixtures, equipment, merchandise or any improvements, alterations or additions made by Tenant to the Premises, which Tenant shall forthwith replace or fully repair at Tenant's sole cost and expense provided this Lease is not canceled according to the provisions above.

Unless this Lease is terminated pursuant to the foregoing provisions, this Lease shall remain in full force and effect. Tenant hereby expressly waives the provisions of Section 1932, Subdivision 2, and Section 1933, Subdivision 4 of the California Civil Code.

In the event that the building in which the Premises are situated is damaged or destroyed to the extent of not less than 33 1/3% of the replacement cost thereof, Landlord may elect to terminate this Lease, whether the Premises be injured or not. In the event the destruction of the Premises is caused by Tenant, Tenant shall pay the deductible portion of Landlord's insurance proceeds.

25. **EMINENT DOMAIN** If all or any part of the Premises shall be taken by any public or quasi- public authority under the power of eminent domain or conveyance in lieu thereof, this Lease shall terminate as to any portion of the Premises so taken or conveyed on the date when title vests in the condemnor, and Landlord shall be entitled to any and all payment, income, rent, award or any interest therein whatsoever which may be paid or made in connection with such taking or conveyance, and Tenant shall have no claim against Landlord or otherwise for the value of any unexpired term of this Lease. Notwithstanding the foregoing paragraph, any compensation specifically awarded Tenant for loss of business, Tenant's personal property, moving cost or loss of goodwill, shall be and remain the property of Tenant.

If (i) any action or proceeding is commenced for such taking of the Premises or any part thereof, or if Landlord is advised in writing by any entity or body having the right or power of condemnation of its intention to condemn the Premises or any portion thereof, or (ii) any of the foregoing events occur with respect to the taking of any space in the Complex not leased hereby, or any such spaces so taken or conveyed in lieu of such taking and Landlord shall decide to discontinue the use and operation of the Complex, or decide to demolish, alter or rebuild the Complex, then in any of such events Landlord shall have the right to terminate this Lease by giving Tenant written notice thereof within sixty (60) days of the date of receipt of said written advice, or commencement of said action or proceeding, or taking conveyance, which termination shall take place as of the first to occur of the last day of the calendar month next following the month in which such notice is given or the date on which title to the Premises shall vest in the condemnor.

In the event of such a partial taking or conveyance of the Premises, if the portion of the Premises taken or conveyed is so substantial that the Tenant can no longer reasonably conduct its business, Tenant shall have the privilege of terminating this Lease within sixty (60) days from the date of such taking or conveyance, upon written notice to Landlord of its intention so to do, and upon giving of such notice this Lease shall terminate on the last day of the calendar month next following the month in which such notice is given, upon payment by Tenant of the rent from the date of such taking or conveyance to the date of termination.

If a portion of the Premises be taken by condemnation or conveyance in lieu thereof and neither Landlord nor Tenant shall terminate this Lease as provided herein, this Lease shall continue in full force and effect as to the part of the Premises not so taken or conveyed, and the rent herein shall be apportioned as of the date of such taking or conveyance so that thereafter the rent to be paid by Tenant shall be in the ratio that the area of the portion of the Premises not so taken or conveyed bears to the total area of the Premises prior to such taking.

26. SALE OR CONVEYANCE BY LANDLORD In the event of a sale or conveyance of the Complex or any interest therein, by any owner of the reversion then constituting Landlord, the transferor shall thereby be released from any further liability upon any of the terms, covenants or conditions (express or implied) herein contained in favor of Tenant, and in such event, insofar as such transfer is concerned, Tenant agrees to look solely to the responsibility of the successor in interest of such transferor in and to the

Complex and this Lease, provided that such successor-in-interest has assumed Landlord's obligations under this Lease either by contractual obligation, assumption agreement or by operation of law. This Lease shall not be affected by any such sale or conveyance, and Tenant agrees to attorn to the successor in interest of such transferor.

27. **ATTORNMENT TO LENDER OR THIRD PARTY** In the event the interest of Landlord in the land and buildings in which the leased Premises are located (whether such interest of Landlord is a fee title interest or a leasehold interest) is encumbered by deed of trust, and such interest is acquired by the lender or any third party through judicial foreclosure or by exercise of a power of sale at private trustee's foreclosure sale, Tenant hereby agrees to attorn to the purchaser at any such foreclosure sale and to recognize such purchaser as the Landlord under this Lease. In the event the lien of the deed of trust securing the loan from a Lender to Landlord is prior and paramount to the lease, this Lease shall nonetheless continue in full force and effect for the remainder of the unexpired term hereof, at the same rental herein reserved and upon all the other terms, conditions and covenants herein contained.

28. **HOLDING OVER** Any holding over by Tenant after expiration or other termination of the term of this Lease with the written consent of Landlord delivered to Tenant shall not constitute a renewal or extension of the Lease or give Tenant any rights in or to the leased Premises except as expressly provided in this Lease. Any holding over after the expiration or other termination of the term of this lease, with the consent of Landlord, shall be construed to be a tenancy from month to month, on the same terms and conditions herein specified insofar as applicable except that the monthly Basic Rent shall be increased to an amount equal to one hundred fifty (150%) percent of the monthly Basic Rent required during the last month of the Lease term. Notwithstanding anything herein to the contrary, commencing August 15, 2007 the Lease shall be on a month-to-month basis, with either party having the right to cancel the Lease upon 30 days written notice delivered to the other party. During the month-to-month term, the Basic Rent shall be at the same monthly rate, as is due for the thirteenth (13th) month of this Lease. Additional Rent shall to be adjusted persuant to the provisions of paragraph 4D herein. All other terms and conditions of the Lease shall be unmodified and the Lease shall remain in full force and effect.

29. **CERTIFICATE OF ESTOPPEL** Tenant shall at any time upon not less than ten (10) days' prior written notice from Landlord execute, acknowledge and deliver to Landlord a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any, are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises. Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant that this Lease is in full force and effect, without modifications except as may be represented by Landlord; that there are no uncured defaults in Landlord's performance, and that no more that one month's rent has been paid in advance.

30. **CONSTRUCTION CHANGES** It is understood that the description of the Premises and the location of the ductwork, plumbing and other facilities therein are subject to such minor changes as Landlord or Landlord's architect determines to be desirable in the course of construction of the Premises, and no such changes, or any changes in plans for any other portions of the Complex shall affect this Lease or entitle Tenant to any reduction of rent hereunder or result in any liability of Landlord to Tenant. Landlord does not guarantee the accuracy of any drawings supplied to Tenant and verification of the accuracy of such drawings rests with Tenant.

31. **RIGHT OF LANDLORD TO PERFORM** All terms, covenants and conditions of this Lease to be performed or observed by Tenant shall be performed or observed by Tenant at Tenant's sole cost and expense and without any reduction of rent. If Tenant shall fail to pay any sum of money, or other rent, required to be paid by it hereunder or shall fail to perform any other term or covenant hereunder on its part to be performed, and such failure shall continue for five (5) days after written notice thereof by Landlord, Landlord, without waiving or releasing Tenant from any obligation of Tenant hereunder, may, but shall not be obligated to, make any such payment or perform any such other term or covenant on Tenant's part to be performed. All sums so paid by Landlord and all necessary costs of such performance by Landlord together with interest thereon at the rate of the prime rate of interest per annum as quoted by the Bank of America from the date of such payment of performance by Landlord, shall be paid (and Tenant covenants to make such payment) to Landlord or demand by Landlord, and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of non payment by Tenant as in the case of failure by Tenant in the payment of rent hereunder.

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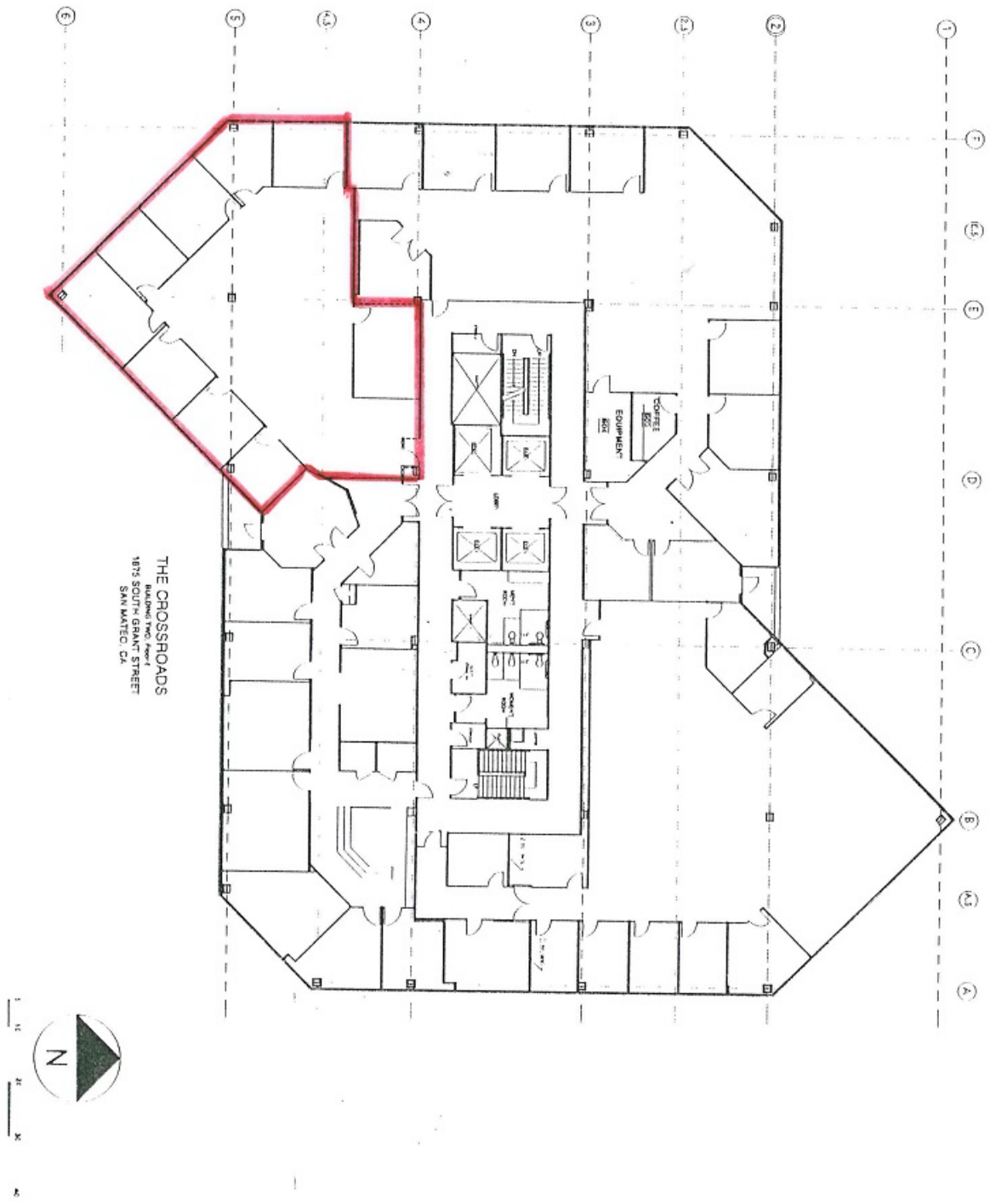
EXHIBIT A



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32. **ATTORNEYS FEES**

(A) In the event that Landlord or Tenant, as applicable, should bring suit for the possession of the Premises, for the recovery of any sum due under this Lease, or because of the breach of any provision of this Lease, or for any other relief against Landlord or Tenant hereunder, then all costs and expenses, including reasonable attorney's fees, incurred by the prevailing party therein shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable whether or not the action is prosecuted to judgement.

