Nuveen Core Equity Alpha Fund
Form N-Q
November 29, 2018

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-22003

Nuveen Core Equity Alpha Fund

(Exact name of registrant as specified in charter)

333 West Wacker Drive, Chicago, Illinois 60606

(Address of principal executive offices) (Zip code)

Gifford R. Zimmerman Vice President and Secretary

333 West Wacker Drive, Chicago, Illinois 60606

(Name and address of agent for service)

Registrant s telephone number, including area code: 312-917-7700

Date of fiscal year end: December 31

Date of reporting period: September 30, 2018

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments

JCE
Nuveen Core Equity Alpha Fund
Portfolio of Investments September 30, 2018
(Unaudited)

Shares	Description (1)	Value
	LONG-TERM INVESTMENTS – 98.4%	
	COMMON STOCKS – 98.4%	
	Aerospace & Defense – 7.0%	
16,900	Boeing Co/The	$6,285,110
10,500	Harris Corp	1,776,705
300	L3 Technologies Inc	63,786
12,800	Northrop Grumman Corp	4,062,336
14,300	Raytheon Co	2,955,238
4,100	Rockwell Collins Inc	575,927
10,800	Textron Inc	771,876
1,300	TransDigm Group Inc, (2)	483,990
	Total Aerospace & Defense	16,974,968
	Air Freight & Logistics – 0.6%	
15,000	CH Robinson Worldwide Inc	1,468,800
1,000	Expeditors International of Washington Inc	73,530
	Total Air Freight & Logistics	1,542,330
	Airlines – 0.4%	
10,900	United Continental Holdings Inc, (2)	970,754
	Auto Components – 0.1%	
2,700	Aptiv PLC	226,530
	Banks – 5.8%	
700	BB&T Corp	33,978
11,000	Citizens Financial Group Inc	424,270
21,300	Comerica Inc	1,921,260
86,700	Fifth Third Bancorp, (3)	2,420,664
55,500	Huntington Bancshares Inc/OH	828,060
12,900	KeyCorp	256,581
6,500	M&T Bank Corp	1,069,510
7,200	People's United Financial Inc	123,264
9,500	PNC Financial Services Group Inc/The	1,293,805
148,900	Regions Financial Corp, (3)	2,732,315
17,800	SunTrust Banks Inc	1,188,862
2,300	SVB Financial Group, (2)	714,909
23,200	Zions Bancorporation	1,163,480
	Total Banks	14,170,958

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JCE Nuveen Core Equity Alpha Fund (continued)
Portfolio of Investments September 30, 2018
(Unaudited)

Shares	Description (1)	Value
	Beverages – 2.6%	
25,375	Brown-Forman Corp	$1,282,706
21,600	Constellation Brands Inc, Class A Shares	4,657,392
8,000	Monster Beverage Corp, (2)	466,240
400	PepsiCo Inc	44,720
	Total Beverages	6,451,058
	Biotechnology – 0.3%	
6,800	AbbVie Inc	643,144
	Building Products – 0.1%	
2,500	AO Smith Corp	133,425
	Capital Markets – 8.9%	
4,100	BlackRock Inc	1,932,453
15,600	Cboe Global Markets Inc	1,496,976
8,300	Charles Schwab Corp/The	407,945
21,300	CME Group Inc	3,625,473
24,500	E*TRADE Financial Corp	1,283,555
15,300	Moody's Corp	2,558,160
37,900	Morgan Stanley	1,765,003
5,000	MSCI Inc, Class A Shares	887,050
16,300	Nasdaq Inc	1,398,540
4,800	Northern Trust Corp	490,224
15,200	S&P Global Inc	2,969,928
25,500	T Rowe Price Group Inc	2,784,090
	Total Capital Markets	21,599,397
	Chemicals – 1.4%	
31,400	CF Industries Holdings Inc	1,709,416
11,400	Eastman Chemical Co	1,091,208
1,100	LyondellBasell Industries NV	112,761
16,900	Mosaic Co/The	548,912
	Total Chemicals	3,462,297
	Commercial Services & Supplies – 1.3%	
4,400	Cintas Corp	870,364
7,700	Copart Inc, (2)	396,781
25,900	Republic Services Inc, (3)	1,881,894
	Total Commercial Services & Supplies	3,149,039
	Communications Equipment – 0.7%	
3,900	Cisco Systems Inc	189,735
5,500	F5 Networks Inc, (2)	1,096,810
2,700	Motorola Solutions Inc	351,378
	Total Communications Equipment	1,637,923

Shares	Description (1)	Value
	Construction & Engineering – 0.2%	
6,900	Fluor Corp	$ 400,890
	Consumer Finance – 0.5%	
14,700	Discover Financial Services	1,123,815
	Containers & Packaging – 0.0%	
800	Avery Dennison Corp	86,680
	Diversified Telecommunication Services – 0.1%	
14,200	CenturyLink Inc	301,040
	Electric Utilities – 1.8%	
26,600	NextEra Energy Inc	4,458,160
	Electrical Equipment – 0.6%	
18,400	AMETEK Inc	1,455,808
	Electronic Equipment, Instruments & Components – 2.1%	
34,800	Amphenol Corp, Class A Shares	3,271,896
4,500	FLIR Systems Inc	276,615
18,500	TE Connectivity Ltd	1,626,705
	Total Electronic Equipment, Instruments & Components	5,175,216
	Energy Equipment & Services – 0.9%	
14,400	Baker Hughes a GE Co	487,152
13,100	Helmerich & Payne Inc	900,887
14,600	National Oilwell Varco Inc	628,968
2,400	TechnipFMC PLC	75,000
	Total Energy Equipment & Services	2,092,007
	Equity Real Estate Investment Trust – 2.9%	
10,000	American Tower Corp	1,453,000
3,900	Apartment Investment & Management Company, Class A	172,107
1,200	Crown Castle International Corp	133,596
10,600	Duke Realty Corp	300,722
500	Equity Residential	33,130
16,900	Extra Space Storage Inc.	1,464,216
11,200	Host Hotels & Resorts Inc.	236,320
1,500	Mid-America Apartment Communities Inc.	150,270
37,500	Prologis Inc, (3)	2,542,125
600	Public Storage, Inc.	120,978
1,500	SBA Communications Corp, (2)	240,945
3,600	UDR Inc.	145,548
3,400	Weyerhaeuser Co	109,718
	Total Equity Real Estate Investment Trust	7,102,675

JCE Nuveen Core Equity Alpha Fund (continued)
Portfolio of Investments September 30, 2018
(Unaudited)

Shares	Description (1)	Value
	Food & Staples Retailing – 0.3%	
2,000	Costco Wholesale Corp	$469,760
2,300	Sysco Corp	168,475
	Total Food & Staples Retailing	638,235
	Food Products – 0.3%	
4,000	Archer-Daniels-Midland Co	201,080
2,400	Conagra Brands Inc	81,528
3,100	Hormel Foods Corp	122,140
7,100	Tyson Foods Inc, Class A Shares	422,663
	Total Food Products	827,411
	Health Care Equipment & Supplies – 7.9%	
10,000	Abbott Laboratories	733,600
3,300	ABIOMED Inc, (2)	1,484,175
9,700	Align Technology Inc, (2)	3,794,834
34,300	Baxter International Inc, (3)	2,644,187
6,600	Boston Scientific Corp, (2)	254,100
9,000	Edwards Lifesciences Corp, (2)	1,566,900
4,600	IDEXX Laboratories Inc, (2)	1,148,436
12,200	Intuitive Surgical Inc, (2)	7,002,800
4,600	ResMed Inc	530,564
600	Stryker Corp	106,608
400	Varian Medical Systems Inc, (2)	44,772
	Total Health Care Equipment & Supplies	19,310,976
	Health Care Providers & Services – 2.5%	
1,400	Anthem Inc	383,670
16,600	Centene Corp, (2)	2,403,348
600	Cigna Corp	124,950
7,400	Envision Healthcare Corp, (2)	338,402
18,200	HCA Inc	2,531,984
700	Henry Schein Inc, (2)	59,521
400	Humana Inc	135,408
300	Laboratory Corp of America Holdings, (2)	52,104
1,400	Quest Diagnostics Inc	151,074
	Total Health Care Providers & Services	6,180,461
	Hotels, Restaurants & Leisure – 2.7%	
21,400	Hilton Worldwide Holdings Inc	1,728,692
23,000	Marriott International Inc/MD	3,036,690
4,700	McDonald's Corp	786,263
7,600	Wynn Resorts Ltd	965,656
	Total Hotels, Restaurants & Leisure	6,517,301

Shares	Description (1)	Value
	Household Durables – 0.3%	
17,100	DR Horton Inc, (3)	$ 721,278
	Independent Power & Renewable Electricity Producers – 0.9%	
36,100	AES Corp/VA	505,400
42,400	NRG Energy Inc	1,585,760
	Total Independent Power & Renewable Electricity Producers	2,091,160
	Industrial Conglomerates – 0.2%	
2,300	3M Co	484,633
	Insurance – 2.6%	
14,600	Aflac Inc	687,222
17,800	Allstate Corp/The	1,756,860
55,200	Progressive Corp/The, (3)	3,921,408
	Total Insurance	6,365,490
	Internet & Direct Marketing Retail – 1.6%	
900	Expedia Group Inc	117,432
9,800	Netflix Inc, (2)	3,666,474
2,200	TripAdvisor Inc, (2)	112,354
	Total Internet & Direct Marketing Retail	3,896,260
	Internet Software & Services – 0.1%	
4,300	Twitter Inc, (2)	122,378
	IT Services – 7.0%	
5,100	Accenture PLC	868,020
17,300	Akamai Technologies Inc, (2)	1,265,495
4,900	Automatic Data Processing Inc	738,234
6,600	Broadridge Financial Solutions Inc	870,870
3,700	Fidelity National Information Services Inc	403,559
6,500	Fiserv Inc, (2)	535,470
1,600	Gartner Inc, (2)	253,600
1,600	Global Payments Inc	203,840
19,000	Mastercard Inc	4,229,590
15,000	Paychex Inc	1,104,750
29,400	PayPal Holdings Inc, (2)	2,582,496
20,200	Total System Services Inc	1,994,548
13,200	VeriSign Inc, (2)	2,113,584
	Total IT Services	17,164,056
	Life Sciences Tools & Services – 0.1%	
400	Illumina Inc, (2)	146,824
400	Waters Corp, (2)	77,872
	Total Life Sciences Tools & Services	224,696

JCE Nuveen Core Equity Alpha Fund (continued)
Portfolio of Investments September 30, 2018
(Unaudited)

Shares	Description (1)	Value
	Machinery – 2.4%	
10,800	Caterpillar Inc	$1,646,892
16,700	Deere & Co	2,510,511
700	Illinois Tool Works Inc	98,784
20,700	Xylem Inc/NY	1,653,309
	Total Machinery	5,909,496
	Media – 1.1%	
17,700	Discovery Inc, (2)	523,566
8,800	Discovery Inc, Class A, (2)	281,600
7,700	Interpublic Group of Cos Inc/The	176,099
64,600	News Corp, Class A Shares, (3)	852,074
14,400	Twenty-First Century Fox Inc	659,808
5,100	Twenty-First Century Fox Inc, Class A Shares	236,283
	Total Media	2,729,430
	Metals & Mining – 0.9%	
164,100	Freeport-McMoRan Inc, (3)	2,284,272
	Multiline Retail – 2.2%	
10,300	Dollar General Corp	1,125,790
25,700	Dollar Tree Inc, (2)	2,095,835
14,600	Kohl's Corp	1,088,430
20,600	Macy's Inc	715,438
2,800	Nordstrom Inc	167,468
2,100	Target Corp	185,241
	Total Multiline Retail	5,378,202
	Multi-Utilities – 0.4%	
17,400	Public Service Enterprise Group Inc	918,546
	Oil, Gas & Consumable Fuels – 4.7%	
16,900	Anadarko Petroleum Corp	1,139,229
1,700	Andeavor	260,950
7,400	ConocoPhillips	572,760
1,100	Devon Energy Corp	43,934
17,600	Hess Corp	1,259,808
12,300	HollyFrontier Corp	859,770
28,600	Marathon Oil Corp	665,808
15,200	Marathon Petroleum Corp	1,215,544
5,100	Newfield Exploration Co, (2)	147,033
12,800	Noble Energy Inc	399,232
6,200	Occidental Petroleum Corp	509,454
8,500	ONEOK Inc	576,215
5,600	Phillips 66	631,232

Shares	Description (1)	Value
	Oil, Gas & Consumable Fuels (continued)	
3,300	Pioneer Natural Resources Co	$574,827
24,000	Valero Energy Corp	2,730,000
	Total Oil, Gas & Consumable Fuels	11,585,796
	Personal Products – 1.4%	
24,100	Estee Lauder Companies Inc, Class A Shares	3,502,212
	Pharmaceuticals – 1.1%	
29,000	Zoetis Inc	2,655,240
	Professional Services – 0.9%	
1,200	Equifax Inc	156,684
5,800	IHS Markit Ltd, (2)	312,968
13,600	Robert Half International Inc	957,168
5,600	Verisk Analytics Inc, Class A Shares, (2)	675,080
	Total Professional Services	2,101,900
	Real Estate Management & Development – 0.7%	
41,000	CBRE Group Inc, (2)	1,808,100
	Road & Rail – 1.5%	
34,100	CSX Corp, (3)	2,525,105
9,600	JB Hunt Transport Services Inc	1,141,824
	Total Road & Rail	3,666,929
	Semiconductors & Semiconductor Equipment – 2.7%	
10,600	Advanced Micro Devices Inc, (2)	327,434
1,300	Analog Devices Inc	120,198
85,900	Micron Technology Inc, (2)	3,885,257
3,200	NVIDIA Corp	899,264
12,100	Texas Instruments Inc	1,298,209
	Total Semiconductors & Semiconductor Equipment	6,530,362
	Software – 4.6%	
4,900	Activision Blizzard Inc	407,631
3,900	Adobe Systems Inc, (2)	1,052,805
5,400	ANSYS Inc, (2)	1,008,072
2,400	Autodesk Inc, (2)	374,664
3,300	CA Inc	145,695
6,300	Citrix Systems Inc	700,308
600	Electronic Arts Inc, (2)	72,294
6,700	Intuit Inc	1,523,580
1,500	Microsoft Corp	171,555
22,500	Red Hat Inc, (2)	3,066,300
17,600	Salesforce.com Inc, (2)	2,798,928
	Total Software	11,321,832

