

shares held of record by West Studios, LLC. Mr. Dorsey is a managing member of West Studios, LLC and shares voting and dispositive power over the shares held by West Studios, LLC. The address of West Studios, LLC is 682 Schofield Rd., San Francisco, CA 94129. After October 31, 2015, The Jack Dorsey Revocable Trust u/a/d 12/8/10 transferred 1,350,000 shares to the Silicon Valley Community Foundation. See footnote (17) below for additional information.

- (6) Consists of (i) 1,348,769 shares held of record by The Sarah Friar 2015 GRAT, dated August 6, 2015, for which Ms. Friar serves as a trustee, and (ii) 2,551,231 shares subject to options exercisable within 60 days of October 31, 2015, of which 353,826 shares are vested as of such date.
- (7) Consists of 2,000,000 shares subject to options exercisable within 60 days of October 31, 2015, of which 791,667 shares are vested as of such date.
- (8) Consists of the shares listed in footnote (3) above. Mr. Botha is a director and stockholder of SC US (TTGP) Ltd., who shares voting and dispositive power over the shares held by the SC 2010 Funds.
- (9) Consists of 38,000 shares held of record by The June Bug Lifetime Trust, dtd 3/17/1992, for which Mr. Johnson serves as a trustee, all of which are subject to repurchase by us at the original issue price.
- (10) Consists of the shares listed in footnote (1) above. Mr. Khosla is the managing member of VK Services, LLC and holds voting and dispositive power over the shares held by KV III.
- (11) Consists of (i) 5,469,024 shares held of record by Mr. McKelvey and (ii) 21,876,096 shares held of record by the James McKelvey, Jr. Revocable Trust dated July 2, 2014, for which Mr. McKelvey serves as a trustee.
- (12) Consists of 8,623,410 shares held in the name of KPCB Holdings, Inc., as nominee, for the account of KPCB Digital Growth Fund, LLC and KPCB DGF Founders Fund, LLC (together, the DGF Funds) and KPCB sFund, LLC (sFund). John Doerr, Ted Schlein, Brook Byers, Bing Gordon, and Mary Meeker are managing members of KPCB DGF Associates, LLC, the managing member of the DGF Funds, and share voting and dispositive power over the shares held for the account of the DGF Funds. John Doerr, Ted Schlein, Brook Byers, and Bing Gordon are managing members of KPCB sFund Associates, LLC, the managing member of sFund and, therefore, share voting and dispositive power over the shares held by sFund. The address of each of these entities is 2750 Sand Hill Road, Menlo Park, CA 94025.
- (13) Consists of 38,000 shares subject to options exercisable within 60 days of October 31, 2015, none of which are vested as of such date.
- (14) Consists of (i) 792,110 shares held of record by Dr. Summers, (ii) 209,040 shares held of record by the LHS 2014 Qualified Annuity Trust #1S dated February 13, 2014, for which Dr. Summers serves as trustee, and (iii) 90,960 shares held of record by the LHS 2015 Qualified Annuity Trust #2S dated March 26, 2015, for which Dr. Summers serves as trustee.
- (15) Consists of 326,950 shares subject to options exercisable within 60 days of October 31, 2015, of which 170,286 shares are vested as of such date.
- (16) Consists of (i) 176,131,701 shares beneficially owned by our current executive officers and directors, of which 38,000 may be repurchased by us at the original purchase price within 60 days of October 31, 2015, and (ii) 9,229,931 shares subject to options exercisable within 60 days of October 31, 2015, of which 4,371,951 are vested as of such date.
- (17) Consists of 1,350,000 shares held of record by Silicon Valley Community Foundation (SVCF), which shares were transferred from The Jack Dorsey Revocable Trust u/a/d 12/8/10 after October 31, 2015. Paul Velaski, Mari Ellen Loijens, David Lopez, Emmett Carson, Samuel Johnson, Jr., and C.S. Park are officers of SVCF and may be deemed to share voting and dispositive power with respect to the shares held by SVCF. The address for SVCF is 2440 W. El Camino Real, Suite 300, Mountain View, CA 94040.

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### **DESCRIPTION OF CAPITAL STOCK**

The following is a summary of our capital stock and certain terms of our certificate of incorporation and bylaws as they will be in effect upon the completion of this offering. This discussion summarizes some of the important rights of our stockholders but does not purport to be a complete description of these rights and may not contain all of the information regarding our capital stock that is important to you. These rights can only be determined in full, and the descriptions herein are qualified in their entirety, by reference to our proposed amended and restated certificate of incorporation and amended and restated bylaws, copies of which are filed with the SEC as exhibits to the registration statement of which this prospectus is a part.

#### **General**

Upon the completion of this offering, our authorized capital stock will consist of 1,600,000,000 shares of capital stock, \$0.0000001 par value per share, of which:

- 1,000,000,000 shares are designated to Class A common stock;
- 500,000,000 shares are designated as Class B common stock; and
- 100,000,000 shares are designated as preferred stock.

As of September 30, 2015, there were no shares of our Class A common stock and 297,294,713 shares of our Class B common stock outstanding, held by 665 stockholders of record, and no shares of our preferred stock outstanding, assuming the automatic conversion and reclassification of all outstanding shares of our convertible preferred stock into shares of our Class B common stock effective immediately prior to the completion of this offering.