(B) Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy hereunder, Tenant shall pay to Landlord its costs and expenses incurred in such suit, including a reasonable attorney's fee to the extent such claim is primarily attributable to the activities of Tenant.

33. **WAIVER** The waiver by either party of the other party's failure to perform or observe any term, covenant or condition herein contained to be performed or observed by such waiving party shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent failure of the party failing to perform or observe the same or any other such term, covenant or condition therein contained, and no custom or practice which may develop between the parties hereto during the term hereof shall be deemed a waiver of, or in any way affect, the right of either party to insist upon performance and observance by the other party in strict accordance with the terms hereof.

34. **NOTICES** All notices, demands, requests, advices or designations which may be or are required to be given by either party to the other hereunder shall be in writing. All notices, demands, requests, advices or designations by Landlord to Tenant shall be sufficiently given, made or delivered if personally served on Tenant by leaving the same at the Premises or if sent by United States certified or registered mail, postage prepaid, addressed to Tenant at the Premises. All notices, demands, requests, advices or designations by Tenant to Landlord shall be sent by United States certified or registered mail, postage prepaid, addressed to Landlord at its offices at 1875 South Grant Street, Suite 100, San Mateo, CA 94402. Each notice, request, demand advice or designation referred to in this paragraph shall be deemed received on the date of the personal service or mailing thereof in the manner herein provided, as the case may be.

35. **EXAMINATION OF LEASE** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for a lease, and this instrument is not effective as a lease or otherwise until its execution and delivery by both Landlord and Tenant. Landlord and Tenant mutually intend that neither shall have any binding contractual obligations to the other with respect to the matters referred to herein unless and until this instrument has been fully executed by both parties.

36. **DEFAULT BY LANDLORD** Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event earlier than ten (10) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have heretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations; provided, however, that if the nature of Landlord's obligations is such than more than ten (10) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such ten (10) day period and thereafter diligently prosecutes the same to completion.

37. **CORPORATE AUTHORITY**

If Tenant is a corporation (or a partnership) each individual executing this Lease on behalf of said corporation (or partnership) represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation (or partnership) in accordance with the by-laws of said corporation (or partnership in accordance with the partnership agreement) and that this Lease is binding upon said corporation (or partnership) in accordance with its terms. If Tenant is a corporation, Tenant shall, within sixty (60) days after execution of this Lease, deliver to Landlord a certified copy of the resolution of the Board of Directors of said corporation authorizing or ratifying the execution of this Lease.

38. **DELETED**

39. **LIMITATION OF LIABILITY** In consideration of the benefits accruing hereunder, Tenant and all successors and assigns covenant and agree that, in the event of any actual or alleged failure, breach or default hereunder by Landlord:

(i) the sole and exclusive remedy shall be against Landlord and Landlord's assets;

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(ii) no partner of Landlord shall be sued or named as a party in any suit or action (except as may be necessary to secure jurisdiction of the partnership)

(iii) no service of process shall be made against any partner of Landlord (except as may be necessary to secure jurisdiction of the partnership)

(iv) no partner of Landlord shall be required to answer or otherwise plead to any service of process;

(v) no judgement shall be taken against any partner of Landlord;

(vi) any judgement taken against any partner of Landlord may be vacated and set aside at any time without hearing;

(vii) no writ of execution will ever be levied against the assets of any partner of Landlord;

(viii) these covenants and agreements are enforceable both by Landlord and also by any partner of Landlord.

(ix) The term, "Landlord", as used in this section, shall mean only the owner or owners from time to time of the fee title or the tenant's interest under a ground lease of the land described in Exhibit "B", and in the event of any transfer of such title or interest, Landlord herein named (and in case of any subsequent transfers the then grantor) shall be relieved from and after the date of such transfer of all liability as respects Landlord's obligations thereafter to be performed, provided that any funds in the hands of Landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be delivered to the grantee. Similarly, the obligations contained in this Lease to be performed by Landlord shall be binding on Landlord's successors and assigns only during their respective period of ownership. Tenant agrees that each of the foregoing covenants and agreements shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by statute or at common law.

40. **BROKERS** Tenant warrants that it had dealing with only of the following real estate brokers or agents in connection with the negotiation of this Lease: Cornish and Carey Commercial and CPS and that it knows of no other real estate broker or agent who is entitled to a commission in connection with this Lease.

41. **SIGNS** No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed, printed or affixed on or to any part of the outside of the Premises or any exterior windows of the Premises without the written consent of Landlord first had and obtained and Landlord shall have the right to remove any such sign, placard, picture, advertisement, name or notice without notice to and at the expense of Tenant. If Tenant is allowed to print or affix or in any way place a sign in, on, or about the Premises, then upon expiration or other sooner termination of this Lease, Tenant at Tenant's sole cost and expense shall both remove such sign and repair all damage in such manner as to restore all aspects of the appearance of the Premises to the condition prior to the placement of said sign.

All approved signs or lettering on outside doors shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved of by Landlord. Tenant shall not place anything or allow anything to be placed near the glass of any window, door partition or wall which may appear unsightly from outside the Premises. Landlord to provide the initial building standard signs for Tenant in the first floor lobby directory, sixth floor directory strip and door signage. All subsequent requests for signs shall be at Tenant's sole cost and expense.

42. **FINANCIAL STATEMENTS** In the event Tenant tenders to Landlord any information on the financial stability, credit worthiness or ability of the Tenant to pay the rent due and owing under the Lease, then Landlord shall be entitled to rely upon the information provided in determining whether or not to enter into this Lease Agreement with Tenant and Tenant hereby represents and warrants to Landlord the following: (i) That all documents provided by Tenant to Landlord are true and correct copies of the original; and (ii) Tenant has not withheld any information from Landlord which is material (as determined by Tenant) to Tenant's credit worthiness, financial condition or ability to pay the rent; and (iii) all information supplied by Tenant to Landlord is true, correct and accurate; and (iv) no part of the information supplied by Tenant to Landlord contains misleading or fraudulent statements.

A default under this paragraph shall be a non-curable default on behalf of Tenant and Landlord shall be entitled to pursue any right or remedy available to Landlord under the terms of this Lease or available to Landlord under the laws of the State of California.

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43. **HAZARDOUS MATERIALS**

A. As used herein, the term "Hazardous Material" shall mean any substance or material which has been determined by any state, federal or local governmental authority to be capable of posing a risk of injury to health, safety or property including all of those materials and substances designated or defined as "hazardous" or "toxic" by (i) the Environmental Protection Agency, the California Water Quality Control Board, the Department of Labor, the California Department of Industrial Relations, the Department of Transportation, the Department of Agriculture, the Consumer Product Safety Commission, the Department of Health and Human Services, the Food and Drug Agency or any other governmental agency now or hereafter authorized to regulate materials and substances in the environment, or by (ii) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 et seq., as amended; the Hazardous Materials Transportation Act, 49 U.S.C. 1801, et seq., as amended; the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq., as amended; the Hazardous Waste Control Law, California Health & Safety Code 25100 et seq., as amended; Sections 66680 through 66685 of Title 22 of the California Administration Code, Division 4, Chapter 30, as amended; and in the regulations adopted and publications promulgated pursuant to said laws.

B. Tenant shall not cause or permit any Hazardous Material to be improperly or illegally used, stored, discharged, released or disposed of in, from, under or about the Premises or the Complex, or any other land or improvements in the vicinity of the Premises or the Complex; provided, however, that Tenant shall be allowed to use and store such products which are of a type customarily found in offices and houses, such as aerosol cans containing insecticides, toner for copiers, paints, paint remover, and the like). Without limiting the generality of the foregoing, Tenant, at its sole cost, shall comply with all laws relating to Hazardous Materials and Tenant's specific use of the Premises. If the presence of Hazardous Materials on the Premises or the Complex caused or permitted by Tenant results in contamination of the Premises or the Complex or any soil or about the Premises or the Complex, Tenant, as its expense shall promptly take all actions necessary to return the Premises or the Complex to the condition existing prior to the appearance of such Hazardous Material. The termination of this Lease shall not terminate or reduce the liability or obligation of Tenant under this Section, or as may be required by law, to clean up, monitor or remove any Hazardous Materials from the Premises or the Complex.

Tenant shall defend, hold harmless and indemnify Landlord and its agents and employees with respect to all claims, damages and liabilities arising out of or in connection with any Hazardous Material used, stored, discharged, released or disposed of in, from, under or about the Premises or the Complex, where said Hazardous Material is or was introduced by the activities of Tenant, its agents or contractors during the Lease term and whether or not Tenant had knowledge of such Hazardous Material, including, without limitation, any cost of monitoring or removal, any reduction in the fair market value or fair rental value of the Premises or the Complex and any loss, claim or demand by any third person or entirely relating to bodily injury or damage to real or personal property.

Tenant shall not suffer any lien to be recorded against the premises or the Complex as a consequence of a Hazardous Material, including any so called state, federal or local "super fund" lien related to the "clean up" of a Hazardous Material in or about the Premises, where said Hazardous Material is or was attributable to the activities of Tenant.