JCE Nuveen Core Equity Alpha Fund (continued)
Portfolio of Investments September 30, 2018
(Unaudited)

Shares	Description (1)	Value
	Specialty Retail – 2.1%	
900	Advance Auto Parts Inc.	$151,497
2,600	AutoZone Inc, (2)	2,016,820
9,500	Best Buy Co Inc	753,920
8,800	Foot Locker Inc.	448,624
2,100	Ross Stores Inc	208,110
4,000	Tiffany & Co	515,880
4,000	TJX Cos Inc/The	448,080
1,800	Tractor Supply Co	163,584
1,500	Ulta Beauty Inc, (2)	423,180
	Total Specialty Retail	5,129,695
	Technology Hardware, Storage & Peripherals – 1.9%	
4,300	Apple Inc	970,682
30,800	Hewlett Packard Enterprise Co	502,348
13,700	NetApp Inc	1,176,693
44,200	Seagate Technology PLC	2,092,870
	Total Technology Hardware, Storage & Peripherals	4,742,593
	Textiles, Apparel & Luxury Goods – 2.9%	
13,600	Michael Kors Holdings Ltd, (2)	932,416
5,000	NIKE Inc	423,600
2,800	PVH Corp	404,320
4,400	Ralph Lauren Corp	605,220
31,800	Tapestry Inc	1,598,586
19,600	Under Armour Inc, Class A Shares, (2)	415,912
19,900	Under Armour Inc, Class C Shares, (2)	387,254
25,300	VF Corp	2,364,285
	Total Textiles, Apparel & Luxury Goods	7,131,593
	Trading Companies & Distributors – 2.1%	
32,000	Fastenal Co	1,856,640
9,300	United Rentals Inc, (2)	1,521,480
5,000	WW Grainger Inc	1,787,050
	Total Trading Companies & Distributors	5,165,170
	Total Long-Term Investments (cost $204,421,503)	240,263,817

Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (4)	Value
	SHORT-TERM INVESTMENTS – 3.5%				
	REPURCHASE AGREEMENTS – 2.5%				
$ 6,096	Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/28/18, repurchase price $6,096,769, collateralized by $5,760,000 U.S. Treasury Bonds, 3.625%, due 2/15/44, value $6,224,867	1.050%		N/A	$ 6,096,236
	U.S. GOVERNMENT AND AGENCY OBLIGATIONS – 1.0%				
2,500	U.S. Treasury Bills, (3)	0.000%	1/17/19	F1+	2,483,594
	Total Short-Term Investments (cost $8,580,411)				8,579,830
	Total Investments (cost $213,001,914) – 101.9%				248,843,647
	Other Assets Less Liabilities – (1.9)% (5)				(4,669,185)
	Net Assets – 100%				$ 244,174,462

Investments in Derivatives

Futures Contracts

Description	Contract Position	Number of Contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)	Variation Margin Receivable/ (Payable)
S&P 500 E-Mini	Long	30	12/18	$4,344,441	$4,378,500	$34,059	$(1,350)

Options Written

Description (6)	Type	Number of Contracts	Notional Amount (7)	Exercise Price	Expiration Date	Value
RUSSELL 2000® Index	Call	(250)	$(43,500,000)	$1,740	10/19/18	$(85,000)
Total Options Written (premiums received $210,491)		(250)	$(43,500,000)			$(85,000)

Fair Value Measurements

Fair value is defined as the price that would be received upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The following is a summary of the three-tiered hierarchy of valuation input levels.

Level 1 – Inputs are unadjusted and prices are determined using quoted prices in active markets for identical securities.

Level 2 – Prices are determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Prices are determined using significant unobservable inputs (including management's assumptions in determining the fair value of investments).

JCE Nuveen Core Equity Alpha Fund (continued)
Portfolio of Investments September 30, 2018
(Unaudited)

The inputs or methodologies used for valuing securities are not an indication of the risks associated with investing in those securities. The following is a summary of the Fund's fair value measurements as of the end of the reporting period:

	Level 1	Level 2	Level 3	Total
Long-Term Investments:				
Common Stocks	$240,263,817	$ —	$ —	$240,263,817
Short-Term Investments:				
Repurchase Agreements	—	6,096,236	—	6,096,236
U.S. Government and Agency Obligations	—	2,483,594	—	2,483,594
Investments in Derivatives:				
Futures Contracts*	34,059	—	—	34,059
Options Written	(85,000)	—	—	(85,000)
Total	$240,212,876	$8,579,830	$ —	$248,792,706

*Represents net unrealized appreciation (depreciation).

Income Tax Information

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing certain gains and losses on investment transactions and the recognition of unrealized gain or loss for tax (mark-to-market) on futures contracts and certain options contracts. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset value of the Fund.

The tables below present below present the cost and unrealized appreciation (depreciation) of the Fund's investment portfolio, as determined on a federal income tax basis, as of September 30, 2018.

For purposes of this disclosure, derivative tax cost is generally the sum of any upfront fees or premiums exchanged and any amounts unrealized for income statement reporting but realized in income and/or capital gains for tax reporting. If a particular derivative category does not disclose any tax unrealized appreciation or depreciation, the change in value of those derivatives have generally been fully realized for tax purposes.

Tax cost of investments	$213,001,953
Gross unrealized:	
Appreciation	$ 40,023,837
Depreciation	(4,182,143)
Net unrealized appreciation (depreciation) of investments	$ 35,841,694

Tax cost of futures contracts	$34,059
Net unrealized appreciation (depreciation) of futures contracts	—

Tax cost of options written	$(85,000)
Net unrealized appreciation (depreciation) on option written	—

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For Fund portfolio compliance purposes, the Fund’s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications into sectors for reporting ease.

(1) All percentages shown in the Portfolio of Investments are based on net assets.

(2) Non-income producing; issuer has not declared a dividend within the past twelve months.

(3) Investment, or portion of investment, has been pledged to collateralized the net payment obligations for investments in derivatives.

(4) For financial reporting purposes, the ratings disclosed are the highest of Standard & Poor’s Group (“Standard & Poor’s”), Moody’s Investors Service, Inc. (“Moody’s”) or Fitch, Inc. (“Fitch”) rating. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. Ratings below BBB by Standard & Poor’s, Baa by Moody’s or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.

(5) Other assets less liabilities includes the unrealized appreciation (depreciation) of certain over-the-counter (“OTC”) derivatives as well as the OTC cleared and exchange-traded derivatives, when applicable.

(6) Exchange-traded, unless otherwise noted.

(7) For disclosure purposes, Notional Amount is calculated by multiplying the Number of Contracts by the Strike Price by 100.

S&P Standard & Poor's

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Item 2. Controls and Procedures.

a. The registrant s principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act) (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (17 CFR 240.13a-15(b) or 240.15d-15(b)).

b. There were no changes in the registrant s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant s last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant s internal control over financial reporting.

Item 3. Exhibits.

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)), exactly as set forth below: EX-99 CERT Attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Nuveen Core Equity Alpha Fund

By (Signature and Title) /s/ Gifford R. Zimmerman

Gifford R. Zimmerman
Vice President and Secretary

Date: November 29, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Cedric H. Antosiewicz

Cedric H. Antosiewicz
Chief Administrative Officer (principal executive officer)

Date: November 29, 2018

By (Signature and Title) /s/ Stephen D. Foy

Stephen D. Foy
Vice President and Controller (principal financial officer)

Date: November 29, 2018

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Consumer

$
89,635

$
87,958

$
84,266

2
%

4
%
SMB
54,471

40,225

31,722

35
%

27
%
Total bookings
$
144,106

$
128,183

$
115,988

12
%

11
%

Our total bookings increased over the periods presented, primarily due to increased sales of higher priced SMB solutions and a full year of bookings from our MailStore solutions in 2015. We continue to focus on growing our relationships with active reseller partners, with bookings for our small business solutions representing 38% of total bookings for the year ended December 31, 2015, up from 31% in the year ended December 31, 2014 and 27% in the year ended December 31, 2013. Our bookings growth rate for the year ended December 31, 2015 was impacted by a decline in the year over year growth rate in consumer bookings. We expect this trend to continue.

Free cash flow for the year ended December 31, 2015 decreased by $0.8 million compared to the year ended December 31, 2014, primarily due to an increase in receivables driven by increased sales through reseller partners. Free cash flow for the year ended December 31, 2015 increased by $8.3 million compared to the year ended December 31, 2013, primarily driven by the growth in bookings and increased efficiencies in our business model.

Key Components of our Consolidated Statements of Operations

Revenue

We derive our revenue principally from subscription fees related to our service solutions as well as the sale of software and post-contract customer support. For subscription fees, we typically charge a customer’s credit card the full price of the subscription at the commencement of the subscription period and at each renewal date, unless the customer decides not to renew the subscription. We initially record a customer subscription fee as deferred revenue and then recognize it as revenue ratably, on a daily basis, over the life of the subscription period.

Cost of revenue

Cost of revenue consists primarily of costs associated with our data center operations and customer support centers, including wages and benefits for personnel, depreciation of equipment, amortization of developed technology, rent, utilities and broadband, equipment maintenance, software license fees, and allocated overhead. The expenses related to hosting our services and supporting our customers are related to the number of customers and the complexity of our services and hosting infrastructure. On a cost-per-GB stored basis, our costs have decreased due to decreases in storage prices and greater efficiency in our data center operations. We have also experienced a downward trend in the cost of storage equipment and broadband service, which we expect will continue in the future. We expect these expenses to increase in absolute dollars, but decrease as a percentage of revenue due to improved efficiencies in supporting customers.

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Gross profit and gross margin

Our gross margins have expanded due to the introduction of higher priced solutions targeting both SMBs and individuals, a downward trend in the cost of storage equipment and services, and efficiencies of our customer support personnel in supporting our customers. We expect these trends to continue.

Operating expenses

Research and development. Research and development expenses consist primarily of wages and benefits for development personnel, third-party outsourcing costs, hosting fees, consulting fees, rent, and depreciation. Our research and development efforts are focused on the enhancement and ease of use of our solutions. These efforts result in updated versions and new suites of our consumer and SMB solutions, while not changing the underlying technology. The majority of our research and development employees are located at our corporate headquarters in the U.S. We expect that research and development expenses will increase in absolute dollars on an annual basis as we continue to enhance and expand our services.

General and administrative. General and administrative expenses consist primarily of wages and benefits for management, finance, accounting, human resources, legal and other administrative personnel, legal and accounting fees, insurance, and other corporate expenses. We expect that general and administrative expenses will increase in absolute dollars on an annual basis as we continue to add personnel and enhance our internal information systems in connection with the anticipated growth of our business and incur costs related to operating as a public company.

Sales and marketing. Sales and marketing expenses consist primarily of wages and benefits for sales and marketing personnel, advertising costs, creative expenses for advertising programs, credit card fees, commissions paid to third-party partners and affiliates, and the cost of providing free trials. We expect that we will continue to commit significant resources to our sales and marketing efforts to grow our business and awareness of our brand and solutions. We expect that sales and marketing expenses will continue to increase in absolute dollars on an annual basis, but decrease as a percentage of revenue over the long term, as we expect to grow our revenue at a faster rate.

Restructuring charges. Restructuring charges consist of lease exit charges related to our corporate headquarter relocation and costs associated with our data center optimization program. See Note 13—Restructuring to our consolidated financial statements included in this Annual Report for additional information.

Critical Accounting Policies

Our financial statements are prepared in accordance with GAAP. The preparation of our financial statements and related disclosures requires us to make estimates, assumptions, and judgments that affect the reported amount of assets, liabilities, revenue, costs and expenses, and related disclosures. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances, but all such estimates and assumptions are inherently uncertain and unpredictable. We evaluate our estimates and assumptions on an ongoing basis. Actual results may differ from those estimates and assumptions, and it is possible that other professionals, applying their own judgment to the same facts and circumstances, could develop and support alternative estimates and assumptions that would result in material changes to our operating results and financial condition.

See Note 2—Summary of Significant Accounting Policies to our consolidated financial statements included in this Annual Report for additional information about these critical accounting policies, as well as a description of our other significant accounting policies.

Revenue recognition

We derive revenue from Software-as-a-Service ("SaaS") offerings, software license agreements and post-contract customer support ("PCS"). Generally, we recognize revenue when (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the fee is fixed or determinable and (iv) collectability is probable. Our revenue recognition policies for these revenue streams are discussed below.

Software-as-a-Service Arrangements

We derive the majority of our revenue from cloud and hybrid business continuity solutions subscription services. These services are standalone independent service solutions, which are generally contracted for a one- to three-year term. Subscription arrangements include access to use our services via the internet. We recognize revenue in accordance with Accounting Standards Codification (“ASC”) 605-10, Overall Revenue Recognition ("ASC

605-10"). Subscription revenue is recognized ratably on a daily basis upon activation of service over the subscription period, when persuasive evidence of an

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arrangement with a customer exists, the subscription period has been activated, the price is fixed or determinable, and collection is reasonably assured. Deferred revenues from SaaS arrangements represent payments received from customers for subscription services prior to recognizing the revenue related to those payments.

Software and Software-related Arrangements

We derive the remainder of our revenue from software arrangements, which often contain multiple revenue elements, such as software licenses and PCS. For multiple element software arrangements which qualify for separate element treatment, revenue is recognized for each element when each of the four basic criteria is met, which, excluding PCS, is typically upon delivery. Revenue for PCS agreements is recognized ratably over the term of the agreement, which is generally one year. Revenue is allocated to each element, excluding the software license, based on vendor-specific objective evidence ("VSOE"). VSOE is limited to the price charged when the element is sold separately or, for an element not yet being sold separately, the price established by management having the relevant authority. We do not have VSOE for our software licenses since they are seldom sold separately. Accordingly, revenue is allocated to the software license using the residual value method. Under the residual value method, revenue equal to VSOE of each undelivered element is initially deferred and any remaining arrangement fee is then allocated to the software license.

Business Combinations

In accordance with ASC 805, Business Combinations ("ASC 805"), we recognize the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. Determining these fair values requires management to make significant estimates and assumptions, especially with respect to intangible assets.

