

September 30, 2015, there was \$228.5 million of total unrecognized compensation expense related to outstanding stock options and restricted stock awards that is expected to be recognized over a weighted average period of 3.18 years.

### Common Stock Valuations

The fair value of our common stock underlying our stock options has historically been determined by our board of directors, with assistance from management, based upon information available at the time of grant. Given the absence of a public trading market for our common stock and in accordance with the American Institute of Certified Public Accountants Accounting & Valuation Guide, Valuation of Privately-Held-Company Equity Securities Issued as Compensation, our board of directors has exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock at each grant date. These factors included the following:

- contemporaneous valuations of our common stock by an independent valuation advisory firm;
- the prices, rights, preferences, and privileges of our preferred stock relative to the common stock;
- the prices of preferred stock sold by us to third-party investors in arms-length transactions;
- our operating and financial performance;
- current business conditions and projections;
- the likelihood of achieving a liquidity event, such as an initial public offering or sale of our company, given prevailing market conditions;
- the lack of marketability of our common stock;
- the market performance of comparable publicly traded companies; and
- the U.S. and global economic and capital market conditions and outlook.

The per share estimated fair value of our common stock in the table below represents the determination by our board of directors of the fair value of our common stock as of the date of grant, taking into consideration the various objective and subjective factors described above, including the valuations of our common stock. There is inherent uncertainty in these estimates and, if we had made different assumptions than those described below, the fair value of the underlying common stock and amount of our stock-based compensation expense, net loss, and net loss per share amounts would have differed.

Following the closing of our initial public offering, the fair value per share of our common stock for purposes of determining stock-based compensation will be the closing price of our common stock as reported on the applicable grant date.

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The following table summarizes by grant date the number of shares of stock awards granted from June 20, 2014 through the date of this prospectus, as well as the associated per share exercise price and the estimated fair value per share of our common stock on the grant date:

	Number of Options Granted	Number of RSUs Granted	Exercise Price Per Share for Options Granted	Estimated Fair Value Per Share
<b>Options Granted:</b>				
June 20, 2014	9,040,250	—	\$ 8.23	\$ 8.23
July 18, 2014	1,328,250	—	\$ 8.23	\$ 8.23
August 16, 2014	1,835,298	—	\$ 9.11	\$ 9.11
September 25, 2014	645,904	—	\$ 9.11	\$ 9.11
November 6, 2014	2,207,926	—	\$ 9.11	\$ 9.11
December 17, 2014	3,425,249	—	\$ 10.06	\$ 10.06
January 22, 2015	4,452,600	—	\$ 10.06	\$ 10.06
February 24, 2015	2,147,573	—	\$ 10.06	\$ 10.06
March 10, 2015	46,000	—	\$ 10.06	\$ 10.06
March 11, 2015	2,201,431	—	\$ 10.06	\$ 10.06