C. In the event Hazardous Materials are discovered in or about the Premises or the Complex, and Landlord has substantial reason to believe that Tenant was responsible for the presence of the Hazardous Material, then Landlord shall have the right to appoint a consultant reasonably approved by Tenant, at Tenant's expense, to conduct an investigation to determine whether Hazardous Materials are located in or about the Premises or the Complex and to determine the corrective measures, if any, required to remove such Hazardous Materials. In the event it is determined Tenant is responsible for the presence of Hazardous Materials on the Premises, Tenant, at its expense, shall comply with all recommendations of the consultant, as required by law. To the extent it is determined that Tenant was not responsible for the presence of the Hazardous Materials, then Landlord shall reimburse Tenant for any costs incurred by Landlord and paid by Tenant under the terms of this paragraph 45.C.

Tenant shall immediately notify Landlord of any inquiry, test, investigation or enforcement proceeding by or against Tenant or the Premises or the Complex concerning a Hazardous Material. Tenant acknowledges that Landlord, as the owner of the Property, at its election, shall have the sole right, at its expense, to negotiate, defend, approve and appeal any action taken or order issued with regard to a Hazardous Material by an applicable governmental authority. Provided Tenant is not in default under the terms of this Lease, Tenant shall likewise have the right to participate in any negotiations, approvals or appeals of any actions taken or orders issued with regard to the Hazardous Material and Landlord shall not have the right to bind Tenant in said actions or orders.

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D. It shall not be unreasonable for Landlord to withhold its consent to any proposed assignment or subletting if (i) the proposed assignee's or subtenant's anticipated use of the Premises involves the storage, use or disposal of Hazardous Material; (ii) if the proposed assignee or subtenant has been required by any prior landlord, lender or governmental authority to "clean up" Hazardous Material; (iii) if the proposed assignee or subtenant is subject to investigation or enforcement order or proceeding by any governmental authority in connection with the use, disposal or storage of a Hazardous Material.

E. Tenant shall surrender the Premises to Landlord, upon the expiration or earlier termination of the Lease, free of Hazardous Materials which are or were attributable to Tenant. If Tenant fails to so surrender the Premises, Tenant shall indemnify and hold Landlord harmless from all damages resulting from Tenant's failure to surrender the Premises as required by this paragraph, including, without limitation, any claims or damages in connection with the condition of the Premises including, without limitation, damages occasioned by the inability to relet the Premises or a reduction in the fair market and/or rental value of the Premises or the Complex by reason of the existence of any Hazardous Materials, which are or were attributable to the activities of Tenant, in or around the Premises or the Complex. Notwithstanding any provision to the contrary in this Lease, if any action is required to be taken by a governmental authority to clean-up, monitor or remove any Hazardous Materials, which are or were attributable to the activities of Tenant, from the Premises or the Complex and such action is not completed prior to the expiration or earlier termination of the Lease, then at Landlord's election (i) this Lease shall be deemed renewed for a term commencing on the expiration date of this Lease and ending on the date the clean-up, monitoring or removal procedure is completed (provided, however, that the total term of this Lease shall not be longer than 34 years and 11 months); or (ii) Tenant shall be deemed to have impermissibly held over and Landlord shall be entitled to all damages directly or indirectly incurred in connection with such holding over, including without limitation damages occasioned by the inability to relet the Premises or a reduction in the fair market and/or fair rental value of the Premises or the Complex by reason of the existence of the Hazardous Material.

F. Upon the Lease Commencement Date, Tenant shall provide to Landlord a complete list of all chemicals, toxic waste or Hazardous Materials employed by Tenant within the Premises (other than products which are of a type customarily found in offices and houses, such as aerosol cans containing insecticides, toner for copiers, paints, paint remover, and the like). Throughout the terms of the Lease, Tenant shall continue to update this list of chemicals, contaminants and Hazardous Materials.

44. **MISCELLANEOUS AND GENERAL PROVISIONS**

a. Tenant shall not, without the written consent of Landlord, use the name of the building for any purpose other than as the address of the business conducted by Tenant in the Premises.

b. This Lease shall in all respects be governed by and construed in accordance with the laws of the State of California. If any provision of this Lease shall be invalid, unenforceable or ineffective for any reason whatsoever, all other provisions hereof shall be and remain in full force and effect.

c. The term "Premises" includes the space leased hereby and any improvements now or hereafter installed therein or attached thereto. The term "Landlord" or any pronoun used in place thereof includes the plural as well as the singular and the successors and assigns of Landlord. The term "Tenant" or any pronoun used in place thereof includes the plural as well as the singular and individuals, firms, associations, partnerships and corporations, and the and each of their respective heirs, executors, administrators, successors and permitted assigns, according to the context hereof, and the provisions of this Lease shall injure to the benefit of and bind such heirs, executors, administrators, successors and permitted assigns.

The term "person" includes the plural as well as the singular and individuals, firms, associations, partnerships and corporations. Words used in any gender include other genders. If there be more than one Tenant the obligations of Tenant hereunder are joint and several. The paragraph headings of this Lease are for convenience of reference only and shall have no effect upon the construction or interpretation of any provision hereof.

d. Time is of the essence of this Lease and of each and all of its provisions.

e. At the expiration or earlier termination of this Lease, Tenant shall execute, acknowledge and deliver to Landlord, within ten (10) days after written demand from Landlord to Tenant, any quitclaim deed or other document required by any reputable title company, licensed to operate in the State of California, to remove the cloud or encumbrance created by this Lease from the real property of which Tenant's Premises are a part.

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f. This instrument along with any exhibits and attachments hereto constitutes the entire agreement between Landlord and Tenant relative to the Premises and this agreement and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Landlord and Tenant. Landlord and Tenant hereby agree that all prior or contemporaneous oral agreements between and among themselves and the agents or representatives relative to the leasing of the Premises are merged in or revoked by this agreement.

g. Neither Landlord nor Tenant shall record this Lease or a short form memorandum hereof without the consent of the other.

h. Tenant further agrees to execute any amendments required by a lender to enable Landlord to obtain financing, so long as Tenant's rights hereunder are not substantially affected.

i. Clauses, plats and riders, if any, signed by Landlord and Tenant and endorsed on or affixed to this Lease are a part hereof.

j. Tenant covenants and agrees that no diminution or shutting off of light, air or view by any structure which may be hereafter erected (whether or not by Landlord) shall in any way affect this Lease, entitle Tenant to any reduction of rent hereunder or result in any liability of Landlord to Tenant.

IN WITNESS WHEREOF, Landlord and Tenant have executed and delivered this Lease as of the day and year first above written.

CROSSROADS ASSOCIATES

By /s/ Gregory Osborn
Title Partner

CLOCKTOWER ASSOCIATES

BY /s/ Gregory Osborn
Title Partner

SONIM TECHNOLOGIES, INC.
a Delaware Corporation

By /s/ Milan Parikh
Title Chief Financial Officer

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RULES AND REGULATIONS OF THE BUILDING

1

No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed or printed or affixed on or to any part of the outside of the Premises or any exterior windows of the Premises without the written consent of Landlord first had and obtained and Landlord shall have the right to remove any such sign, placard, picture, advertisement, name or notice without notice to and at the expense of Tenant.

All approved signs or lettering on outside doors shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved of by Landlord.

Tenant shall not place anything or allow anything to be placed near the glass of any window, door partition or wall which may appear unsightly from outside the Premises.

2

Tenant shall not occupy or permit any portion of the Premises to be occupied for the manufacture or sale of liquor, narcotics or tobacco in any form.

3

The bulletin board or directory of the Premises will be provided for the display of the number and location of Tenant, and Landlord will provide directory service to a reasonable extent for Tenant at initial occupancy. Changes thereafter shall be at Tenant's expense.

4

The sidewalks, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used by it for any purpose other than ingress to and egress from its Premises. The passages, exists, entrances, stairways, balconies and roof are not for the use of the general public and Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the judgement of Landlord shall be prejudicial to the safety, character, reputation and interests of the Premises and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom Tenant normally deals in the ordinary course of Tenant's business unless such persons are engaged in illegal activities. Tenant, employees or invitees of Tenant shall not go upon the roof of the Premises.

5

The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by tenant who, or whose employees or invitees shall have caused it.

6

Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.

7

Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Premises and also the times and manner of moving the same in and out of the Premises. Safes or other heavy objects shall, if considered necessary by Landlord, slant on wood strips of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property from any cause and all damage done to the Premises by moving or maintaining any such safe or other property shall be repaired at the expense of Tenant.

8

Tenant shall not employ any person or persons other than the Janitor of Landlord or Tenant's personnel for the purpose of cleaning the Premises unless otherwise agreed to by Landlord. Tenant shall not cause any unnecessary labor by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness.

9

Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupant of the Premises by reason of noise, odors and/or vibrations, or interfere in any way with other tenant or those having business therein, nor shall any animals or birds with the exception of Dog Guides for the blind, be brought in or kept about the Premises.

10

No cooking shall be done or permitted by Tenant on the Premises, nor shall the Premises be used for the storage of merchandise for washing clothes, for lodging, or for any improper, objectionable or immoral purposes.

11

Landlord will direct electrician as to where and how telephone and telegraph wires are to be introduced. No boring or cutting for wires will be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

12

Tenant upon the termination of the tenancy, shall deliver to Landlord the keys of offices, rooms and toilet rooms which have been furnished the Tenant or which Tenant shall have had made, and in the event of loss of any keys so furnished, shall pay Landlord therefor.

13

Tenant shall see that the doors of the Premises are closed and securely locked before leaving the Premises and must observe strict care and caution that all water faucets or water apparatus within the Premises are entirely shut off before Tenant or Tenant's employees leave the Premises, and that all electricity shall likewise be carefully cut off, so as to prevent waste or damage.

14

Landlord reserves the right to exclude or expel from the Premises any person who, in the judgement of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Premises.

15

The requirements of Tenant will be attended to only upon application to Landlord at 1875 South Grant Street, San Mateo, California 94402. Employees of Landlord shall not perform any work or do anything outside of the regular duties unless under special instructions from Landlord.

16

Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name and the street address of the Premises and/or Complex.

17

Tenant shall not disturb, solicit, or canvass any occupant of the Premises and shall cooperate to prevent same.

18

Tenant and its employees shall park their vehicles only in those portions of the parking areas so designated by Landlord. Tenant shall furnish Landlord with a list of its and its employees' vehicle license number within fifteen (15) days after taking possession of the Premises and Tenant shall thereafter notify Landlord of any change in such list within five (5) days after such change occurs. Tenant agrees to assume responsibility for compliance by its employees with the parking provision contained herein. If Tenant or its employees park in other than such designated parking areas then Landlord may charge Tenant, as an additional charge, and Tenant agrees to pay, Ten Dollars ($10.00) per day for each day or partial day each such vehicle is parked in any area other than that designated. Tenant hereby authorizes Landlord at Tenant's sole expense to tow away from the Complex any vehicle belonging to Tenant or Tenant's employees parked in violation of these provisions, or to attach violation stickers or notices to such vehicle. Tenant shall use the parking areas for vehicle parking only, and shall not use the parking areas for storage.