The fair value of identifiable intangible assets is based on detailed valuations that reflect management's best estimates of inputs and assumptions that a market participant would use. Our identifiable intangible assets acquired consist of developed technology, customer relationships, tradenames, and non-compete agreements. Developed technology consists of products that have reached technological feasibility and tradenames represent acquired company and product names. Customer relationships represent the underlying relationships and agreements with customers of the acquired company's installed base. Non-compete agreements represent the protection against the loss of business and resultant cash flows from direct competition.

Goodwill and acquired intangible assets

We record goodwill when consideration paid in a business acquisition exceeds the fair value of the net assets acquired. Our estimates of fair value are based upon assumptions believed to be reasonable at that time, but that are inherently uncertain and unpredictable. Assumptions may be incomplete or inaccurate, and unanticipated events or circumstances may occur, that may affect the accuracy or validity of such assumptions, estimates or actual results.

Goodwill is not amortized, but rather is tested for impairment annually or more frequently at the reporting unit level if facts and circumstances warrant a review. We have determined that there is a single reporting unit for the purpose of conducting this goodwill impairment assessment. For purposes of assessing potential impairment, we estimate the fair value of the reporting unit (based on our market capitalization) and compare this amount to the carrying value of the reporting unit (as reflected by our total stockholders' equity). If we determine that the carrying value of the reporting unit exceeds its fair value, an impairment charge would be required. Our annual goodwill impairment test is performed at November 30th of each year. To date, we have not identified any impairment to goodwill.

Intangible assets acquired in a business combination are recorded at their estimated fair values at the date of acquisition. We amortize acquired intangible assets over their estimated useful lives based on the pattern of consumption of the economic benefits or, if that pattern cannot be readily determined, on a straight-line basis. We review our intangible assets with definite lives for impairment when events or changes in circumstances indicate that the carrying amount of any of these assets may not be recoverable. We have not identified any impairment of our long-lived assets as of December 31, 2015, 2014, and 2013.

Income taxes

We provide for income taxes under the liability method. Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to reflect the uncertainty associated with their ultimate realization. We account for uncertain tax positions recognized

in our consolidated financial statements by prescribing a more-likely-than-not threshold for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

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Due to a history of losses, we have provided a full valuation allowance, in the U.S. and in foreign tax jurisdictions in which we operate that are in a full tax asset position, against our deferred tax assets. This is more fully described in Note 11—Income Taxes to our consolidated financial statements, included in the Annual Report. The ability to utilize these losses, any future losses, and any other tax credits or attributes may be restricted or eliminated by changes in our ownership, changes in legislation, and other rules affecting the ability to offset future taxable income with losses from prior periods. Future determinations on the need for a valuation allowance on our net deferred tax assets will be made on an annual basis.

Stock-based compensation

Accounting guidance requires employee stock-based payments to be accounted for under the fair value method. Under this method, we are required to record compensation cost based on the estimated fair value for stock-based awards granted over the requisite service periods for the individual awards, which generally equals the vesting periods. We use the straight-line amortization method for recognizing stock-based compensation expenses.

Determining the appropriate fair value model and calculating the fair value of stock-based payment awards requires the use of highly subjective estimates and assumptions, including the estimated fair value of our common stock. Following our initial public offering, we used the quoted market price of our common stock to establish the fair value of the common stock underlying our stock options. Because there was no public market for our common stock prior to our initial public offering, our board of directors determined the fair value of our common stock with input from management, based on reports of an unrelated third-party valuation specialist.

We estimate the fair value of stock options on the date of grant using the Black-Scholes option-pricing model, and the fair value of stock options with market-based vesting conditions on the date of grant using the lattice model with a Monte Carlo simulation. These models further require the use of highly subjective estimates and assumptions, including expected stock price volatility, expected term of an award, risk-free interest rate, and expected dividend yield. As a public company with limited trading history, we consider both the volatility of our stock price and that of our publicly traded peer companies. The expected life assumption is based on the simplified method for estimating expected term as we do not have sufficient stock option exercise experience to support a reasonable estimate of the expected term. The risk-free interest rate is based on the implied yield currently available on U.S. Treasury zero-coupon issues with terms approximately equal to the expected life of the stock option. We use an expected dividend rate of zero as we currently have no history or expectation of paying cash dividends on our capital stock.

Results of Operations

The following table sets forth, for the periods presented, data from our consolidated statements of operations as a percentage of revenue that each line item represents. The period-to-period comparison of financial results is not necessarily indicative of future results. The information contained in the tables below should be read in conjunction with financial statements and related notes included elsewhere in this Annual Report.

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	Years Ended December 31,		
	2015	2014	2013
	(% of revenue)		
Consolidated statements of operations data:			
Revenue	100.0 %	100.0 %	100.0 %
Cost of revenue	28.4	31.5	32.5
Gross profit	71.6	68.5	67.5
Operating expenses:			
Research and development	20.6	19.7	19.5
General and administrative	27.3	14.5	13.3
Sales and marketing	39.3	40.7	44.2
Restructuring charges	0.3	0.6	0.3
Total operating expenses	87.5	75.5	77.3
Loss from operations	(15.9)	(7.0)	(9.8)
Interest and other income (expense), net	0.2	(0.3)	—
Loss before income taxes	(15.7)	(7.3)	(9.8)
Provision for income taxes	0.1	0.3	0.1
Net loss	(15.8)%	(7.6)%	(9.9)%

Comparison of Years Ended December 31, 2015, 2014, and 2013

Revenue

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
Revenue	$ 136,616	$ 122,620	$ 107,194	$13,996	11.4 %	$15,426	14.4 %

Revenue increased by $14.0 million, or 11%, for 2015 compared to 2014, primarily due to increased sales of higher priced SMB solutions and revenue from our MailStore solutions. Revenues increased by $15.4 million, or 14%, for 2014 compared to 2013, primarily due to increased sales of higher priced SMB solutions. Revenue from our SMB solutions was approximately $39.5 million in 2015 compared to $31.0 million in 2014 and $21.4 million in 2013.

Cost of revenue, gross profit, and gross margin

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
Cost of revenue	$38,784	$38,567	$34,881	$217	0.6 %	$3,686	10.6 %
Percent of revenue	28.4 %	31.5 %	32.5 %				
Components of cost of revenue:							
Personnel-related costs	$13,853	$12,614	$10,361	$1,239	9.8 %	$2,253	21.7 %
Hosting and depreciation costs	19,553	21,609	20,555	(2,056)	(9.5)%	1,054	5.1 %
Software, amortization and other	5,378	4,344	3,965	1,034	23.8 %	379	9.6 %
Total cost of revenue	$38,784	$38,567	$34,881	$217	0.6 %	$3,686	10.6 %
Gross profit	$97,832	$84,053	$72,313	$13,779	16.4 %	$11,740	16.2 %
Gross margin	71.6 %	68.5 %	67.5 %				

Our gross margin improvement for 2015 and 2014 was driven by an increasing percentage of our revenues derived from higher margin SMB solutions and efficiencies realized in our data centers. Cost of revenue increased by $0.2 million in 2015,

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primarily driven by an increase of $1.2 million in personnel-related costs associated with supporting our customers, and an increase of $0.9 million in developed technology amortization associated with the acquisitions of MailStore and Rebit. These increases were offset by a decrease in hosting and depreciation costs of $2.1 million primarily due to a decrease in rent and utilities related to the consolidation of one of our data centers.

Cost of revenue increased by $3.7 million in 2014, primarily driven by an increase in personnel-related costs of $2.3 million associated with additional customer support and operations headcount, and an increase in hosting and depreciation costs of $1.1 million associated with rent and utilities costs in our data centers.

Operating expenses

Research and development

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
Research and development	$28,085	$24,132	$20,919	$3,953	16.4 %	$3,213	15.4 %
Percent of revenue	20.6 %	19.7 %	19.5 %				
Components of research and development:							
Personnel-related costs	$21,179	$18,556	$16,275	$2,623	14.1 %	$2,281	14.0 %
Third-party outsourcing costs	3,498	3,064	1,885	434	14.2 %	1,179	62.5 %
Hosting, independent contractors and other	3,408	2,512	2,759	896	35.7 %	(247)	(9.0)%
Total research and development	$28,085	$24,132	$20,919	$3,953	16.4 %	$3,213	15.4 %

Research and development expenses increased by $4.0 million in 2015, primarily related to an increase of $2.6 million in personnel-related costs, an increase of $0.4 million in third-party outsourcing costs, and an increase of $0.9 million of hosting, independent contractors and other expenses associated with enhancing the functionality and ease of use of our solutions.

Research and development expenses increased by $3.2 million in 2014, primarily related to an increase of $2.3 million in personnel-related costs associated with additional research and development headcount and an increase of $1.2 million in third-party outsourcing costs associated with enhancing the functionality and ease of use of our solutions.

General and administrative

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
General and administrative	$37,265	$17,862	$14,275	$19,403	108.6 %	$3,587	25.1 %
Percent of revenue	27.3 %	14.5 %	13.3 %				
Components of general and administrative:							
Personnel-related costs	$17,687	$10,350	$7,413	$7,337	70.9 %	$2,937	39.6 %
Professional fees	16,451	4,278	4,365	12,173	284.5 %	(87)	(2.0)%
Consulting, taxes and other	3,127	3,234	2,497	(107)	(3.3)%	737	29.5 %
Total general and administrative	$37,265	$17,862	$14,275	$19,403	108.6 %	$3,587	25.1 %

General and administrative expenses increased by $19.4 million in 2015, primarily related to an increase of $12.2 million in professional fees associated with an increase in litigation-related expenses of $6.4 million, an increase in acquisition-related expenses of $4.8 million primarily resulting from the EVault Acquisition, and an increase hostile takeover-related expenses of $1.2 million. The remaining increase in general and administrative expenses related to an increase in $7.3 million in personnel-related costs associated with additional headcount to support our overall growth.

Included in the increase in personnel-related costs is a $4.0 million increase in stock-based compensation expense.

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General and administrative expenses increased by $3.6 million in 2014, primarily related to an increase of $2.9 million in personnel-related costs associated with additional headcount. The remaining increase in expenses relates to an increase in legal fees and consulting expenses associated with our international expansion efforts.

Sales and marketing

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
Sales and marketing	$53,671	$49,882	$47,349	$3,789	7.6 %	$2,533	5.3 %
Percent of revenue	39.3 %	40.7 %	44.2 %				
Components of sales and marketing:							
Personnel-related costs	$19,498	$13,907	$8,961	$5,591	40.2 %	$4,946	55.2 %
Advertising costs	15,040	17,952	25,197	(2,912)	(16.2)%	(7,245)	(28.8)%
Costs of credit card transactions and offering free trials	7,383	6,245	5,538	1,138	18.2 %	707	12.8 %
Agency fees, consulting and other	11,750	11,778	7,653	(28)	(0.2)%	4,125	53.9 %
Total sales and marketing	$53,671	$49,882	$47,349	$3,789	7.6 %	$2,533	5.3 %

Sales and marketing expenses increased by $3.8 million in 2015. This increase was primarily attributable to an increase in personnel-related costs of $5.6 million associated with increased headcount on our sales team, an increase of $1.1 million for offering free trials and presale support, partially offset by decreased advertising costs of $2.9 million associated with a reduction in our traditional radio and television advertising spend.

Sales and marketing expenses increased by $2.5 million in 2014, primarily attributable to an increase in personnel-related costs of $4.9 million associated with increased headcount on our sales team, an increase of agency fees, consulting and other of $4.1 million related to increased investments in our indirect channel organization, all partially offset by decreased advertising costs of $7.2 million associated with a reduction in our traditional radio and television advertising spend.

Restructuring

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
Restructuring	$469	$762	$322	$(293)	(38.5)%	$440	136.6 %

We recorded restructuring charges of $0.5 million during 2015, primarily related to the completion of our data center optimization program as well as a change in estimate of our lease exit charge for our former Boston, Massachusetts corporate headquarters. We recorded restructuring charges of $0.8 million during 2014 consisting of a $0.4 million lease exit charge related to our corporate headquarter relocation and $0.4 million in costs related to our data center optimization program. Refer to Note 13—Restructuring to our consolidated financial statements included in this Annual Report for additional information.

Income Taxes

	Years Ended December 31,			2015 versus 2014		2014 versus 2013	
	2015	2014	2013	Amount	%	Amount	%
	(in thousands, except percentage data)						
Provision for income taxes	$102	$367	$55	$(265)	(72.2)%	$312	567.3 %

We recorded income tax expense of $0.1 million, $0.4 million and $0.1 million for the years ended December 31, 2015, 2014 and 2013, respectively. For the year ended December 31, 2015, our tax provision was primarily driven by Federal Alternative Minimum Tax ("AMT") and state income taxes, partially offset by a release of a reserve for an uncertain tax position due to the close of an audit for one of our German subsidiaries. For the year ended December 31, 2014, the Company’s tax provision was primarily driven by federal AMT and state income taxes.

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Liquidity and Capital Resources

As of December 31, 2015, we had cash and cash equivalents and marketable securities of $64.9 million, which primarily consisted of cash, money market funds, U.S. agency and treasury securities and certificates of deposit. We have available borrowings under our revolving credit facility of up to $25 million, which we can draw down on through May 6, 2018.

Source of funds

We believe, based on our current operating plan, that our existing cash and cash equivalents, marketable securities, cash provided by operations, and borrowings available under our revolving credit facility will be sufficient to meet our anticipated cash needs for at least the next 12 months.

From time to time, we may explore additional financing sources to develop or enhance our solutions, fund expansion, respond to competitive pressures, acquire or to invest in complementary solutions, businesses or technologies, or to lower our cost of capital, which could include equity, equity-linked, and debt financing. There can be no assurance that any additional financing will be available to us on acceptable terms, if at all. If we raise additional funds through the issuance of equity or convertible debt or other equity-linked 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.

Our revolving credit facility allows us to borrow up to $25 million, including a $5.0 million sub-limit for letters of credit, through May 6, 2018. Our revolving credit facility may be increased by up to an additional $25.0 million if the existing or additional lenders are willing to make such increased commitments and subject to other terms and conditions. Our revolving credit facility shall be available to us at an interest rate of the Wall Street Journal prime rate plus 75 basis points or LIBOR plus 175 basis points, at our option, and is secured by substantially all of our assets and contains customary affirmative and negative covenants, including financial covenants specifying a minimum quick ratio and minimum consolidated free cash flow, in each case subject to customary and other exceptions for a credit facility of this size and type. To date, we were in compliance with these covenants and there was one letter of credit for $0.8 million outstanding under the credit facility related to the security deposit for our corporate headquarters. To date, the availability under the credit facility was $24.2 million.