Landlord's initials _____ Tenant's initials _____

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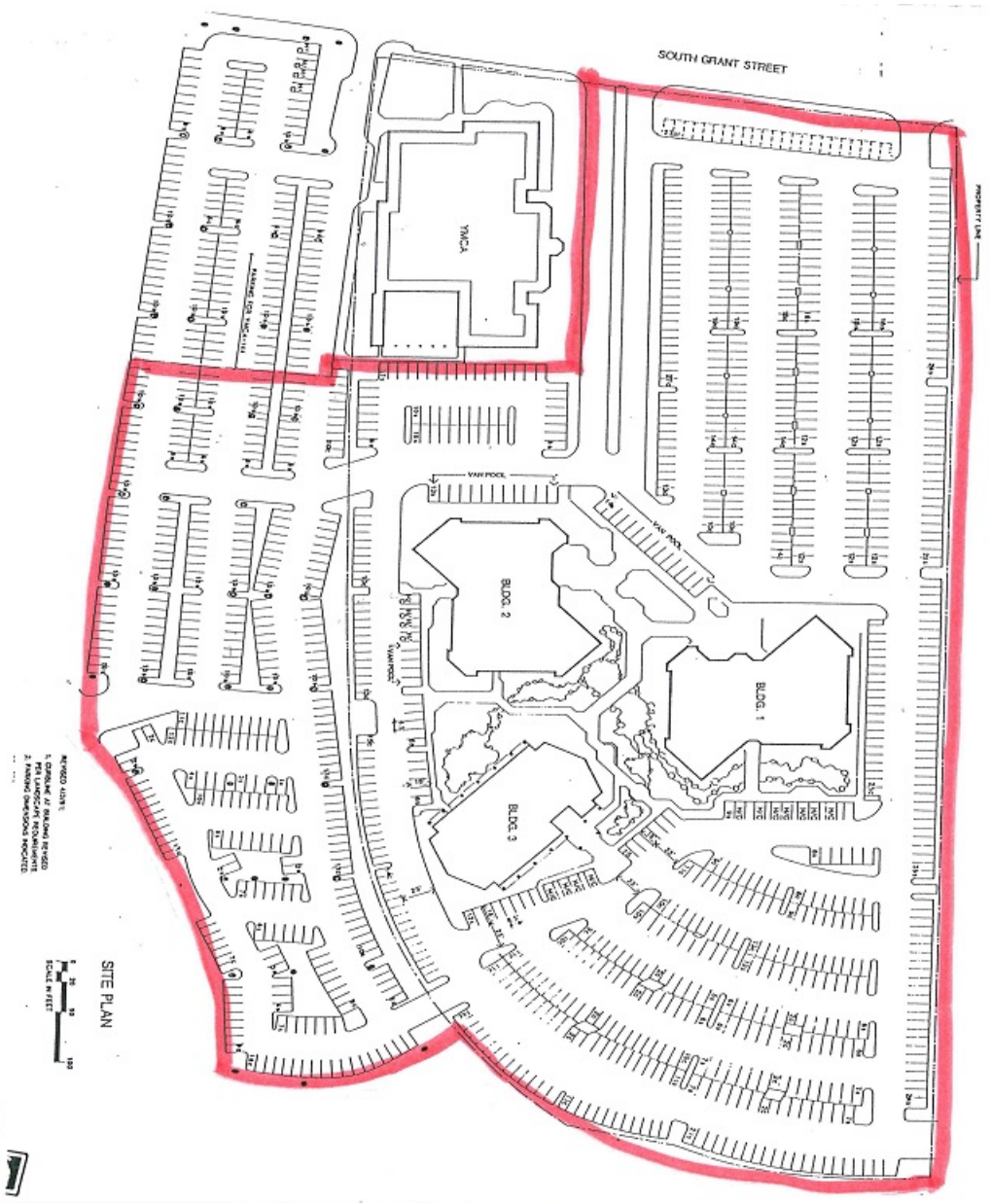

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EXHIBIT "B"

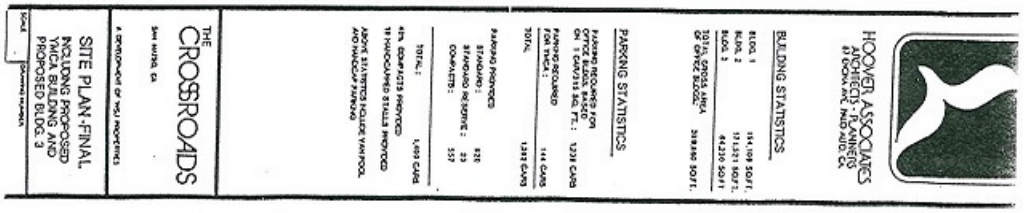
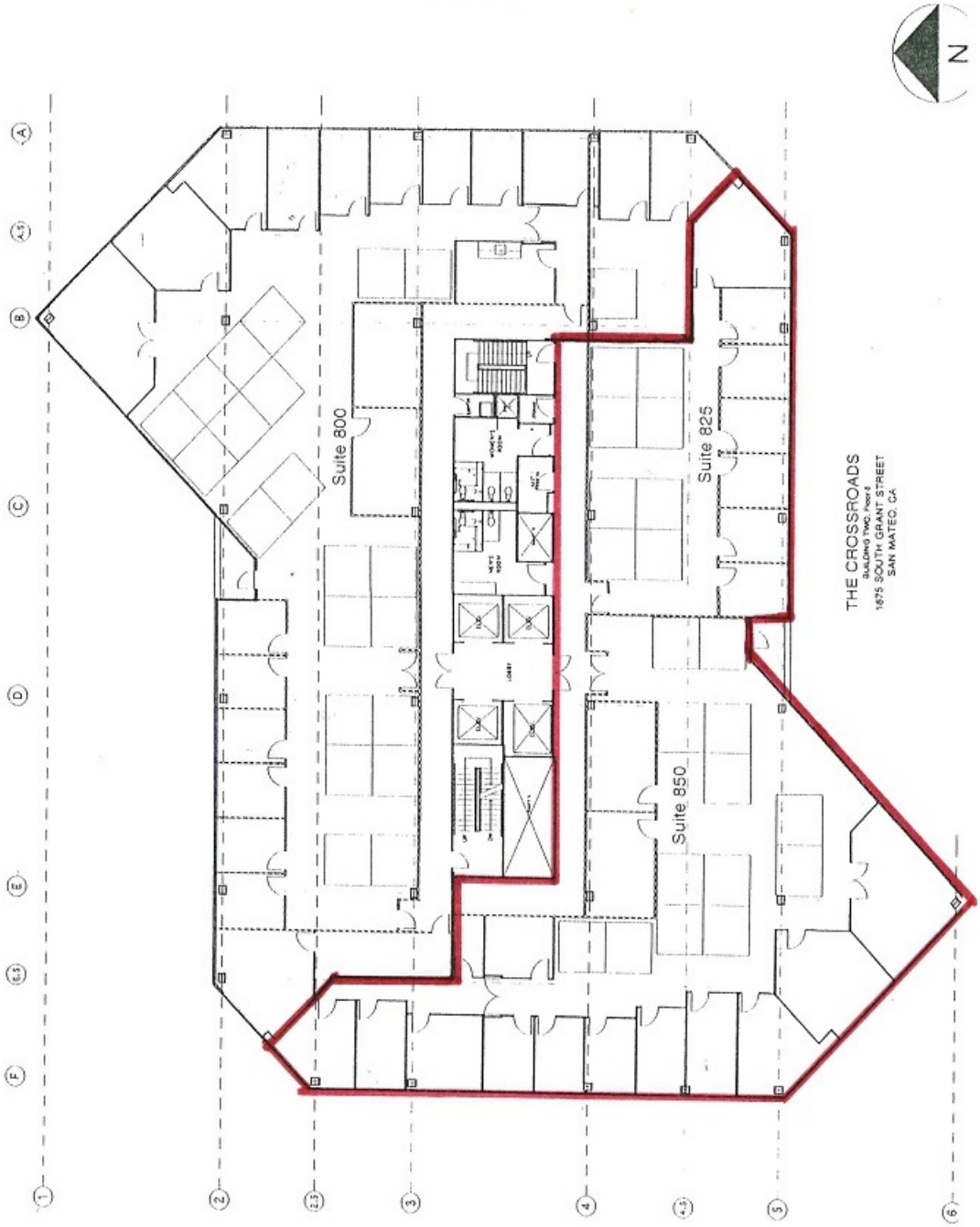


EXHIBIT C



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TWELFTH AMENDMENT TO LEASE AGREEMENT

This Twelfth Amendment to Lease Agreement (this **"Twelfth Amendment")** is made and entered into as of June 27, 2018, by and between BCSP CROSSROADS PROPERTY LLC, a Delaware limited liability company **("Landlord"),** and SONIM TECHNOLOGIES, INC., a Delaware corporation **("Tenant").**

RECITALS:

A. Landlord, as successor in interest to Crossroads Associates and Clocktower Associates, and Tenant, are parties to that certain Lease Agreement dated May 25, 2006 (the **"Office Lease"),** whereby Tenant currently leases approximately 5,650 rentable square feet of space known as Suite 200 (the **"Current Premises"**) on the second (2nd) floor of the building (the **"1825 Building"**) located at 1825 South Grant Street, San Mateo, California. The Office Lease, as amended by the First Amendment of Lease dated June 11, 2007, Second Amendment of Lease dated May 8, 2008, Third Amendment of Lease dated July 24, 2009, Fourth Amendment of lease dated July 23, 2010, Fifth Amendment of Lease dated August 8, 2011, Sixth Amendment of Lease dated March 26, 2012, Seventh Amendment of Lease dated July 11, 2012, Eighth Amendment to Lease dated August 8, 2013, Ninth Amendment of Lease dated February 5, 2014, Tenth Amendment of Lease dated January 26, 2016, and the Eleventh Amendment to Office Lease dated April 26, 2017 (the **"Eleventh Amendment"**) is referred to herein, collectively, as the **"Lease"**.

B. Landlord and Tenant desire to relocate Tenant from the Current Premises to that certain space (the **"New Premises"**) comprised of (i) 5,633 rentable square feet of space located on the seventh (7th) floor of the building located at 1875 South Grant Street, San Mateo, California (the **"Building"),** and commonly known as Suite 750, and (ii) 2,783 rentable square feet of space located on the seventh (7th) floor of the Building, and commonly known as Suite 770, for a total of 8,416 rentable square feet, and to make other modifications to the Lease, and in connection therewith, Landlord and Tenant desire to amend the Lease as hereinafter provided. An outline of the New Premises is delineated on **Exhibit A** attached hereto and made a part hereof.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. Defined Terms. Except as explicitly set forth in this Twelfth Amendment, each initially capitalized term when used herein shall have the same respective meaning as is set forth in the Lease.

2. New Term. Landlord and Tenant hereby acknowledge and agree that the term of the Lease with respect to the Current Premises is scheduled to expire on May 14, 2020. Notwithstanding any provision to the contrary set forth in the Lease, Landlord and Tenant hereby acknowledge and agree to extend the term of the Lease to August 14, 2025 (the **"New Premises Expiration Date"),** unless the Lease, as amended by this Twelfth Amendment, is sooner terminated or extended as provided in the Lease, as amended hereby.

3. Current Premises.

3.1. Condition of Current Premises. Tenant acknowledges that Tenant currently occupies the Current Premises and that Tenant shall continue to accept the Current Premises in its presently existing, "as is" condition, and Landlord shall not be obligated to provide or pay for any improvements or alterations to the Current Premises. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Current Premises, the 1825 Building or the Complex or with respect to the suitability of any of the foregoing for the conduct of Tenant's business.

3.2. Rent.

3.2.1 Basic Rent. Prior to the New Premises Commencement Date (defined in Section 4.1 below), Tenant shall continue to pay to Landlord monthly installments of Basic Rent for the Current Premises pursuant to the terms of the Lease.

3.2.2 Additional Rent. With respect to the period of the Lease Term occurring prior to the New Premises Commencement Date, Tenant shall continue paying to Landlord Additional Rent attributable to the Current Premises that arise or accrue during such period in accordance with the terms of the Lease, including, without limitation, Section 4D of the Office Lease, as amended by Section 4.3 of the Eleventh Amendment.

3.3. Termination of Tenant's Lease of the Current Premises

3.3.1 In General. Upon the date (the **"Current Premises Expiration Date"**) immediately preceding the New Premises Commencement Date, notwithstanding anything in the Lease to the contrary, Tenant's lease of the Current Premises shall automatically terminate and be of no further force and effect, and Landlord and Tenant shall be relieved of their respective obligations under the Lease, as amended hereby, in connection with the Current Premises, except those obligations which relate to the term of Tenant's lease of the Current Premises and/or specifically survive the expiration or earlier termination of Tenant's lease of the Current Premises, including, without limitation, the payment by Tenant of all amounts owed by Tenant under the Lease, as amended hereby, with respect to Tenant's period of Tenant's lease of the Current Premises. Tenant shall vacate the Current Premises, and surrender and deliver exclusive possession thereof to Landlord on or before the New Premises Commencement Date in accordance with the provisions of the Lease, as amended hereby (i.e., as if the Lease had terminated, although the Lease shall only terminate with respect to the Current Premises). In the event that Tenant retains possession of the Current Premises or any part thereof after the Current Premises Expiration Date, then (i) the provisions of Article 28 of the Office Lease shall apply with respect to the Current Premises and any amounts for which Tenant would otherwise be liable thereunder if the Lease

were still in effect with respect to the Current Premises, and (ii) in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability suffered by Landlord as a result of such holdover, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost rent to Landlord resulting therefrom. Additionally, in the event that the New Premises are not Ready for Occupancy (defined in Section 5.1 of the Tenant Work Letter, attached hereto as **Exhibit B** (the **"Tenant Work Letter"**)) due to a Tenant Delay (defined in Section 5.2 of the Tenant Work Letter), then, effective as of the date that the New Premises would have been Ready for Occupancy but for any such Tenant Delay, and continuing through the date that the New Premises are Ready for Occupancy, (i) Tenant shall pay the Basic Rent payable for the Current Premises in accordance with Article 28 of the Office Lease, which is $34,044.08 per month, and (ii) Tenant shall continue to pay to Landlord Additional Rent attributable to the Current Premises in accordance with the terms of the Lease, including, without limitation, Section 4D of the Office Lease, as amended by Section 4.3 of the Eleventh Amendment.

3.3.2 Representations of Tenant. Tenant represents and warrants to Landlord that (a) Tenant has not heretofore sublet the Current Premises nor assigned all or any portion of its interest in the Lease; (b) no other person, firm or entity has any right, title or interest in the Lease; and (c) Tenant has the full right, legal power and actual authority to enter into this Twelfth Amendment and to terminate the Lease as set forth herein with respect to the Current Premises without the consent of any person, firm or entity. Tenant further represents and warrants to Landlord that as of the date hereof there are no, and as of the Current Premises Expiration Date there shall not be any, mechanic's liens or other liens encumbering all or any portion of the Current Premises, by virtue of any act or omission on the part of Tenant, its contractors, agents, employees or subtenants. The representations and warranties set forth in this Section 3.3.2 shall survive the termination of the Lease with respect to the Current Premises and Tenant shall be liable to Landlord for any inaccuracy or any breach thereof.

3.3.3 Representations of Landlord. Landlord represents and warrants to Tenant that Landlord has the full right, legal power and actual authority to enter into this Twelfth Amendment and to terminate the Lease as set forth herein with respect to the Current Premises without the consent of any person, firm or entity. The representations and warranties set forth in this Section 3.3.3 shall survive the termination of the Lease with respect to the Current Premises, and Landlord shall be liable to Tenant for any inaccuracy or any breach thereof.

4. Modification of Premises.

4.1. New Premises. Effective as of the date (the **"New Premises Commencement Date"**) that is the earlier to occur of (i) the date upon which Tenant first commences to conduct business in the New Premises, and (ii) the date upon which the New Premises are Ready for Occupancy, which date this anticipated to be September 1, 2018, and continuing through the New Premises Expiration Date, Landlord shall lease to Tenant, and Tenant shall lease from Landlord the New Premises. The term of the Tenant's lease of the New Premises commencing on the New Premises Commencement Date and continuing through, and including, the New Premises Expiration Date shall be referred to herein as the **"New Premises Term".** As

of the New Premises Commencement Date, all references in the Lease, as amended by this Twelfth Amendment, to the "Premises" shall be deemed to refer not to the Current Premises, but instead to the New Premises.

4.2. Condition of the New Premises. Tenant hereby acknowledges and agrees that, except as otherwise set forth in the Tenant Work Letter and the terms of this Section 4.2, below, Tenant shall accept the New Premises in its existing, "as is" condition and Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the New Premises. Landlord shall deliver the Building systems located in or serving the New Premises in good working order and repair. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the New Premises or the Building or with respect to the suitability of the same for the conduct of Tenant's business.

4.3. Basic Rent.

4.3.1 In General. Commencing on the New Premises Commencement Date and continuing throughout the New Premises Term, Tenant shall pay monthly installments of Basic Rent for the New Premises in the amounts set forth below, which payments shall be made in accordance with the terms of the Lease.

Period During New Premises Term	Annual Basic Rent	Monthly Installments of Basic Rent	Monthly Basic Rent per Rentable Square Foot
1-12*	$398,918.40	$33,243.20	$3.95
13-24	$411,037.44	$34,253.12	$4.07
25-36	$423,156.48	$35,263.04	$4.19
37-48	$436,285.44	$36,357.12	$4.32
49-60	$449,414.40	$37,451.20	$4.45
61-72	$462,543.36	$38,545.28	$4.58
73-New Premises Expiration Date	$476,682.24	$39,723.52	$4.72

* Notwithstanding any provision to the contrary set forth in Section 4.3.1, in the event that the New Premises Commencement Date occurs prior to September 1, 2018, then for the period commencing on the New Premises Commencement Date and continuing through August 31,2018, Tenant shall pay to Landlord Basic Rent in an amount equal to $22,696.05 (i.e., the monthly Basic Rent attributable to the Current Premises as of the date hereof).

4.3.2 Abatement of Basic Rent. Provided that Tenant is not then in default, beyond any applicable notice and cure periods set forth in the Lease, as amended, then

Tenant shall not be obligated to pay the Basic Rent otherwise attributable to the New Premises for the initial three (3) full months of the New Premises Term (the **"Abatement Period"),** provided, however, that in the event that the New Premises Commencement Date occurs prior to September 1, 2018, then the Abatement Period shall be deemed to refer to September 2018, October 2018, and November 2018.

4.4. Rentable Square Footage of Building and Complex; Additional Rent.

4.4.1 Rentable Square Footage of Building and Complex. Landlord and Tenant hereby acknowledge and agree that Landlord has re-measured the Building and Complex. In connection with foregoing, effective as of the New Premises Commencement Date, the Building shall be deemed to consist of 178,745 rentable square feet, and the Complex shall be deemed to consist of 406,444 rentable square feet, which rentable square footages shall not be subject to remeasurement or modification.

4.4.2 Additional Rent. Notwithstanding any provision to the contrary contained in the Lease, during the New Premises Term, Tenant shall pay Additional Rent attributable to the New Premises as adjusted in accordance with the terms of Section 4D of the Office Lease, as amended by Section 4.3 of the Eleventh Amendment, provided, however, (i) effective as of the New Premises Commencement Date, Tenant's proportionate share, for purpose of calculating Additional Rent, for (a) the Building shall be equal to 4.7084% and (b) the Complex shall be equal to 2.071%.

5. Option Term.

5.1. Option Right. Landlord hereby grants to the Tenant named in this Twelfth Amendment (the**"Original Tenant"**) and any Permitted Assignee (defined below) one (1) option to extend the New Premises Term for a period of five (5) years (the **"Option Term"**), which option shall be exercisable only by written notice delivered by Tenant to Landlord as provided below, provided that, as of the date of delivery of such notice, Tenant is not in default under the Lease, as amended, and has not previously been in default under the Lease, as amended, beyond any applicable notice and cure periods, more than once. Upon the proper exercise of such option to extend, and provided that, at Landlord's option, as of the end of the New Premises Term, Tenant is not in default under the Lease, as amended, and Tenant has not previously been in default under the Lease, as amended, beyond any applicable notice and cure periods, more than once, the New Premises Term, as it applies to the entire New Premises, shall be extended for a period of five (5) years. The rights contained in this Section 5 shall be personal to the Original Tenant or a Permitted Assignee, as the case may be, and may only be exercised by the Original Tenant or a Permitted Assignee, as the case may be (and not any other assignee, sublessee or other transferee of the Original Tenant's interest in the Lease, as amended) if the Original Tenant or a Permitted Assignee, as the case may be, occupies the entire New Premises. For the purposes of this Twelfth Amendment, a **"Permitted Assignee"** shall mean a person or entity to whom this Lease is assigned in compliance with the terms of the Lease.