Uses of funds

We have increased our operating and capital expenditures in connection with the growth in our operations and the increase in our personnel, and we anticipate that we will continue to increase such expenditures in the future. Our future capital requirements may vary materially from those now planned and will depend on many factors, including:

- potential future acquisition opportunities;
- the levels of advertising and promotion required to acquire and retain customers;
- expansion of our data center infrastructure necessary to support our growth;
- growth of our operations in the U.S. and worldwide;
- our development and introduction of new solutions; and
- the expansion of our sales, customer support, research and development, and marketing organizations.

Future capital expenditures will focus on acquiring additional data storage and hosting capacity and general corporate infrastructure. We are not currently party to any purchase contracts related to future capital expenditures, other than short-term purchase orders.

Cash flows

The following table provides a summary and description of our net cash inflows (outflow) for 2015, 2014, and 2013.

Years Ended December 31,

	2015	2014	2013
	(in thousands)		
Net cash provided by operating activities	$13,174	$22,678	$14,625
Net cash provided by (used in) investing activities	8,323	(31,126)	(9,297)
Net cash (used in) provided by financing activities	(3,394)	4,239	4,728

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Operating activities

Our cash flows from operating activities are significantly influenced by the amount of our net loss, growth in subscription sales and customer growth, changes in working capital accounts and the timing of prepayments and payments to vendors.

In 2015, cash provided by operating activities was $13.2 million, which was primarily driven by a $7.5 million increase in deferred revenue associated with an increase in sales. Net cash inflows from operating activities included other changes in working capital of $3.1 million, due to the timing of payments and customer receipts, increase in other assets and long-term liabilities of $0.7 million and non-cash charges of $23.5 million, including $13.6 million of depreciation and amortization, $10.2 million of stock-based compensation, offset by $0.2 million related to a gain on disposal of equipment and $0.1 million in other non-cash items. These cash inflows were partially offset by our net loss of $21.6 million.

In 2014, cash provided by operating activities was $22.7 million, which was primarily driven by a $5.6 million increase in deferred revenue associated with an increase in subscription sales. Net cash inflows from operating activities included other changes in working capital of $2.9 million, due to the timing of payments and customer receipts, increase in other assets and long-term liabilities of $4.5 million and non-cash charges of $19.1 million, including $12.5 million of depreciation and amortization, $6.1 million of stock-based compensation, and $0.5 million in other non-cash items. These cash inflows were partially offset by our net loss of $9.4 million.

In 2013, cash provided by operating activities was $14.6 million, which was primarily driven by an $8.8 million increase in deferred revenue associated with the increase in subscription sales and customer growth. Net cash inflows from operating activities included non-cash charges of $17.4 million, including $12.6 million of depreciation and amortization, and $4.8 million of stock-based compensation. These cash inflows were partially offset by our net loss of $10.6 million and a $0.6 million increase in prepaid expenses and other current assets.

Investing activities

In 2015, cash provided by investing activities was $8.3 million, which was primarily driven by net proceeds from maturities of marketable securities and derivatives of $18.4 million, a decrease in restricted cash of $0.7 million, and proceeds from the sales of property and equipment of $0.3 million, offset by the use of cash for capital expenditures of $9.7 million and $1.3 million for 2015 acquisitions.

In 2014, cash used in investing activities was $31.1 million, consisting primarily of capital expenditures of $14.5 million related to server equipment and other data center infrastructure as well as payments associated with new corporate headquarter buildouts, an increase in restricted cash of $0.8 million for a security deposit, and the use of $15.8 million, net of cash acquired, in connection with the acquisition of MailStore.

In 2013, cash used in investing activities was $9.3 million, consisting primarily of capital expenditures of $9.8 million, for server equipment and other data center infrastructure, partially offset by the release of $0.5 million of restricted cash as a result of the settlement of a dispute.

Financing activities

Cash used in financing activities in 2015 was $3.4 million, consisting primarily of $5.7 million of cash used to repurchase common stock, offset by $2.3 million from the proceeds from the exercise of stock options.

Cash provided by financing activities in 2014 was $4.2 million from the proceeds from the exercise of stock options.

Cash provided by financing activities in 2013 was $4.7 million from the proceeds from the exercise of stock options.

Off-balance sheet arrangements

As of December 31, 2015, we did not have any off-balance sheet arrangements.

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Contractual obligations

The following table summarizes our contractual obligations at December 31, 2015 (in thousands):

	Payment Due by Period (1) (2)				
	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
	(in thousands)				
Office lease obligations	$19,392	$2,324	$4,417	$6,342	$6,309
Hosting facility lease obligations	3,175	2,083	1,092	—	—
Hosted software solution obligations	1,304	666	638	—	—
Consulting obligations	1,387	1,387	—	—	—
Other purchase commitments	1,199	988	205	6	—
Total	$26,457	$7,448	$6,352	$6,348	$6,309

(1) See Note 11—Income Taxes to the consolidated financial statements included in this Annual Report for information related to our uncertain tax positions. The future payments related to uncertain tax positions have not been presented in the table above due to the uncertainty of the amounts and timing of cash settlement with the taxing authorities.

(2) This table includes amounts for agreements executed as of December 31, 2015. This table excludes $2.4 million of payments associated with the Phoenix, Arizona data center lease that was extended in February 2016 and expires in January 2019.

The commitments under our office lease obligations shown above consist primarily of lease payments for our Boston, Massachusetts corporate headquarters and our Lewiston, Maine customer support facility. In May 2014, we entered into a lease agreement for our new corporate headquarters in Boston, Massachusetts. The initial term of the lease expires on December 31, 2024, and we have an option to extend the original term of the lease for one successive five-year period. Upon execution of the lease agreement, we were required to post a security deposit of $0.8 million, which we maintain as a letter of credit. Our landlord can draw against this letter of credit in the event of default by us. The facility was made available to us to begin our build-out on June 1, 2014, and as such, we began recording rent expense at that time. In accordance with the lease, we received a tenant improvement allowance. The rent expense is recorded net of the allowance over the term of the lease. The leasehold improvements associated with the initial build-out are being amortized over the initial term of the lease. Any additional leasehold improvements made during the course of occupancy will be amortized over the shorter of the useful life or remaining life of the lease.

Our Lewiston, Maine support facility lease expires in June 2018. We may terminate this lease at any time upon six months' notice.

We also lease a small amount of general office space in Sunnyvale, California, Munich, Germany, Viersen, Germany and Longmont, Colorado under lease agreements that expire in March 2020, July 2020, August 2016 and August 2017, respectively.

The commitment under our hosting facility obligations shown above consists of Wakefield, Massachusetts, Chandler, Arizona, and Phoenix, Arizona data centers, as well as a Somerville, Massachusetts data center which ended on January 31, 2015.

Other purchase commitments shown above consist of contractual commitments to various vendors primarily for advertising, marketing, and broadband services.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update ("ASU") 2014-9, Revenue from Contacts with Customers (“ASU 2014-9”), updated guidance and disclosure requirements for recognizing revenue. The new revenue recognition standard provides a five-step analysis of transactions to determine when and how revenue is recognized. The revenue standard is based on the principle that revenue should be recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance will be effective for us on January 1, 2018, with early adoption

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permitted, but not earlier than January 1, 2017. The guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of initial adoption. We are currently assessing the potential impact of the adoption of ASU 2014-9 on our consolidated financial statements.
In August 2014, the FASB issued ASU 2014-15, Presentation of Financial Statements — Going Concern: Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern ("ASU 2014-15"). The standard requires that we evaluate, at each interim and annual reporting period, whether there are conditions or events that raise substantial doubt about its ability to continue as a going concern within one year after the date the financial statements are issued, and provide related disclosures. ASU 2014-15 is effective for annual periods ending after December 15, 2016, and for annual and interim periods thereafter, and early adoption is permitted. We do not expect to early adopt ASU 2014-15, which will be effective for its fiscal year ending December 31, 2016. We do not believe the standard will have a material impact on its consolidated financial statements.
In April 2015, the FASB issued ASU 2015-05, Intangibles—Goodwill and Other—Internal-Use Software: Customer's Accounting for Fees Paid in a Cloud Computing Arrangement ("ASU 2015-05"). The standard clarifies the circumstances under which a cloud computing customer would account for the arrangement as a license of internal-use software under ASC 350-40. ASU 2015-05 is effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2015, and early adoption is permitted. We do not expect to early adopt ASU 2015-05, which will be effective for its fiscal year ending December 31, 2016. We do not believe the standard will have a material impact on its consolidated financial statements.
In September 2015, the FASB issued ASU 2015-16, Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments ("ASU 2015-16"). The standard requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The standard update is effective for fiscal years beginning after December 15, 2015 and interim periods within those fiscal years. The standard update is to be applied prospectively to adjustments of provisional amounts that occur after the effective date with earlier application permitted for financial statements that have not been issued. We have elected, as permitted by the standard, to early adopt ASU 2015-16 on a prospective basis as of October 1, 2015. The adoption of ASU 2015-16 did not have a material impact on our consolidated financial statements.
In November 2015, the FASB issued ASU 2015-17, Income Taxes (Topic 740) Balance Sheet Classification of Deferred Taxes ("ASU 2015-17"). ASU 2015-17 is part of the FASB's simplification initiative aimed at reducing complexity in accounting standards. This new standard requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. ASU 2015-17 is effective for annual reporting periods beginning after December 15, 2016. Early adoption is permitted on either a retrospective or prospective basis. We elected early adoption on a prospective basis and prior periods have not been restated. The adoption of ASU 2015-17 did not have a material impact on our consolidated financial statements. Refer to Note 11 - Income Taxes to our consolidated financial statement included in this Annual Report for additional information regarding deferred tax assets and liabilities.
In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). ASU 2016-02 requires lessees to recognize the assets and liabilities on their balance sheet for the rights and obligations created by most leases and continue to recognize expenses on their income statements over the lease term. It will also require disclosures designed to give financial statement users information on the amount, timing, and uncertainty of cash flows arising from leases. The guidance is effective for annual reporting periods beginning after December 15, 2018 and interim periods within those fiscal years, with early adoption is permitted. We are currently evaluating the effect of the standard on our consolidated financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK
We are exposed to market risks in the ordinary course of our business. These risks include primarily interest rate fluctuation risks and foreign currency exchange risk.
Interest Rate Fluctuation Risk

We are exposed to market risk related to changes in interest rates. Our cash equivalents and short-term investments consisted of money market funds, certificates of deposit and U.S. government agency bonds. At December 31, 2015, we had cash equivalents and short-term investments of $1.0 million. The carrying amount of our cash equivalents and short-term investments reasonably approximates fair value, due to the short maturities of these instruments. The primary objective of our investment activities is to preserve principal while maximizing income without significantly increasing risk. Our cash equivalents and marketable securities are relatively insensitive to interest rate changes. Due to the short-term nature of our investment portfolio, we do not believe an immediate 10% increase or decrease in interest rates would have a material effect on

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the fair market value of our portfolio. In the event we borrow under our revolving credit facility, which bears interest at the Wall Street Journal prime rate plus 75 basis points or LIBOR plus 175 basis points, at our option, we would be exposed to interest rate fluctuation risk.

Foreign Currency Exchange Risk

A portion of our revenues and operating expenses are incurred outside the United States and are denominated in foreign currencies, primarily the Euro. These transactions are subject to foreign currency exchange rate fluctuations when translated into U.S. dollars. Assets and liabilities of our foreign entities are translated into U.S. dollars at exchange rates in effect at the balance sheet date, and income and expense items are translated at average rates for the applicable period. Therefore, fluctuations in foreign currency exchange rates may cause us to recognize transaction gains and losses in our statement of operations. A hypothetical 10% increase or decrease in foreign currency exchange rates against the U.S. dollar from the quoted foreign currency exchange rates at December 31, 2015 would not have a material impact on our financial results.

Periodically, we enter into short-term foreign currency forward contracts to offset foreign exchange gains and losses generated by the re-measurement of certain intercompany assets and liabilities denominated in non-functional currencies. These contracts are not designated as cash flow or fair value hedges and generally are for periods of less than one year. Changes in the fair value of these derivatives, as well as re-measurement gains and losses on the underlying intercompany assets and liabilities, are recognized in our statements of operations within "interest and other income (expense), net". We had outstanding contracts with a total notional value of $36.7 million as of December 31, 2015. A hypothetical 10% increase of decrease of foreign exchange rates relative to the U.S. dollar with all other variables held constant would not have a material impact on our financial results, as any increase or decrease in the fair value of our currency exchange rate sensitive derivative instruments would be substantially offset by a corresponding decrease or increase in the fair value of the underlying intercompany assets and liabilities.

While we have implemented strategies to mitigate certain risks associated with fluctuations in foreign currency exchange rates, we cannot ensure that we will not recognize gains or losses from international transactions, as this risk is part of transacting business in an international environment. Our policy does not allow speculation in derivative instruments for profit or execution of derivative instrument contracts for which there are no underlying exposures. We do not use financial instruments for trading purposes and are not party to any leveraged derivatives. Not every exposure is or can be hedged and, where hedges are put in place based on expected foreign exchange exposure, they are based on forecasts for which actual results may differ from the original estimate. Failure to successfully hedge or anticipate currency risks properly could affect our consolidated operating results.