5.2. Option Rent. The annual Rent payable by Tenant during the Option Term (the**"Option Rent"**) and the First Offer Term (defined in Section 6.5, below) shall be equal to the

Fair Market Rent (defined below) for the New Premises and the Offer Space (defined in Section 6.1, below), as applicable, as of the commencement date of the Option Term and the First Offer Term, as applicable. The **"Fair Market Rent"** shall be equal to the annual rent (including additional rent and considering any "base year" or "expense stop" applicable thereto), taking into account all escalations, at which, as of the commencement of the Option Term or the First Offer Term, as applicable, tenants are leasing non-sublease, non-encumbered, non-equity, non-expansion space comparable in size, location and quality, level of finish and proximity to amenities and public transit, and containing the similar improvements present in the New Premises or the Offer Space, as applicable, for a term of five (5) years with respect to the New Premises and the First Offer Term with respect to the Offer Space, in an arm's-length transaction, which comparable space is located in the Building, in the Complex or in the Comparable Buildings (defined below), and which comparable transactions (collectively, the **"Comparable Transactions"**) are entered into within the six (6) month period immediately preceding Landlord's delivery of the Option Rent Notice (defined in Section 5.3 below) or the First Offer Notice (defined in Section 6.1, below), as applicable, taking into consideration only the following concessions (the **"Concessions"**): (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; and (b) tenant improvements or allowances provided or to be provided for such comparable space, taking into account, and deducting the value of, the existing improvements in the New Premises or the Offer Space, as applicable, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the extent to which the same can be utilized by a general office user; and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space. The Fair Market Rent shall additionally include a determination (the **"Financial Security Determination"**) as to whether, and if so to what extent, Tenant must provide Landlord with financial security, such as a letter of credit or guaranty, for Tenant's rent obligations in connection with Tenant's lease of the New Premises during the Option Term or the Offer Space during the First Offer Term, as applicable. Such determination shall be made by reviewing the extent of financial security then generally being imposed in Comparable Transactions from tenants of comparable financial condition and credit history to the then existing financial condition and credit history of Tenant (with appropriate adjustments to account for differences in the then-existing financial condition of Tenant and such other tenants). For purposes of this Twelfth Amendment, the term **"Comparable Buildings"** shall mean Class A office properties which are substantially similar in size, construction quality, age, and use, and are located within the City of San Mateo, Foster City, and Redwood Shores.

5.3. Exercise of Option. The option contained in this Section 5 shall be exercised by Tenant, if at all, only in the following manner: (i) Tenant shall deliver written notice to Landlord no earlier than fourteen (14) months prior to the expiration of the New Premises Term and no later than eleven (11) months prior to the expiration of the New Premises Term, stating that Tenant is interested in exercising its option **("Tenant's Interest Notice"**); (ii) Landlord, after receipt of Tenant's Interest Notice, shall deliver notice (the **"Option Rent Notice"**) to Tenant no later than ten (10) months prior to the expiration of the New Premises Term setting forth the proposed Option Rent; and (iii) if Tenant wishes to exercise such option, Tenant shall exercise the option by delivering written notice thereof to Landlord no later than nine (9) months prior to the expiration of the New Premises Term (the **"Option Exercise Notice"**), and upon, and concurrent with, such exercise, Tenant may, at its option, object to the proposed Option Rent contained in the Option Rent Notice, in which case the parties shall follow the procedure set forth in Section 5.4 below, and the Option Rent shall be determined, as set forth in Section 5.4 below. Time is of the essence with respect to the delivery of Tenant's Interest Notice and Option Exercise Notice.

5.4. Determination of Option Rent. In the event Tenant timely objects to the Option Rent in accordance with Section 5.3 above, Landlord and Tenant shall attempt to agree upon the Option Rent using reasonable good-faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following the date Tenant delivers the Option Exercise Notice (the **"Outside Agreement Date"),** then each party shall make a separate determination of the Option Rent within ten (10) days following the Outside Agreement Date, and such determinations shall be submitted to arbitration in accordance with Sections 5.4.1 through 5.4.7, below.

5.4.1 Landlord and Tenant shall each appoint one arbitrator who shall, by profession, be a real estate broker who shall have been active over the five (5) year period ending on the date of such appointment in the leasing of commercial office properties located in San Mateo, California. The determination of the arbitrators shall be limited solely to the issue area of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Option Rent as determined by the arbitrators, taking into account the requirements of Section 5.2, above. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date.

5.4.2 The two arbitrators so appointed shall within ten (10) business days of the date of the appointment of the last appointed arbitrator agree upon and appoint a third arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two arbitrators.

5.4.3 The three arbitrators shall within ten (10) business days of the appointment of the third arbitrator reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent and shall notify Landlord and Tenant thereof.

5.4.4 The decision of the majority of the three (3) arbitrators shall be binding upon Landlord and Tenant.

5.4.5 If either Landlord or Tenant fails to appoint an arbitrator within fifteen (15) days after the applicable Outside Agreement Date, the arbitrator appointed by one of them shall reach a decision, notify Landlord and Tenant thereof, and such arbitrator's decision shall be binding upon Landlord and Tenant.

5.4.6 If the two arbitrators fail to agree upon and appoint a third arbitrator, or both parties fail to appoint an arbitrator, then the appointment of the third arbitrator or any arbitrator shall be dismissed and the matter to be decided shall be forthwith submitted to arbitration under the provisions of the American Arbitration Association, but subject to the instruction set forth in this Section 5.

5.4.7 The cost of arbitration shall be paid by Landlord and Tenant equally.

6. Right of First Offer. Landlord hereby grants to the Original Tenant and a Permitted Assignee, as the case may be, aone-time right of first offer (the **"Right of First Offer")** with respect to that certain space commonly known as Suite 720 (approximately 3,767 rentable square

feet) and Suite 760 (approximately 1,409 rentable square feet) located on the seventh (7th) floor of the Building (individually and collectively, **"First Offer Space"),** during the New Premises Term only. For avoidance of doubt, the Right of First Offer on the First Offer Space may be exercised by the Original Tenant and a Permitted Assignee, as the case may be, on one or both suites referenced above. Notwithstanding the foregoing, such Right of First Offer of Tenant shall commence only following the expiration or earlier termination of the existing leases (including any renewals of such existing leases regardless of whether such existing tenants have a renewal right or not) of the First Offer Space, and such Right of First Offer shall be subordinate to all rights of tenants under leases of the First Offer Space existing as of the date hereof, and all rights of other tenants of the Building or the Complex, which rights relate to the First Offer Space and which rights are set forth in leases of space in the Building or the Complex existing as of the date hereof, each including any renewal, extension, expansion, first offer, first negotiation and other similar rights, regardless of whether such rights are executed strictly in accordance with their respective terms or pursuant to lease amendments or new leases (all such tenants under existing leases of the First Offer Space and other tenants of the Building and Complex, collectively, the **"Superior Right Holders")** as set forth on **Exhibit C,** attached hereto. Tenant's Right of First Offer shall be on the terms and conditions set forth in this Section 6.

6.1. Procedure for Offer. Landlord shall notify Tenant (a **"First Offer Notice")** whenever the First Offer Space or any portion thereof becomes available for lease to third parties (other than First Offer Superior Right Holders). The space described in a First Offer Notice is referred to herein as **"Offer Space"**. The First Offer Notice shall describe the Offer Space in reasonable detail (including the precise location, configuration and rentable and usable areas), the anticipated date of availability of the applicable Offer Space (the **"ROFO Target Delivery Date"),** shall set forth Landlord's proposed First Offer Rent (defined in Section 6.3 below) (the **"Proposed First Offer Rent"),** and the other economic terms upon which Landlord is willing to lease such space to Tenant. Pursuant to such First Offer Notice, Landlord shall offer to lease the available Offer Space to Tenant.

6.2. Procedure for Acceptance. If Tenant wishes to exercise Tenant's Right of First Offer with respect to the Offer Space described in a First Offer Notice, then on or before that date (the **"First Offer Exercise Date")** that is ten (10) days following delivery of such First Offer Notice to Tenant, Tenant shall deliver written notice to Landlord **("First Offer Exercise Notice")** irrevocably exercising its Right of First Offer with respect to the entire Offer Space described in such First Offer Notice on the terms contained in such First Offer Notice. If Tenant does not timely deliver a First Offer Exercise Notice to Landlord on or before the First Offer Exercise Date, then Landlord shall be free to lease the space described in such First Offer Notice to anyone to whom Landlord desires on any terms Landlord desires. If Tenant does not exercise its Right of First Offer with respect to any space described in a First Offer Notice or if Tenant fails to respond to a First Offer Notice within ten (10) days of delivery thereof, then Tenant's right of first offer as set forth in this Section 6.2 shall terminate as to all of the space described in such First Offer Notice. Notwithstanding the foregoing, if Landlord desires to enter into such a lease or lease amendment with a third party on fundamental material economic terms and conditions that are more than seven percent (7%) more favorable than such fundamental material economic terms and conditions set forth in the First Offer Notice provided to Tenant (as such terms and conditions are adjusted to account for the difference, if any, in the lease term offered to Tenant and the lease term offered to

such third party), then Landlord shall deliver another First Offer Notice to Tenant containing such more favorable terms and conditions (as such terms and conditions are adjusted to account for the difference, if any, in the lease term offered to Tenant and the lease term offered to such third party). If Tenant thereafter wishes to exercise its Right of First Offer offered to Tenant in a subsequent First Offer Notice, Tenant shall deliver the First Offer Exercise Notice to Landlord within five (5) Business Days of delivery of such First Offer Notice (which procedure shall be repeated until Landlord enters into a lease or lease amendment with respect to such First Offer Space which does not require Landlord to deliver another First Offer Notice to Tenant pursuant to the terms of this paragraph or Tenant exercises such Right of First Offer, as applicable).

6.3. First Offer Rent. The annual Rent payable by Tenant for the Offer Space leased by Tenant (the **"First Offer Rent")** shall be equal to one hundred percent (100%) of the annual Fair Market Rent of the Offer Space as of the First Offer Commencement Date.

6.4. Construction in Offer Space. Subject to any Concessions (as defined in Section 5.2 above) granted to Tenant in accordance with Section 5.2 above for any particular Offer Space, Tenant shall accept the Offer Space in its "as is" condition, and the construction of improvements in the Offer Space shall comply with the terms of Article 9 of the Office Lease.

6.5. Amendment to Lease. If Tenant timely exercises the Right of First Offer as set forth herein, then, within thirty (30) days thereafter, Landlord and Tenant shall execute an amendment to this Lease for such Offer Space upon the terms and conditions as set forth in the First Offer Notice and this Section 6; provided, however, an otherwise valid exercise of Tenant's Right of First Offer shall be fully effective whether or not a lease amendment is executed. Tenant shall commence payment of Rent for such Offer Space, and the term of such Offer Space (the **"First Offer Term")** shall commence, upon such commencement date (the **"First Offer Commencement Date")** as is set forth in the First Offer Notice or as determined pursuant to the terms hereof. Except as set forth in Section 6.6, below, the First Offer Term shall expire coterminously with the New Premises Term (as may be extended by Tenant in accordance with the Lease).

6.6. Termination of Right of First Offer. The rights contained in this Section 6 shall be personal to the Original Tenant and a Permitted Assignee, as the case may be, and may only be exercised by the Original Tenant or a Permitted Assignee, as the case may be (and not any other assignee, or any sublessee or transferee of the Original Tenant's interest in the Lease, as amended) if the Lease then remains in full force and effect and the Original Tenant or a Permitted Assignee, as the case may be, is in occupancy of the entire Premises. In the event that Landlord delivers a First Offer Notice to Tenant the date that is three (3) years prior to the expiration of the New Premises, then, notwithstanding any provision to the contrary set forth herein, the First Offer Term shall expire as of the expiration date set forth in the First Offer Notice (and not coterminously with the New Premises Term). Tenant shall have the right to lease any Offer Space as provided in this Section 6, only if, as of the date of the attempted exercise of any Right of First Offer by Tenant, or, at Landlord's option, as of the scheduled date of delivery of such Offer Space to Tenant, no event of default shall be continuing hereunder and not more than one (1) event of default, beyond any applicable notice and cure period, shall have occurred during the New Premises Term.

7. Security Deposit. Landlord and Tenant acknowledge that, in accordance with the terms of the Lease, Tenant has previously delivered the sum of $9,000.00 (the **"Security Deposit")** to Landlord as security for the faithful performance by Tenant of the terms, covenants and conditions of the Lease. On or before August 15, 2018, Tenant shall deposit with Landlord an amount equal to $66,000.00 to be held by Landlord as a part of the Security Deposit. Accordingly, upon the deposit, notwithstanding anything in the Lease to the contrary, the Security Deposit held by Landlord pursuant to the Lease, as amended hereby, shall equal $75,000.00. Tenant hereby acknowledges and agrees that, effective as of the date hereof, the terms of this Section 7 shall apply with respect to the Security Deposit. If Tenant defaults with respect to any provisions of the Lease, as amended, including, but not limited to, the provisions relating to the payment of Rent, the removal of property and the repair of resultant damage, Landlord may, without notice to Tenant, but shall not be required to apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default, and Tenant shall, within 10 days following written demand therefor, restore the Security Deposit to its original amount. Any unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Lease Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, or any successor statute, and all other provisions of law, now or hereafter in effect, which (i) establish the time frame by which a landlord must refund a security deposit under a lease, and/or (ii) provide that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant or to clean the premises, it being agreed that Landlord may, in addition, claim those sums specified in this Section 7 and/or those sums reasonably necessary to compensate Landlord for any loss or damage caused by Tenant's default of the Lease, as amended, including, but not limited to, all damages or rent due upon termination of Lease pursuant to Section 1951.2 of the California Civil Code.

8. California Accessibility Disclosure. For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges that the Common Areas and the Premises have not undergone inspection by a Certified Access Specialist (CASp). As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of the foregoing, Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp approved in advance by Landlord; and (b) pursuant to Section 17 of the Office Lease, Tenant, at its cost, is responsible for making any repairs within the Premises to correct violations of construction-related accessibility standards if a CASP inspection requested by Tenant discloses any such violations.

9. Brokers. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Twelfth Amendment other than Cushman & Wakefield, Jones Lang LaSalle and Newmark Cornish & Carey (collectively, the **"Brokers"**), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Twelfth Amendment. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including, without limitation, reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent, other than the Brokers, occurring by, through, or under the indemnifying party. The terms of this Section 9 shall survive the expiration or earlier termination of this Twelfth Amendment.

10. No Other Modifications. Except as otherwise provided herein, all other terms and provisions of the Lease shall remain in full force and effect, unmodified by this Twelfth Amendment.

11. Counterparts. This Twelfth Amendment may be executed in any number of original counterparts. Any such counterpart, when executed, shall constitute an original of this Twelfth Amendment, and all such counterparts together shall constitute one and the same Twelfth Amendment.

12. Conflict. In the event of any conflict between the Lease and this Twelfth Amendment, this Twelfth Amendment shall prevail.

[signatures appear on following page]

IN WITNESS WHEREOF, the parties have entered into this Twelfth Amendment as of the date first set forth above.

"LANDLORD"

BCSP CROSSROADS PROPERTY LLC,
a Delaware limited liability company

By: /s/ William McClure Kelly
Name: William McClure Kelly
Title: Senior Managing Director

Date: June 28, 2018
The date of this Twelfth Amendment shall be and remain as set in the introductory paragraph on page 1 of this Twelfth Amendment. The date below the Landlord's signature is merely intended to reflect the date of Landlord's execution of this Twelfth Amendment.

"TENANT"

SONIM TECHNOLOGIES, INC.,
a Delaware corporation

By: /s/ Taruna Punj
Name: Taruna Punj
Title: Controller

EXHIBIT A

OUTLINE OF NEW PREMISES

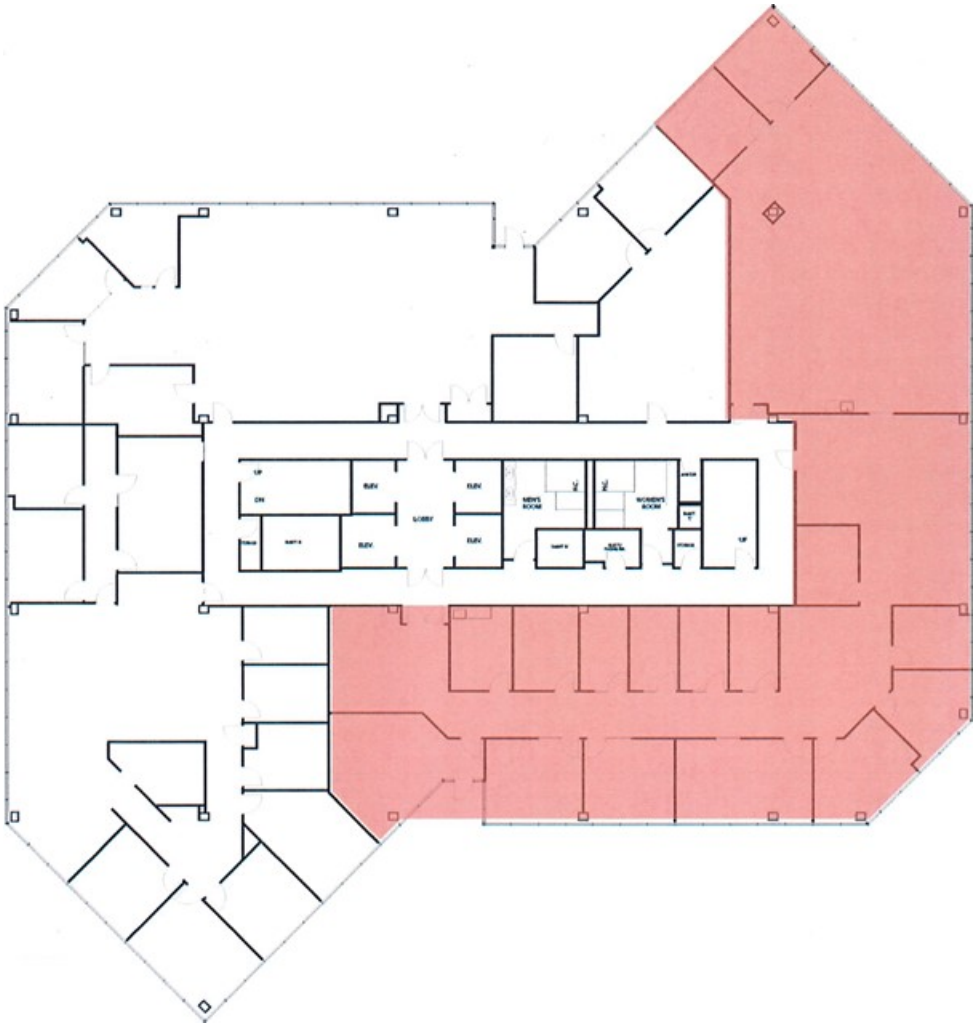

EXHIBIT B

WORK LETTER

This Work Letter shall set forth the terms and conditions relating to the construction of the tenant improvements in the New Premises.

SECTION 1

CONSTRUCTION OF THE TENANT IMPROVEMENTS

1.1 In General. Landlord shall construct the improvements in the Premises (the **"Tenant Improvements")** pursuant to those certain construction drawings, prepared by Revel Architecture & Design, job number PBC1825.1801.00 (collectively, the **"Approved Working Drawings").** Landlord shall cause the Approved Working Drawing to be submitted to the applicable local governmental agency for all applicable building permits necessary to allow the Contractor (as defined below), to commence and fully complete the construction of the Tenant Improvements. Landlord shall cause the Contractor to construct the Tenant Improvements in the New Premises pursuant to the Approved Working Drawings. No changes to the Approved Working Drawings may be made without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion if such change or modification would directly or indirectly delay the Substantial Completion (as that term is defined in Section 5.1 of this Tenant Work Letter) of the New Premises. In the event that Tenant requests any changes to the Approved Working Drawings that increases the cost of designing or constructing the Tenant Improvements, then any such changes shall be subject to Landlord's reasonable approval, provided that Tenant shall be liable for any such increase in costs in excess of the Tenant Improvement Allowance (defined in Section 2.1, below).

1.2 Contractor. A general contractor under the supervision of and selected by Landlord shall construct the Tenant Improvements (the **"Contractor")** pursuant to a guaranteed maximum price contract, and Landlord shall cause the Contractor to construct the Tenant Improvements in good and workmanlike manner, in compliance with all applicable laws and in conformance with the Approved Working Drawings.