As we increase our operations in international markets, our exposure to potentially volatile movements in foreign currency exchange rates increases. The economic impact to us of foreign currency exchange rate movements is linked to variability in real growth, inflation, interest rates, governmental actions and other factors. These changes, if significant, could cause us to adjust our foreign currency risk strategies.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA
Carbonite, Inc.
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of
Carbonite, Inc.
We have audited the accompanying consolidated balance sheets of Carbonite, Inc. as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.
We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Carbonite, Inc. at December 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles.
We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Carbonite, Inc.'s internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated March 8, 2016 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP
Boston, Massachusetts
March 8, 2016

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Carbonite, Inc.
Consolidated Balance Sheets

	December 31, 2015	2014
	(In thousands, except share and per share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	$63,936	$46,084
Marketable securities	1,000	15,031
Trade accounts receivable, less allowances for doubtful accounts of $139 and $156	3,736	2,412
Prepaid expenses and other current assets	3,188	5,224
Restricted cash	135	828
Total current assets	71,995	69,579
Property and equipment, net	22,083	25,944
Other assets	167	2,181
Acquired intangible assets, net	8,640	10,322
Goodwill	23,105	23,728
Total assets	$125,990	$131,754
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$8,384	$7,346
Accrued expenses	11,559	10,506
Current portion of deferred revenue	80,269	75,494
Total current liabilities	100,212	93,346
Deferred revenue, net of current portion	18,434	15,930
Other long-term liabilities	6,271	7,940
Total liabilities	124,917	117,216
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 6,000,000 shares authorized; no shares issued	—	—
Common stock, $0.01 par value; 45,000,000 shares authorized at December 31, 2015 and 2014; 27,756,799 shares issued and 27,216,779 shares outstanding at December 31, 2015; 27,207,723 shares issued and 27,205,714 shares outstanding at December 31, 2014	278	272
Additional paid-in capital	165,391	152,920
Accumulated deficit	(160,943)	(139,328)
Treasury stock, at cost (540,020 and 2,009 shares as of December 31, 2015 and 2014, respectively)	(5,693)	(22)
Accumulated other comprehensive income	2,040	696
Total stockholders' equity	1,073	14,538
Total liabilities and stockholders' equity	$125,990	$131,754

The accompanying notes are an integral part of these consolidated financial statements.

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Carbonite, Inc.
Consolidated Statements of Operations

	Years Ended December 31,		
	2015	2014	2013
	(In thousands, except share and per share data)		
Revenue	$136,616	$122,620	$107,194
Cost of revenue	38,784	38,567	34,881
Gross profit	97,832	84,053	72,313
Operating expenses:			
Research and development	28,085	24,132	20,919
General and administrative	37,265	17,862	14,275
Sales and marketing	53,671	49,882	47,349
Restructuring charges	469	762	322
Total operating expenses	119,490	92,638	82,865
Loss from operations	(21,658)	(8,585)	(10,552)
Interest and other income (expense), net	145	(398)	2
Loss before income taxes	(21,513)	(8,983)	(10,550)
Provision for income taxes	102	367	55
Net loss	(21,615)	(9,350)	(10,605)
Basic and diluted net loss per share attributable to common stockholders	$(0.80)	$(0.35)	$(0.41)
Weighted-average number of common shares used in computing basic and diluted net loss per share	27,187,910	26,816,879	26,166,554

The accompanying notes are an integral part of these consolidated financial statements.

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Carbonite, Inc.
Consolidated Statements of Comprehensive Loss

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Net loss	$(21,615)	$(9,350)	$(10,605)
Other comprehensive income:			
Net unrealized gain (loss) on marketable securities	7	(1)	(5)
Foreign currency translation adjustments	1,337	698	(5)
Total other comprehensive income (loss)	1,344	697	(10)
Total comprehensive loss	$(20,271)	$(8,653)	$(10,615)

The accompanying notes are an integral part of these consolidated financial statements.

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Carbonite, Inc.
Consolidated Statements of Stockholders' Equity

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Treasury Stock	Accumulated Other Comprehensive Income	Total Stockholders' Equity
	Number of Shares	Amount					
in thousands, except share data							
Balance at December 31, 2012	25,806,123	$258	$133,059	$ (119,373)	$(22)	$ 9	$ 13,931
Issuance of common stock in connection with stock option exercises	724,327	7	4,721				4,728
Issuance of common stock in connection with exercise of warrant	9,525						—
Stock-based compensation expense			4,777				4,777
Other comprehensive loss						(10)	(10)
Net loss				(10,605)			(10,605)
Balance at December 31, 2013	26,539,975	$265	$142,557	$ (129,978)	$(22)	$ (1)	$ 12,821
Issuance of common stock in connection with stock option exercises	667,748	7	4,232				4,239
Stock-based compensation expense			6,065				6,065
Tax benefits relating to share-based payments			66				66
Other comprehensive income						697	697
Net loss				(9,350)			(9,350)
Balance at December 31, 2014	27,207,723	$272	$152,920	$ (139,328)	$(22)	$ 696	$ 14,538
Stock options exercised and vesting of restricted stock units	549,076	6	2,232				2,238
Stock-based compensation expense			10,216				10,216
Tax benefits relating to share-based payments			23				23
Acquisition of treasury stock					(5,671)		(5,671)
Other comprehensive income						1,344	1,344
Net loss				(21,615)			(21,615)
Balance at December 31, 2015	27,756,799	$278	$165,391	$ (160,943)	$(5,693)	$ 2,040	$ 1,073

The accompanying notes are an integral part of these consolidated financial statements.

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Carbonite, Inc.
Consolidated Statements of Cash Flows

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Operating activities			
Net loss	$(21,615)	$(9,350)	$(10,605)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	13,634	12,469	12,590
(Gain) loss on disposal of equipment	(192)	—	63
Accretion of discount on marketable securities	(9)	(34)	(13)
Stock-based compensation expense	10,216	6,065	4,777
(Reduction of) provision for reserves on accounts receivable	(20)	63	(24)
Other non-cash items, net	(100)	506	—
Changes in assets and liabilities, net of acquisitions:			
Accounts receivable	(1,386)	17	(303)
Prepaid expenses and other current assets	1,019	(830)	(586)
Other assets	2,029	(1)	(947)
Accounts payable	2,864	1,952	(1,395)
Accrued expenses	595	1,715	2,373
Other long-term liabilities	(1,372)	4,496	(99)
Deferred revenue	7,511	5,610	8,794
Net cash provided by operating activities	13,174	22,678	14,625
Investing activities			
Purchases of property and equipment	(9,730)	(14,495)	(9,801)
Proceeds from sale of property and equipment	286	—	—
Proceeds from maturities of marketable securities and derivatives	19,149	16,499	10,254
Purchases of marketable securities and derivatives	(750)	(16,499)	(10,250)
Decrease (increase) in restricted cash	693	(828)	500
Payment for acquisitions, net of cash acquired	(1,325)	(15,803)	—
Net cash provided by (used in) investing activities	8,323	(31,126)	(9,297)
Financing activities			
Proceeds from exercise of stock options	2,254	4,239	4,728
Excess tax benefit from equity awards	23	—	—
Repurchase of common stock	(5,671)	—	—
Net cash (used in) provided by financing activities	(3,394)	4,239	4,728
Effect of currency exchange rate changes on cash	(251)	(99)	(5)
Net increase (decrease) in cash and cash equivalents	17,852	(4,308)	10,051
Cash and cash equivalents, beginning of period	46,084	50,392	40,341
Cash and cash equivalents, end of period	$63,936	$46,084	$50,392
Supplemental disclosure of cash flow information			
Cash paid for income taxes	$1,760	$—	$—
Non cash investing and financing activities			
Acquisition of property and equipment included in accounts payable and accrued expenses	$(1,805)	$853	$1,755

The accompanying notes are an integral part of these consolidated financial statements.

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Notes to Consolidated Financial Statements

1. Nature of Business

Carbonite, Inc. (the “Company”) was incorporated in the State of Delaware on February 10, 2005 and is a provider of cloud and hybrid business continuity solutions. The Company’s solutions provide powerful features packaged in a cost-effective, simple and secure manner and are designed to address the specific needs of small and medium-sized businesses and individuals.

The Company views its operations and manages its business in one operating segment.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions between the Company and its subsidiaries have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates. Changes in estimates are recorded in the period in which they become known. The Company bases its estimates on historical experience and various other assumptions that it believes to be reasonable under the circumstances. Actual results may differ from management’s estimates if past experience or other assumptions do not turn out to be substantially accurate, even if such assumptions are reasonable when made.

Translation of Foreign Currencies

The functional currency of the Company’s foreign subsidiaries is generally the local currency in which they operate. The Company translates foreign subsidiaries' assets and liabilities at the exchange rates in effect at period-end and revenues and expenses at the average exchange rates in effect during the period. Gains and losses from foreign currency translation are recorded as a component of other comprehensive loss.

Foreign currency transaction gains and losses are included in "interest and other income (expense), net" in the consolidated statements of operations, net of losses and gains from any related derivative financial instruments. Transaction losses were $3.5 million and $1.2 million during the years ended December 31, 2015 and 2014, respectively. The Company recorded an immaterial amount of transaction losses during the year ended December 31, 2013.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to credit risk primarily consist of cash and cash equivalents, marketable securities, derivatives, and accounts receivable. The Company maintains its cash and cash equivalents, marketable securities, and derivatives with high-quality financial institutions and, consequently, the Company believes that such funds are subject to minimal credit risk. Cash equivalents and marketable securities consist of investment grade debt securities or money market funds investing in such securities.

The Company sells its services primarily to small and medium-sized businesses and individuals. Payment for the majority of the Company’s sales occurs via credit card. The Company regularly reviews its accounts receivable related to customers billed on traditional credit terms and provides an allowance for expected credit losses. Due to these factors, no additional credit risk beyond amounts provided for collection losses is believed by management to be probable in the Company’s accounts receivable. At both December 31, 2015 and December 31, 2014, no customer represented 10% or more of the Company’s accounts receivable balance and no customer represented 10% or more of

the Company’s revenue for all periods presented.

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Revenue Recognition
The Company derives revenue from Software-as-a-Service ("SaaS") offerings, software license agreements and post-contract customer support ("PCS"). Generally, the Company recognizes revenue when (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the fee is fixed or determinable and (iv) collectability is probable. Our revenue recognition policies for these revenue streams are discussed below.
Software-as-a-Service Arrangements
The Company derives the majority of its revenue from cloud and hybrid business continuity solutions subscription services. These services are standalone independent service solutions, which are generally contracted for a one- to three-year term. Subscription arrangements include access to use the Company’s services via the internet. The Company recognizes revenue in accordance with Accounting Standards Codification (“ASC”) 605-10, Overall Revenue Recognition ("ASC 605-10"). Subscription revenue is recognized ratably on a daily basis upon activation of service over the subscription period, when persuasive evidence of an arrangement with a customer exists, the subscription period has been activated, the price is fixed or determinable, and collection is reasonably assured. Deferred revenues from SaaS arrangements represent payments received from customers for subscription services prior to recognizing the revenue related to those payments.
Software and Software-related Arrangements
The Company derives the remainder of its revenue from software arrangements, which often contain multiple revenue elements, such as software licenses and PCS. For multiple element software arrangements which qualify for separate element treatment, revenue is recognized for each element when each of the four basic criteria is met, which, excluding PCS, is typically upon delivery. Revenue for PCS agreements is recognized ratably over the term of the agreement, which is generally one year. Revenue is allocated to each element, excluding the software license, based on vendor-specific objective evidence ("VSOE"). VSOE is limited to the price charged when the element is sold separately or, for an element not yet being sold separately, the price established by management having the relevant authority. The Company does not have VSOE for its software licenses since they are seldom sold separately. Accordingly, revenue is allocated to the software license using the residual value method. Under the residual value method, revenue equal to VSOE of each undelivered element is initially deferred and any remaining arrangement fee is then allocated to the software license.

Cash Equivalents and Marketable Securities
The Company considers all highly liquid investments purchased with an original purchase maturity of three months or less to be the equivalent of cash for the purposes of balance sheet and statement of cash flows presentation. Marketable securities consist of time deposits and U.S. treasury securities with initial maturities of more than 90 days. Short-term investments in marketable securities are classified as available-for-sale and are recorded at fair value with unrealized gains and losses (excluding other-than-temporary impairments) reported as a separate component of accumulated other comprehensive loss. Realized gains and losses and declines in value judged to be other-than-temporary are included in income based on the specific identification method. Fair value is determined based on quoted market prices. At December 31, 2015 and 2014, the Company's marketable securities have remaining maturities of one year or less and have a total cost basis of $1.0 million and $15.0 million, respectively.
The Company reviews its investments for other-than-temporary impairment whenever evidence indicates that an investment’s carrying amount is not recoverable within a reasonable period of time. There were no other-than-temporary impairments during the years ended December 31, 2015, 2014, and 2013.

Property and Equipment
Property and equipment are stated at cost. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or sale, the cost of the assets disposed of and the related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is reflected in the consolidated statement of operations. Depreciation and amortization is calculated using the straight-line method over the estimated useful lives of the assets, which are as follows:

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Asset Classification	Estimated Useful Life
Computer equipment	2 - 4 years
Appliance	3 years
Software	3 years
Internal use software	2 - 4 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of useful life or remaining life of lease

Impairment of Long-Lived Assets
The Company reviews property and equipment and intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the recoverability of these assets is considered to be impaired, the impairment to be recognized equals the amount by which the carrying value of the assets exceeds their estimated fair value. The Company has not identified any impairment of its long-lived assets as of December 31, 2015, 2014, and 2013.

Business Combinations
In accordance with ASC 805, Business Combinations ("ASC 805"), the Company recognizes tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. Determining these fair values requires management to make significant estimates and assumptions, especially with respect to intangible assets.
The fair value of identifiable intangible assets is based on detailed valuations that use information and assumptions provided by management, which reflect management's best estimates of inputs and assumptions that a market participant would use. The Company's identifiable intangible assets consist of developed technology, customer relationships, tradenames, and non-compete agreements. Developed technology consists of products that have reached technological feasibility, and tradenames represent both acquired company and product names. Customer relationships represent the underlying relationships and agreements with customers of the acquired company's installed base. Non-compete agreements represent the protection against the loss of business and resultant cash flows from direct competition.

Goodwill and Acquired Intangible Assets
The Company records goodwill when consideration paid in a business acquisition exceeds the value of the net assets acquired. The Company's estimates of fair value are based upon assumptions believed to be reasonable at that time but that are inherently uncertain and unpredictable. Assumptions may be incomplete or inaccurate, and unanticipated events or circumstances may occur, which may affect the accuracy or validity of such assumptions, estimates or actual results.
Goodwill is not amortized, but rather is tested for impairment annually or more frequently at the reporting unit level if facts and circumstances warrant a review. The Company has determined that there is a single reporting unit for the purpose of conducting this goodwill impairment assessment. For purposes of assessing potential impairment, the Company estimates the fair value of the reporting unit (based on the Company's market capitalization) and compares this amount to the carrying value of the reporting unit (as reflected by the Company's total stockholders' equity). If the Company determines that the carrying value of the reporting unit exceeds its fair value, an impairment charge would be required. The Company's annual goodwill impairment test is performed at November 30th of each year. To date, the Company has not identified any impairment to goodwill.
Intangible assets acquired in a business combination are recorded at their estimated fair values at the date of acquisition. The Company amortizes acquired intangible assets over their estimated useful lives based on the pattern of consumption of the economic benefits or, if that pattern cannot be readily determined, on a straight-line basis. The Company reviews its intangible assets with definite lives for impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable. To date, the Company has not identified any impairment of our long-lived assets.

Internal-use Software and Website Development

The Company accounts for its software and website development costs in accordance with the guidance in ASC 350-40, Internal Use Software and ASC 350-50, Website Development Costs. The costs incurred in the preliminary stages of

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development are expensed as incurred. Once an application has reached the development stage, internal and external costs, if direct and incremental, are capitalized until the application is substantially complete and ready for its intended use, at which point the costs are amortized over the estimated useful life of the software. As of December 31, 2015, the Company has capitalized $1.8 million of costs associated with internal-use software and capitalized $1.0 million such costs as of December 31, 2014. For the years ended December 31, 2015 and December 31, 2014, the Company recorded $0.3 million and $0.1 million of amortization expense related to capitalized internal-use software, respectively. There was no amortization expense of capitalized amounts recorded for the year ended December 31, 2013.

Advertising Expenses

The Company expenses advertising costs as incurred. During the years ended December 31, 2015, 2014, and 2013, the Company incurred approximately $15.0 million, $18.0 million, and $25.2 million of advertising expense, respectively, which is included in sales and marketing expense in the accompanying statements of operations.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company specifically analyzes historical bad debts, the aging of the accounts receivable, creditworthiness, and current economic trends, to evaluate the allowance for doubtful accounts. Past due balances are reviewed individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted, and the potential for recovery is considered remote. The Company also maintains an allowance for sales returns and credits to customers for which the Company has the ability to estimate based upon historical experience. The allowance is recorded as a reduction in revenue.

Income Taxes

The Company provides for income taxes under the liability method. Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to reflect the uncertainty associated with their ultimate realization.

The Company accounts for uncertain tax positions recognized in the consolidated financial statements by prescribing a more-likely-than-not threshold for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Segment Information

Operating segments are defined as components of an enterprise engaging in business activities for which discrete financial information is available and regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company views its operations and manages its business in one operating segment. The Company does not disclose geographic information for revenue and long-lived assets, excluding deferred tax assets, goodwill and intangible assets. Revenue and long-lived assets, excluding deferred tax assets, goodwill and intangible assets, located outside the United States do not exceed 10% of total revenue and total assets.

Stock-Based Compensation

The Company recognizes stock-based compensation as an expense in the financial statements using the estimated grant-date fair value over the individual award's requisite service period, which equals the vesting periods in all cases but for certain market-based awards. The Company uses the straight-line amortization method for recognizing stock-based compensation expense. The Company estimates the fair value of stock options on the date of grant using the Black-Scholes option-pricing model and the fair value of stock options with market-based vesting conditions on the date of grant using a lattice model with a Monte Carlo simulation. These models require the use of highly

subjective estimates and assumptions, including expected stock price volatility, expected term of an award, risk-free interest rate, and expected dividend yield. The grant date fair value of restricted stock units granted is based on the fair value of the underlying common stock on the date of grant.

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Costs Associated with Exit Activities
The Company accounts for employee termination benefits that represent a one-time benefit in accordance with ASC 420, Exit or Disposal Cost Obligations ("ASC 420"). Other costs associated with exit activities include contract termination costs, including costs related to leased facilities to be abandoned or subleased, expensed in accordance with ASC 420.

Recently Issued Accounting Pronouncements
In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update ("ASU") 2014-9, Revenue from Contacts with Customers (“ASU 2014-9”), updated guidance and disclosure requirements for recognizing revenue. The new revenue recognition standard provides a five-step analysis of transactions to determine when and how revenue is recognized. The revenue standard is based on the principle that revenue should be recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance will be effective for the Company on January 1, 2018, with early adoption permitted, but not earlier than January 1, 2017. The guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of initial adoption. The Company is currently assessing the potential impact of the adoption of ASU 2014-9 on its consolidated financial statements.
In August 2014, the FASB issued ASU 2014-15, Presentation of Financial Statements - Going Concern: Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern (“ASU 2014-15”). The standard requires that the Company evaluate, at each interim and annual reporting period, whether there are conditions or events that raise substantial doubt about its ability to continue as a going concern within one year after the date the financial statements are issued, and provide related disclosures. ASU 2014-15 is effective for annual periods ending after December 15, 2016, and for annual and interim periods thereafter, and early adoption is permitted. The Company does not expect to early adopt ASU 2014-15, which will be effective for its fiscal year ending December 31, 2016. The Company does not believe the standard will have a material impact on its consolidated financial statements.
In April 2015, the FASB issued ASU 2015-05, Intangibles-Goodwill and Other-Internal-Use Software: Customer’s Accounting for Fees Paid in a Cloud Computing Arrangement (“ASU 2015-05”). The standard clarifies the circumstances under which a cloud computing customer would account for the arrangement as a license of internal-use software under ASC 350-40. ASU 2015-05 is effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2015, and early adoption is permitted. The Company does not expect to early adopt ASU 2015-05, which will be effective for its fiscal year ending December 31, 2016. The Company does not believe the standard will have a material impact on its consolidated financial statements.
In September 2015, the FASB issued 2015-16, Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments ("ASU 2015-16"). The standard requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The standard update is effective for fiscal years beginning after December 15, 2015 and interim periods within those fiscal years. The standard update is to be applied prospectively to adjustments of provisional amounts that occur after the effective date with earlier application permitted for financial statements that have not been issued. The Company has elected, as permitted by the standard, to early adopt ASU 2015-16 on a prospective basis as of October 1, 2015. The adoption of ASU 2015-16 did not have a material impact on our consolidated financial statements.
In November 2015, the FASB issued ASU 2015-17, Income Taxes (Topic 740) Balance Sheet Classification of Deferred Taxes ("ASU 2015-17"). ASU 2015-17 is part of the FASB’s simplification initiative aimed at reducing complexity in accounting standards. This new standard requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. ASU 2015-17 is effective for annual reporting periods beginning after December 15, 2016. Early adoption is permitted on either a retrospective or prospective basis. We elected early adoption on a prospective basis and prior periods have not been restated. The adoption of ASU 2015-17 did not have a material impact on our consolidated financial statements. Refer to Note 11 - Income Taxes for additional information regarding deferred tax assets and liabilities.

In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). ASU 2016-02 requires lessees to recognize the assets and liabilities on their balance sheet for the rights and obligations created by most leases and continue to recognize expenses on their income statements over the lease term. It will also require disclosures designed to give financial statement users information on the amount, timing, and uncertainty of cash flows arising from leases. The guidance is effective for annual reporting periods beginning after December 15, 2018 and interim periods within those fiscal years, with early adoption is permitted. The Company is currently evaluating the effect of the standard on its consolidated financial statements.

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3. Net Loss per Share

The Company calculates basic and diluted net loss per share of common stock by dividing the net loss by the weighted average number of unrestricted common shares outstanding for the period. The following potentially dilutive common stock equivalents have been excluded from the computation of diluted weighted-average shares outstanding as of December 31, 2015, 2014, and 2013 as they would be anti-dilutive due to the Company's net losses (in thousands):

	Years Ended December 31,		
	2015	2014	2013
Options to purchase common stock (1)	3,226	3,330	3,322
Restricted stock units (2)	1,101	850	—
Total	4,327	4,180	3,322

(1) Includes 250,000 options with market-based vesting conditions granted to the Company's chief executive officer in December 2014.

(2) Includes 100,000 equity awards with market-based vesting conditions granted to the Company's chief financial officer in June 2015.

4. Fair Value of Financial Instruments

Derivative Instruments

Non-designated Foreign Currency Contracts

The Company uses foreign currency forward contracts as part of our strategy to manage exposure related to Euro denominated intercompany monetary assets and liabilities. The Company has not designated these forward contracts as hedging instruments pursuant to ASC 815, Derivatives and Hedging. Accordingly, the Company recorded the fair value of these contracts at the end of each reporting period in the consolidated balance sheets, with changes in the fair value recorded in earnings as "interest and other income (expense), net" in the consolidated statements of operations. Cash flows from the settlement of these non-designated foreign currency contracts are reported in cash flows from investing activities. These currency forward contracts are entered into for periods consistent with currency transaction exposures, generally less than one year. At December 31, 2015, we had outstanding contracts with a total notional value of $36.7 million.

The following table provides a quantitative summary of the fair value of derivative instruments not designated as hedging instruments as of December 31, 2015 (in thousands):

Description	Balance Sheet Classification	Fair Value December 31, 2015 (in thousands)	December 31, 2014
Derivative Assets:			
Non-Designated Hedging Instruments			
Foreign currency contracts	Prepaid expenses and other current assets	$—	$558
Total Derivative Assets		$—	$558
Derivative Liabilities:			
Non-Designated Hedging Instruments			
Foreign currency contracts	Accrued expenses	$400	$—
Total Derivative Liabilities		$400	$—

The following tables summarize the gains related derivative instruments not designated as hedging instruments for the year ended December 31, 2015, 2014 and 2013 (in thousands):

		Years Ended December 31,		
	Location in Statement of Operations	2015	2014	2013
Foreign currency contracts	Interest and other income (expense), net	$3,404	$807	$—

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Other Fair Value Measurements

The Company applies the guidance in ASC 820, Fair Value Measurements and Disclosures, ("ASC 820"), which provides that fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, ASC 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Other inputs that are observable directly or indirectly, such as quoted prices for similar assets and liabilities or market corroborated inputs.

Level 3: Unobservable inputs are used when little or no market data is available, which requires the Company to develop its own assumptions about how market participants would value the assets or liabilities. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

The Company's assets and liabilities that are measured at fair value on a recurring basis, by level, within the fair value hierarchy are summarized as follows (in thousands):

	December 31, 2015				December 31, 2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Cash equivalents—money market funds	$19,703	$—	$—	$19,703	$15,643	$—	$—	$15,643
Marketable securities—U.S. treasury securities and time deposits	—	1,000	—	1,000	—	15,031	—	15,031
Foreign currency exchange contracts	—	—	—	—	—	558	—	558
Total	$19,703	$1,000	$—	$20,703	$15,643	$15,589	$—	$31,232
Liabilities:								
Foreign currency exchange contracts	—	400	—	400	—	—	—	—
Total	$—	$400	$—	$400	$—	$—	$—	$—

The Company's investments in money market funds are classified as Level 1 within the fair value hierarchy because they are valued using quoted market prices. Our marketable securities and foreign currency exchange contracts are classified as Level 2 within the fair value hierarchy as they are valued using professional pricing sources for identical or comparable instruments, rather than direct observations of quoted prices in active markets. No assets or liabilities are classified as Level 3 within the fair value hierarchy.

5. Acquisitions

Our consolidated financial statements include the operating results for each acquired entity from its respective date of acquisition. The Company does not present pro forma financial information for these acquisitions given their results are not material to our consolidated financial statements.

2015 Acquisitions

SMS Backup

On October 23, 2015, the Company acquired all intellectual property rights in connection with the SMS Backup & Restore and Call Log Backup & Restore applications ("SMS Backup") for total consideration of approximately $0.3 million. The results of operations for the acquisition have been included in the Company's operations since the date of acquisition and were not material for the periods presented.

The acquisition has been accounted for as a business combination and, in accordance with ASC 805, the Company has recorded the assets acquired and liabilities assumed at their respective fair values as of the acquisition date. As a result of the acquisition, the Company recorded identifiable intangible assets related to customer relationships of $0.3 million. As of the

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acquisition date, the customer relationships had weighted-average useful lives of 6.0 years. These identifiable intangible assets are amortized over their estimated useful lives based on the pattern of consumption of the economic benefits or, if that pattern cannot be readily determined, on a straight-line basis.

Rebit, Inc.

On August 11, 2015, the Company acquired certain assets of Rebit, Inc. ("Rebit") for total consideration of approximately $1.3 million, which included an initial cash payment of $1.0 million and an estimated fair value of $0.3 million for additional consideration which is expected to be paid one year from the date of acquisition. The Company employs six of Rebit’s former employees at its current location in Longmont, Colorado.

The results of operations for the acquisition have been included in the Company's operations since the date of acquisition and were not material for the periods presented.

The acquisition of Rebit has been accounted for as a business combination and, in accordance with ASC 805, the Company has recorded the assets acquired and liabilities assumed at their respective fair values as of the acquisition date. As a result of the acquisition of Rebit, the Company recorded goodwill in the amount of $0.6 million and identifiable intangible assets of $0.7 million. As of the acquisition date, developed technology and customer relationships had weighted-average useful lives of 6.0 years and 4.0 years, respectively. These identifiable intangible assets are amortized over their estimated useful lives based on the pattern of consumption of the economic benefits or, if that pattern cannot be readily determined, on a straight-line basis.

2014 Acquisition

MailStore Software GmbH

On December 19, 2014, the Company completed the acquisition of all of the outstanding capital stock of MailStore Software GmbH (MailStore), for $15.8 million, net of cash acquired. The Company believes that this transaction advances Company's plan for global expansion and enhances the Company's portfolio of continuity solutions for SMBs, adding email archiving and indexing solutions. The Company has maintained the employees of MailStore.

The results of operations for the acquisition have been included in the Company's operations since the date of acquisition and were not material for the periods presented.