SECTION 2

TENANT IMPROVEMENT ALLOWANCE

2.1 Tenant Improvement Allowance. Landlord has allocated an amount not to exceed $765,856.00 (i.e., $91.00 per rentable square foot of New Premises) (the **"Tenant Improvement Allowance")** for the construction of the Tenant Improvements. In the event that all costs associated with the design and construction of the Tenant Improvements, including the Landlord Coordination Fee (defined below), exceeds the Tenant Improvement Allowance, the amount of such excess (the **"Over-Allowance Amount")** shall be paid by Tenant to Landlord within forty- five (45) days following delivery of an invoice by Landlord. For purposes of this Twelfth Amendment, the **"Landlord Coordination Fee"** shall equal the product of (i) three percent (3%) and (ii) an amount equal to the Tenant Improvement Allowance.

2.2 Cost Proposal. Landlord shall provide Tenant with a cost proposal in accordance with the Approved Working Drawings, which cost proposal shall include, as nearly as possible, the cost of the Tenant Improvements (the **"Cost Proposal").** Tenant shall either (i) approve the Cost Proposal within two (2) Business Days of the receipt of the same, or (ii) deliver notice of Tenant's election to modify the Approved Working Drawings in order to reduce the cost of the Tenant Improvements. Tenant hereby acknowledges and agrees that Tenant shall only have the right to modify the Approved Working Drawings if the Cost Proposal exceeds $90.00 per rentable square foot of the New Premises. In the event that Tenant shall fail to timely deliver its election under item (i) or item (ii), above, the same shall be deemed to be a Tenant Delay for purposes of this Tenant Work Letter until such time as Tenant shall make its election pursuant to the terms hereof. In the event that Tenant shall elect item (ii), above, then (a) Landlord and Tenant shall diligently cooperate on a commercially reasonable basis to effectuate Tenant's desires changes (all of which shall be subject to Landlord's approval, which shall not be unreasonably withheld), and (b) any delays resulting from Tenant's delay in delivering the notice under item (ii) (commencing upon the expiration of the 2-Business Day period) shall be deemed to be a Tenant Delay for purposes of this Tenant Work Letter. Subject to the terms of the foregoing sentence, upon receipt of Tenant's approval of the Cost Proposal by Landlord, Landlord shall be released by Tenant to purchase the items set forth in the Cost Proposal and to promptly commence the construction relating to such items.

2.3 Unused Tenant Improvement Allowance. Subject to the terms hereof, provided that Tenant is not in default of the Lease, as amended, beyond any applicable notice and cure periods, upon notice from Tenant to Landlord, Tenant shall be entitled to utilize up to $84,160.00 (i.e., $10.00 per rentable square foot of the New Premises) of any unused portion of the Tenant Improvement Allowance for (i) the purchase and installation of furniture, fixtures, and equipment in the New Premises, (ii) the installation of cabling in the New Premises, and (iii) moving costs incurred in connection with Tenant's relocation from the Current Premises to the New Premises (the costs incurred under items (i) through (iii) above shall be referred to herein as the **"Reimbursable Items").** In the event that Tenant desires to use any unused Tenant Improvement Allowance for the Reimbursable Items, then Tenant shall submit invoices to Landlord, marked as having been paid, and such other documentation as may be reasonably required by Landlord, and such expenses shall be reimbursed by Landlord to Tenant within forty-five (45) days after Landlord's receipt of such invoices and documentation.

SECTION 3

CONTRACTOR'S WARRANTIES AND GUARANTIES

Landlord hereby assigns to Tenant all warranties and guaranties by the Contractor relating to the Tenant Improvements. Landlord covenants to use commercially reasonable efforts to cause the Contractor to promptly resolve any Punchlist Items (defined below).

SECTION 4

INTENTIONALLY OMITTED

SECTION 5

COMPLETION OF THE TENANT IMPROVEMENTS;
LEASE COMMENCEMENT DATE

5.1 Ready for Occupancy. The New Premises shall be deemed **"Ready for Occupancy"** upon the Substantial Completion of the New Premises. For purposes of this Twelfth Amendment, **"Substantial Completion"** of the New Premises shall occur upon the completion of construction of the Tenant Improvements in the New Premises, in good and workmanlike manner and in compliance with all Applicable laws (including the issuance of a certificate of occupancy or its legal equivalent), pursuant to the Approved Working Drawings (as reasonably determined by Landlord), with the exception of any minor punch list items which do not impair Tenant's ability to use the New Premises for Tenant's intended use **("Punchlist Items")** and any tenant fixtures, work-stations (including any related fixture and/or equipment electrification), built-in furniture, or equipment (including security and other Tenant systems) to be installed by Tenant or under the supervision of Contractor.

5.2 Delay of the Substantial Completion of the New Premises. Except as provided in this Section 5.2, the New Premises Commencement Date shall occur as set forth in this Twelfth Amendment and Section 5.1, above. If there shall be a delay or there are delays in the Substantial Completion of the New Premises or in the occurrence of any of the other conditions precedent to the New Premises Commencement Date, as set forth in of this Twelfth Amendment, as a direct, indirect, partial, or total result of:

5.2.1 Tenant's failure to timely approve any matter requiring Tenant's approval within the stipulated required time;

5.2.2 A breach by Tenant of the terms of this Tenant Work Letter or the Lease, as amended;

5.2.3 Tenant's requirement for materials, components, finishes or improvements which are not available in a commercially reasonable time given the anticipated date of Substantial Completion of the New Premises, as set forth in this Twelfth Amendment, or which are different from, or not included in, Landlord's standard improvement package items for the Building;

5.2.4 Changes to the base, shell and core work of the Building required by the Approved Working Drawings; or

5.2.5 Any other acts or omissions of Tenant, or its agents, or employees;

then (a "Tenant Delay"), notwithstanding anything to the contrary set forth in this Twelfth Amendment or this Tenant Work Letter and regardless of the actual date of the Substantial Completion of the New Premises, the date of Substantial Completion of the New Premises shall be deemed to be the date the Substantial Completion of the New Premises would have occurred if no Tenant Delays, as set forth above, had occurred.

Notwithstanding the foregoing, no Tenant Delay shall occur unless and until Landlord has provided written notice to Tenant (a **"Delay Notice")** specifying the action or inaction that Landlord contends constituted a Tenant Delay. If such action or inaction is not cured within one (1) business day after Tenant's receipt of the Delay Notice, then a Tenant Delay, as set forth in such notice, shall be deemed to have occurred commencing as of the date such notice is received by Tenant and continuing for the number of days Substantial Completion of the Premises is delayed as a result of such action or in action; provided, however, that in no event shall Landlord be obligated to deliver more than one (1) Delay Notice, the parties hereby agreeing that a Tenant Delay shall be deemed to have occurred upon the occurrence of the same (without the requirement for Landlord to deliver a Delay Notice and/or to provide the Tenant cure period provided above) for the second (2nd) and every subsequent Tenant Delay, if applicable.

SECTION 6

MISCELLANEOUS

6.1 Tenant's Entry Into the New Premises Prior to Substantial Completion. Provided that Tenant and its agents do not interfere with Contractor's work in the Building and the New Premises, Contractor shall allow Tenant access to the New Premises at least ten (10) days prior to the Substantial Completion of the New Premises for the purpose of Tenant moving its personal property and installing equipment or fixtures (including Tenant's data and telephone equipment) in the New Premises **("Early Access").** Prior to Tenant's entry into the New Premises as permitted by the terms of this Section 6.1, Tenant shall submit a schedule to Landlord and Contractor, for their approval (not to be unreasonably withheld, delayed or conditioned), which schedule shall detail the timing and purpose of Tenant's entry. Tenant shall hold Landlord harmless from and indemnify, protect and defend Landlord against any loss or damage to the New Premises caused by Tenant's Early Access. For the avoidance of doubt, Early Access shall not trigger the New Premises Commencement Date.

6.2 Freight Elevators. Landlord shall, consistent with its obligations to other tenants of the Building, make the freight elevator reasonably available to Tenant in connection with initial decorating, furnishing and moving into the New Premises.

6.3 Tenant's Representative. Tenant has designated Joe Hooks as its sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of the Tenant as required in this Tenant Work Letter.

6.4 Landlord's Representative. Landlord has designated Michael Pabros as its sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work Letter.

6.5 Tenant's Agents. All subcontractors, laborers, materialmen, and suppliers retained directly by Tenant shall all be union labor in compliance with the then existing master labor agreements unless otherwise agreed upon by Landlord.

6.6 Time of the Essence in This Tenant Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. In all instances where Tenant is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Landlord's sole option, at the end of such period the item shall automatically be deemed approved or delivered by Tenant and the next succeeding time period shall commence.

6.7 Tenant's Lease Default. Notwithstanding any provision to the contrary contained in the Lease, as amended, if an event of default as described in the Lease, as amended, or a default by Tenant under this Tenant Work Letter, which remains uncured after the applicable notice and cure period occurs, at any time on or before the Substantial Completion of the New Premises, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the Lease, as amended, Landlord shall have the right to cause Contractor to cease the construction of the New Premises (in which case, Tenant shall be responsible for any delay in the Substantial Completion of the New Premises caused by such work stoppage as set forth in Section 5 of this Tenant Work Letter), and (ii) all other obligations of Landlord under the terms of this Tenant Work Letter shall be forgiven until such time as such default is cured pursuant to the terms of the Lease.

6.8 Cooperation by Tenant. Tenant acknowledges that the timing of the completion of the Approved Working Drawings and the Tenant Improvements is of the utmost importance to Landlord. Accordingly, Tenant hereby agrees to fully and diligently cooperate with all reasonable requests by Landlord in connection with or related to the design and construction of the Tenant Improvements, and in connection therewith, shall respond to Landlord's requests for information and/or approvals, except as specifically set forth herein to the contrary, within two (2) business days following request by Landlord.

EXHIBIT C

LIST OF SUPERIOR RIGHT HOLDERS

1. Suite 720, Arbor Advisors, LLC a California Limited Liability Company
2. Suite 760, Japanese Chamber of Commerce of Northern California, a California Non-Profit Corporation

Exhibit 21.1

Sonim Technologies, Inc.
List of Subsidiaries

Subsidiary	Jurisdiction
Sonim Technologies (INDIA) Private Limited	India
Sonim Technologies (Shenzhen) Limited	China
Sonim Technologies Shenzhen Limited Beijing Branch	China
Sonim Technologies Span SL	Spain
Sonim Communications (India) Private Limited	India
Sonim Technologies (Hong Kong) Limited	Hong Kong