The acquisition of MailStore has been accounted for as a business combination and, in accordance with ASC 805, the Company has recorded the assets acquired and liabilities assumed at their respective fair values as of the acquisition date as follows (in thousands):

Cash acquired	$2,005
Accounts receivable	633
Prepaid and other	1,050
Deferred tax asset	588
Intangible assets	7,443
Goodwill	12,502
Total assets acquired	24,221
Less deferred revenue	1,861
Less other liabilities assumed	2,200
Less deferred tax liability	2,352
Net assets acquired	$17,808

Goodwill of $12.5 million was recognized for the excess purchase price over the fair value of the net assets acquired. The goodwill recorded in connection with this transaction is primarily related to synergies expected to be achieved, the ability to leverage existing sales and marketing capacity and customer base with respect to the acquired product, as well as revenue and cash flow projections associated with future technologies. Goodwill from the acquisition of MailStore is included within the Company’s one reporting unit and is included in the annual review for impairment. Goodwill is not deductible for tax purposes as this acquisition was a stock purchase.

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Identifiable definite-lived intangible assets of $7.4 million will be amortized on a straight-line basis over their estimated useful lives. Developed technology consists of products that have reached technological feasibility and tradenames represent acquired company and product names. The Company used the income approach to derive the fair value of the developed technology asset. The tradename intangible was valued using a relief from royalty method, which considers both the market approach and the income approach. Customer relationships represent the underlying relationships with certain customers to provide ongoing maintenance services for products sold. To value the customer relationships, the Company utilized the income approach, specifically a discounted cash-flow method known as the multi-period excess earnings method. The following table presents the estimated fair values and useful lives of the identifiable intangible assets acquired:

	Amount	Weighted Average Useful Life	Risk-Adjusted Discount Rates used in Valuation	
	(in thousands)	(in years)		
Developed technology	$5,458	6	15.5	%
Customer relationships	1,613	8	15.5	%
Tradenames	372	6	15.5	%
Total identifiable intangible assets	$7,443			

6. Goodwill and Acquired Intangible Assets

As of December 31, 2015 and 2014, the carrying amount of goodwill is $23.1 million and $23.7 million, respectively. The following is a rollforward of our goodwill balance (in thousands):

	December 31,			
	2015		2014	
Balance at beginning of fiscal period	$23,728		$11,536	
Goodwill acquired	606		12,502	
Effect of foreign exchange rates	(1,229	)	(310	)
Balance at end of fiscal period	$23,105		$23,728	

Goodwill is not amortized. The Company reviews goodwill for impairment at least annually in the fourth quarter, or on an interim basis if an event or circumstance occurs indicating the potential for impairment. The Company completed the annual impairment review as of November 30, 2015 by estimating the fair value of the reporting unit (based on the Company's market capitalization) and comparing this amount to the carrying value of the reporting unit (as reflected by the Company's total stockholders' equity). The Company determined that goodwill was not impaired. To date, the Company has had no impairments of goodwill.

Purchased intangible assets consist of the following (in thousands):

		December 31, 2015			December 31, 2014		
	Weighted-Average Estimated Useful Life (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Developed technology	6.4	$8,167	$2,463	$5,704	$8,303	$1,200	$7,103
Customer relationships	6.8	3,627	1,216	2,411	3,153	695	2,458
Tradenames	7.1	726	213	513	763	108	655
Non-compete agreements	3.8	380	368	12	380	274	106
Total		$12,900	$4,260	$8,640	$12,599	$2,277	$10,322

The Company recorded amortization expense of $2.0 million, $0.9 million and $0.9 million for the years ended December 31, 2015, 2014 and 2013, respectively. Amortization relating to developed technology is recorded within

cost of revenue, amortization of customer relationships is recorded within sales and marketing expenses, and amortization of

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tradenames and non-compete agreements is recorded within general and administrative expenses on the Company's consolidated statements of operations.

Future estimated amortization expense of acquired intangibles is as follows (in thousands):

2016	$1,871
2017	1,694
2018	1,643
2019	1,585
2020	1,410
Thereafter	437
Total	$8,640

7. Property and Equipment

Property and equipment consists of the following (in thousands):

	December 31,	
	2015	2014
Computer equipment	$53,094	$60,169
Software	2,243	2,204
Furniture and fixtures	1,834	1,862
Leasehold improvements	8,879	8,608
Internal-use software	1,789	988
Appliances	279	65
Total property and equipment	68,118	73,896
Less accumulated depreciation and amortization	(46,035)	(47,952)
Property and equipment, net	$22,083	$25,944

Depreciation expense was $11.6 million, $11.6 million, and $11.7 million for the years ended December 31, 2015, 2014, and 2013, respectively.

8. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	December 31,	
	2015	2014
Accrued marketing	$1,727	$1,827
Accrued compensation	3,130	2,288
Accrued restructuring	400	325
Accrued tax liabilities	435	2,394
Accrued consulting and professional fees	3,263	1,579
Accrued facilities	819	242
Accrued other expenses	1,785	1,851
Total accrued expenses	$11,559	$10,506

9. Stockholders' Equity

Share Repurchase Program

On May 11, 2015, the Company's Board of Directors authorized a $20.0 million share repurchase program, effective from May 15, 2015 through May 15, 2018. Share repurchases are made from time-to-time in the open market, in privately negotiated transactions or otherwise, in accordance with applicable securities laws and regulations. The timing and amount of any share repurchases are determined by the Company's management based on an evaluation of market conditions, the trading price of the stock, and other factors.

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For the year ended December 31, 2015, the Company repurchased 502,310 shares of its common stock at an average price of $10.63 per share for a total cost of approximately $5.3 million. At December 31, 2015, approximately $14.7 million remained available under the Company's share repurchase program.

10. Stock-based Awards

The Company’s 2005 Stock Incentive Plan (the 2005 Plan) provided for granting of incentive stock options, non-qualified options, restricted stock, or other awards to the Company’s employees, officers, directors, and outside consultants up to an aggregate of 3,601,551 shares of the Company’s common stock. In conjunction with the effectiveness of the 2011 Equity Award Plan (the 2011 Plan), the Company’s Board of Directors voted that no further stock options or other equity-based awards would be granted under the 2005 Plan.

The 2011 Plan provides for the issuance of stock options, restricted stock, restricted stock units, and other stock-based awards to the employees, officers, directors, and consultants of the Company or its subsidiaries. In connection with the approval of the 2011 plan, the Company reserved 1,662,000 shares of common stock for issuance thereunder. On January 1st of each year, beginning on January 1, 2012, the number of shares reserved under the 2011 Plan increased or will increase by the lesser of 1,500,000 shares, 4.0% of the outstanding shares of common stock and common stock equivalents, or another amount determined by the Company’s Board of Directors. As of December 31, 2015, 471,316 shares of common stock were available for future grant under the 2011 Plan.

Stock-based awards granted to employees generally vest over a three- or four-year period, and, in the case of stock options, expire ten years from the date of grant. Certain awards provide for accelerated vesting if there is a change of control, as defined in the 2005 or 2011 Plan, as applicable. The Company has generally granted stock options at exercise prices not less than the fair market value of its common stock on the date of grant.

Stock Options

The Company generally estimates the fair value of stock options on the date of grant using the Black-Scholes option-pricing model. This model requires the use of highly subjective estimates and assumptions, including expected stock price volatility, expected term of an award, risk-free interest rate, and expected dividend yield. The weighted-average exercise price, weighted-average grant-date fair value, and the assumptions used to estimate the fair value of the stock options granted using the Black-Scholes option pricing model for the years ended December 31, 2015, 2014, and 2013 were as follows:

	Years Ended December 31,		
	2015	2014	2013
Weighted-average exercise price	$12.97	$10.45	$10.95
Weighted-average grant-date fair value	$6.33	$5.33	$5.58
Black-Scholes Assumptions			
Risk-free interest rate	1.54% to 1.85%	1.88% to 2.10%	0.95% to 1.71%
Expected dividend yield	—	—	—
Expected volatility	48% to 51%	51% to 53%	54%
Expected term (in years)	5.5 to 6.1	5.8 to 6.1	5.8 to 6.1

Risk-Free Interest Rate

The Company bases the risk-free interest rate that it uses in the option valuation model on U.S. Treasury zero-coupon issues with remaining maturities similar to the expected term of the options.

Expected Dividend Yield

The Company has not paid, and does not anticipate paying, cash dividends on shares of common stock; therefore, the expected dividend yield is assumed to be zero in the option valuation model.

Expected Volatility

The Company estimates the expected volatility of its common stock at the date of grant based on the historical volatility of comparable public companies over the option’s expected term as well as its own stock price volatility since the Company’s IPO.

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Expected Term
The Company has limited public historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior for its stock option grants. As a result, for stock option grants made during the years ended December 31, 2015, 2014, and 2013 the expected term was estimated using the "simplified method." The simplified method is based on the average of the vesting tranches and the contractual life of each grant.

Forfeitures
The Company is required to estimate forfeitures at the time of grant and revise those estimates in subsequent periods if actual forfeitures differ from those estimates. The Company uses historical data to estimate pre-vesting option forfeitures and records stock-based compensation expense only for those awards that are expected to vest.
The following table summarizes stock option activity under stock incentive plans for the twelve months ended December 31, 2015:

	Number of Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands) (2)
Outstanding at December 31, 2014	3,080,439	$10.63	7.74	$11,456
Granted	660,500	12.97		
Exercised	(264,784)	8.57		
Cancelled	(500,482)	12.25		
Outstanding at December 31, 2015	2,975,673	$11.06	6.71	$724
Exercisable as of December 31, 2015	1,823,644	$10.78	5.70	$631
Vested and expected to vest as of December 31, 2015 (1)	2,746,788	$10.99	6.55	$714

(1) Represents the number of vested stock options as of December 31, 2015, plus the number of unvested stock options expected to vest as of December 31, 2015, based on the unvested stock options outstanding at December 31, 2015, adjusted for estimated forfeitures.

(2) The aggregate intrinsic value is calculated as the positive difference between the exercise price of the underlying stock options and the fair market value of the Company's common stock on December 31, 2014 and December 31, 2015.

The total intrinsic value of options exercised during the years ended December 31, 2015, 2014, and 2013 was approximately $1.0 million, $3.2 million, and $4.4 million, respectively.
As of December 31, 2015, 2014, and 2013, there was approximately $4.5 million, $6.2 million, and $8.3 million, respectively, of unrecognized stock-based compensation cost, net of estimated forfeitures, related to unvested stock options that is expected to be recognized over a weighted-average period of 2.18, 2.45, and 2.68 years, respectively. The total unrecognized stock-based compensation cost will be adjusted for future changes in estimated forfeitures.
Restricted Stock Units
The Company recognizes non-cash compensation expense over the vesting term of restricted stock units. The fair value is measured based upon the number of units and the closing price of the Company's common stock underlying such units on the dates of grant. Upon vesting and settlement, each restricted stock unit entitles the holder to receive one share of common stock.

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The following table summarizes all restricted stock unit activity for the year ended December 31, 2015:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested as of December 31, 2014	849,619	$12.73
Restricted stock units granted	649,646	13.45
Restricted stock units vested	(244,792)	13.02
Restricted stock units cancelled	(253,109)	12.47
Unvested restricted stock units as of December 31, 2015	1,001,364	$13.19

As of December 31, 2015, 2014, and 2013, there was approximately $8.6 million, $7.4 million, and $0.0 million respectively, of unrecognized stock-based compensation cost, net of estimated forfeitures, related to unvested restricted stock units that is expected to be recognized over a weighted-average period of 2.91, 3.67, and 0.00 years, respectively.

Equity Awards with Market-Based Vesting Conditions

In connection with the hiring of a new president and chief executive officer in the fourth quarter of 2014, the Company granted 250,000 options with market-based vesting conditions at an exercise price equal to the fair market value per share of the common stock on the date of grant, $14.44. The vesting of these options is based on achieving target market prices of the common stock for a requisite Trading Period as described herein. There are four targets to be achieved, $15.00, $17.50, $20.00, and $22.50, with 62,500, or 25%, of the total options vesting at each target. The options shall vest on the first day after the completion of a period of twenty consecutive days in which the common stock has reached a target price, based upon the closing price (the "Trading Period").

The Company estimates the fair value and derived service period of stock options with market-based vesting conditions on the date of grant using a lattice model with a Monte Carlo simulation. The model requires the use of subjective estimates and assumptions, including grant price, expected volatility, risk-free interest rate and dividend yield. The exercise price, grant-date fair value, and assumptions used to estimate the fair value of the equity awards with market-based vesting conditions were as follows:

	As of December 3, 2014
Exercise price	14.44
Grant-date fair value	7.41
Assumptions	
Expected Volatility	51 %
Risk-free interest rate	2.29 %
Expected dividend yield	— %

In June 2015, the Company granted its chief financial officer 100,000 restricted stock units with market-based vesting conditions. The 100,000 restricted stock units begin to accrue in 25% increments on each one-year anniversary of the date of grant, but do not become vested units until the market-based conditions are met and subject further to time-based vesting conditions and continued employment. The market-based vesting conditions are based on achieving target market prices of the common stock for a requisite Trading Period. There are two targets to be achieved, $14.00 and $18.00 per share, with 50,000, or 50%, of the total award vesting at each target. The then accrued restricted stock units shall vest on the first day after achievement of the market-based vesting condition for the Trading Period, and any vesting thereafter will be contingent only on time-based vesting and continued employment with the Company.

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The grant-date fair value and assumptions used to estimate the derived service period of the equity awards with market-based vesting conditions were as follows:

	As of June 3, 2015	
Grant-date fair value	$11.32	
Assumptions		
Expected Volatility	49	%
Risk-free interest rate	2.38	%
Expected dividend yield	—	%

As of December 31, 2015, 2014, and 2013, there was approximately $0.7 million, $1.4 million, and $0.0 million respectively, of unrecognized stock-based compensation cost, net of forfeitures, related to unvested awards with market-based vesting conditions that are expected to be recognized over a weighted-average period of 2.34, 0.87, and 0.00 years. None of the market-based performance targets were achieved for the Company's outstanding equity awards as of December 31, 2015, and as such no vesting events have occurred.

Stock-based Compensation Expense

Stock-based compensation is reflected in the consolidated statements of operations as follows for the years ended December 31, 2015, 2014, and 2013 (in thousands):

	Years Ended December 31,		
	2015	2014	2013
Cost of revenues	$730	$539	$508
Research and development	1,171	1,285	955
General and administrative	7,226	3,216	2,250
Sales and marketing	1,089	1,025	1,064
Total	$10,216	$6,065	$4,777

11. Income Taxes

The domestic and foreign components of income (loss) before provision for income taxes were as follows (in thousands):

	Years Ended December 31,					
	2015		2014		2013	
Domestic	$(10,120	)	$2,953		$(10,703	)
Foreign	(11,393	)	(11,936	)	153	
Total loss before provision for income taxes	$(21,513	)	$(8,983	)	$(10,550	)

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The components of the provision for income taxes are as follows (in thousands):

	Years Ended December 31,		
	2015	2014	2013
Current tax provision			
Federal	$131	$211	$—
State	113	239	14
Foreign	(118)	5	1
	126	455	15
Deferred tax provision			
Federal	$—	$(89)	$40
State	4	1	—
Foreign	(28)	—	—
	(24)	(88)	40
Total provision for income taxes	$102	$367	$55

A reconciliation of our income tax provision to the statutory federal tax rate is as follows:

	Years Ended December 31,		
	2015	2014	2013
Expected income tax benefit using U.S. federal statutory rate	34.0 %	34.0 %	34.0 %
Change in the valuation allowance	(38.7)	79.6	(28.6)
Nondeductible stock-based compensation	(4.5)	(8.0)	(5.1)
State taxes, net of federal benefit	1.4	(2.1)	3.0
Foreign rate differential	(11.8)	(30.7)	—
Corporate restructuring	23.0	(55.3)	—
Income tax credits	4.3	5.1	3.1
Provision for tax reserves	(3.5)	(17.6)	—
State net operating loss expiration	—	(8.1)	(13.0)
Non-deductible compensation	(3.0)	—	—
Other	(1.7)	(1.0)	6.1
Effective income tax rate	(0.5)%	(4.1)%	(0.5)%

The Company recorded income tax expense of $0.1 million, $0.4 million and $0.1 million for the years ended December 31, 2015, 2014, and 2013, respectively. For the year ended December 31, 2015, the Company's tax provision was primarily driven by federal AMT and state income taxes, partially offset by a release of a reserve for an uncertain tax position due to the close of an audit for one of its German subsidiaries. For the year ended December 31, 2014, the Company's tax provision was primarily driven by federal AMT and state income taxes. Our effective tax rate for the year ended December 31, 2015 is lower than the U.S. federal statutory rate primarily due to changes in the valuation allowance against deferred tax assets, a foreign rate differential associated with certain foreign jurisdictions which are subject to significantly lower tax rates than the U.S. federal statutory rate and nondeductible stock based compensation, offset by corporate restructuring activities. Our effective tax rate for the year ended December 31, 2014 is lower than the U.S. federal statutory rate primarily due to corporate restructuring activities undertaken to support and grow our business internationally, a foreign rate differential associated with certain foreign jurisdictions which are subject to significantly lower tax rates than the U.S. federal statutory rate and nondeductible stock based compensation expense, offset by changes in the valuation allowance against deferred tax assets.

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The components of the Company’s deferred tax assets and liabilities are as follows (in thousands):

	2015	2014
Deferred tax assets:		
Net operating loss carryforwards	$36,822	$34,908
Research and development tax credit carryforwards	4,924	4,120
Deferred revenue	7,005	6,538
Stock compensation	4,176	2,540
Other	6,106	114
Total deferred tax assets	59,033	48,220
Valuation allowance for deferred tax assets	(54,982)	(46,532)
Total deferred tax assets, net of valuation allowance	4,051	1,688
Deferred tax liabilities:		
Amortization	(2,439)	(3,289)
Other	(3,146)	(164)
Total deferred tax liabilities	(5,585)	(3,453)
Net deferred tax liabilities	$(1,534)	$(1,765)

As of December 31, 2015, the Company had U.S. federal, state and foreign net operating loss carryforwards of $110.1 million, $73.4 million, and $5.5 million, respectively. Included in the federal and state net operating loss carryforward is $9.5 million and $8.9 million that relates to excess tax deductions from stock-based payments, the tax benefit of which will be recorded as an increase in additional paid-in capital when the deductions reduce current taxes payable. The federal net operating loss carryforwards will expire at various dates beginning in 2027 through 2033. State net operating loss carryforwards will expire at various dates beginning in 2020 through 2033. At December 31, 2015, the Company had federal and state research and development tax credit carryforwards available to reduce future income taxes payable of $3.8 million and $3.0 million respectively. These credits will expire at various dates beginning in the year 2025 through 2035. As of December 31, 2015 the Company also had federal AMT credits of approximately $0.3 million, which can be carried forward indefinitely.

Management has evaluated the positive and negative evidence bearing upon the realizability of its deferred tax assets. As required by the provisions of ASC 740, management has determined that it is not more-likely-than-not that the tax benefits related to the federal, state and foreign deferred tax assets will be realized for financial reporting purposes. Accordingly, the deferred tax assets have been fully reserved at December 31, 2015 and 2014. The valuation allowance increased/(decreased) approximately $8.5 million and $(8.8) million during the years ended December 31, 2015 and 2014, respectively, due primarily to changes in the net operating loss carryforwards and increases in deferred tax assets related to stock based compensation and transaction costs.

Future changes in Company ownership may limit the amount of net operating loss carryforwards and research and development credit carryforwards that can be utilized annually to offset future taxable income and taxes, respectively. In general, an ownership change, as defined by Section 382 of the Internal Revenue Code of 1986, as amended, results from transactions increasing the ownership of certain shareholders or public groups in the stock of a corporation by more than 50 percentage points over a three-year period. Based upon the Company’s analysis as of December 31, 2015, there was no ownership change experienced during 2015.

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Unrecognized Tax Benefits

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

	2015	2014
Unrecognized tax benefits, beginning of year	$(2,615)	$—
Additions based on tax positions related to the current year	(1,323)	(698)
Acquisition	—	(677)
Additions for tax positions of prior years	(35)	(1,240)
Reductions for tax positions of prior years	142	—
Settlements	600	—
Reductions due to lapse of applicable statute of limitations	—	—
Unrecognized tax benefits, end of year	$(3,231)	$(2,615)

The Company accounts for uncertain tax positions under the recognition and measurement criteria of ASC 740-10. For those tax positions for which it is more likely than not that a tax benefit will be sustained, we record the largest amount of tax benefit with a greater than 50% likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. If we do not believe that it is not more likely than not that a tax benefit will be sustained, no tax benefit is recognized. As of December 31, 2015, the Company had a total amount of unrecognized tax benefits of $3.2 million, of which $0.2 million represents the amount of unrecognized tax benefits that, if recognized, would favorably affect the effective income tax rate in future periods. The difference between the total amount of unrecognized tax benefits and the amount that would impact the effective tax rate consists of items that, if recognized, would result in a corresponding increase in the valuation allowance.

The Company recognizes interest and penalties related to uncertain tax positions as a component in income tax expense. As of December 31, 2015, the Company had no accrued interest or penalties related to uncertain tax positions and no amounts have been recognized in the Company's consolidated statements of operations. The statute of limitations for assessment by the Internal Revenue Service ("IRS") and state tax authorities is open for tax years ending December 31, 2012, 2013, 2014 and 2015, although carryforward attributes that were generated prior to tax year 2012 may still be adjusted upon examination by the IRS or state tax authorities if they either have been or will be used in a future period. The statute of limitations for assessments by foreign taxing authorities is generally not open for years prior to 2011, although carryforward attributes that were generated prior to tax year 2011 may still be adjusted upon examinations.

The Company is subject to U.S. federal income tax and various state and local taxes in both domestic and foreign jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities within these jurisdictions. The IRS completed its audit of the Company's U.S. federal income tax return for the tax year ended December 31, 2011 during 2014. The closing of the audit did not result in any proposed adjustments or assessments of tax relating to the 2011 tax year. Additionally, during 2015 the Company completed a German tax audit for Mailstore for the tax years ended December 31, 2011, 2012, 2013 and 2014 with immaterial adjustments. The Company does not reasonably expect that the unrecognized tax benefit will change significantly within the next twelve months.

As of December 31, 2015, a deferred tax liability has not been established for approximately $0.3 million of cumulative undistributed earnings of non-U.S. subsidiaries, which are expected to be reinvested indefinitely in operations outside the U.S. Determination of the unrecognized deferred tax liability on unremitted earnings is not practical due to uncertainty regarding the remittance structure, the mix of earnings and earnings for profit pools in the year of remittance, and overall complexity of the calculation.

12. Commitments and Contingencies

Operating Leases

The Company leases various facilities under leases that expire at varying dates through 2024. Certain of these leases contain renewal options and require the Company to pay operating costs, including property taxes, insurance, and maintenance.

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The Company has lease agreements to rent office space in Boston, Massachusetts (corporate headquarters); Lewiston, Maine; Sunnyvale, California; Longmont, Colorado; Munich, Germany; and Viersen, Germany. The Company has lease agreements to rent data center space in Wakefield, Massachusetts; Phoenix, Arizona; and Chandler, Arizona. The Company also maintained a hosting service agreement with a third-party data center vendor in Somerville, Massachusetts, which ended on January 31, 2015. The terms of several of these leases include escalating rent and free rent periods. Accordingly, the Company recorded a deferred rent liability related to the free rent and escalating rent payments, such that rent is being recognized on a straight-line basis over the terms of the leases. At December 31, 2015 and 2014, $4.9 million and $4.8 million is included in accrued expenses and other long-term liabilities related to the deferred rent, respectively.

In May 2014, the Company entered into a lease agreement for its new corporate headquarters in Boston, Massachusetts. The initial term of the lease expires on December 31, 2024, and the Company has the option to extend the original term of the lease for one successive five-year period. Upon execution of the lease agreement, the Company was required to post a security deposit of $0.8 million, which the Company maintains as a letter of credit. The Company's landlord can draw against this letter of credit in the event of default by the Company. The facility was made available to the Company to begin its build-out on June 1, 2014, and as such, the Company began recording rent expense at that time. In accordance with the lease, the Company received a tenant improvement allowance. The rent expense is recorded net of the allowance over the term of the lease. The leasehold improvements associated with the initial build-out are being amortized over the initial term of the lease. Any additional leasehold improvements made during the course of occupancy will be amortized over the shorter of the useful life or remaining life of the lease.
Future non-cancellable minimum lease payments under all operating leases as of December 31, 2015, are as follows (in thousands):

Years Ended December 31,	Office Leases	Data Center Leases	Total
2016	$2,324	$2,083	$4,407
2017	2,167	817	2,984
2018	2,249	275	2,524
2019	2,184	—	2,184
2020	2,054	—	2,054
Thereafter	8,414	—	8,414
Total	$19,392	$3,175	$22,567

(1) This table includes amounts for agreements executed as of December 31, 2015. This table excludes $2.4 million of payments associated with the Phoenix, Arizona data center lease that was extended in February 2016 and expires in January 2019.

At December 31, 2015, the Company subleased certain office space to third parties, which sublease income will offset lease payments included in the table above. Total sublease income under contractual terms is $1.1 million, with both the sublease and the underlying lease expiring in December 2016.
Other Non-cancellable Commitments
As of December 31, 2015, the Company had non-cancellable commitments to vendors primarily consisting of advertising, marketing and broadband services contracts, as follows (in thousands):

Years Ended December 31,	Commitments
2016	$3,041
2017	692
2018	116
2019	35

2020	6
Total	$3,890

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Litigation

On August 30, 2010, Oasis Research sued the Company and 17 other defendants in the United States Court for the Eastern District of Texas (the "Court") alleging infringement of certain of Oasis Research's patents. A trial was held in March 2013 and a jury verdict was returned against Oasis Research finding that all of the asserted patents were invalid. On January 8, 2015, the Court granted Oasis Research's motion for Judgment as a Matter of Law under Rule 50(b) and Alternative Request for a New Trial under Rule 59(a). In October 2015, the parties participated in a mediation and subsequently entered into a confidential agreement to dismiss all matters in the pending cases with prejudice.

Although results of litigation and claims cannot be predicted with certainty, the Company is not presently involved in any legal proceeding in which the outcome, if determined adversely to the Company, would be expected to have a material adverse effect on our business, operating results, or financial condition. Regardless of the outcome, litigation can have an adverse impact on the Company because of defense and settlement costs, diversion of management resources, and other factors.

13. Restructuring

In 2015, the Company recorded restructuring charges of $0.5 million, primarily related to completion of our data center optimization program that was initiated in the fourth quarter of 2014, as well as recording a change in estimate of our lease exit charge for our former Boston, Massachusetts corporate headquarters.

In 2014, the Company exited office space and relocated its corporate headquarters. The relocation was made to facilitate growth of the Company and the related increase in headcount. In association with the exit of the former office space, the Company recorded a charge of $0.4 million at the cease-use date in accordance with ASC 420, Exit or Disposal Cost Obligations. Also during the fourth quarter, the Company recorded costs to optimize the operating efficiencies of its data centers which included the exit of a facility and relocation of its equipment to an existing data center. As a result of these data center optimization efforts, there were restructuring expenses totaling $0.4 million for the period ending December 31, 2014. These expenses have been recorded through the restructuring line within the Company's consolidated statements of operations.

As of December 31, 2015 and 2014, the Company had $0.4 million and $0.5 million accrued related to restructuring activities, respectively.

14. Retirement Plan

The Company has a 401(k) defined contribution savings plan for its employees who meet certain employment status and age requirements. The plan allows participants to defer a portion of their annual compensation on a pre-tax basis. Effective January 1, 2012, the Company elected to make a matching contribution of up to 4% of each employee's wages. For the periods ending December 31, 2015, 2014 and 2013, the total expense for the Company's matching contributions to the plan was $1.1 million, $0.9 million, and $0.7 million, respectively.

15. Revolving Credit Facility

On May 6, 2015, the Company and certain of our subsidiaries entered into a credit agreement with Silicon Valley Bank (the "Credit Facility"), which provides revolving credit financing of up to $25.0 million, including a $5.0 million sub-limit for letters of credit. The Credit Facility may be increased by up to an additional $25.0 million if the existing or additional lenders are willing to make such increased commitments and subject to other terms and conditions. The Credit Facility shall be available to the Company on a revolving basis during the period commencing on May 6, 2015 through May 6, 2018 at an interest rate of the Wall Street Journal prime rate plus 75 basis points or LIBOR plus 175 basis points, at the option of the Company.

The Credit Facility is secured by substantially all of the Company's assets and contains customary affirmative and negative covenants, including financial covenants specifying a minimum quick ratio and minimum consolidated free cash flow, in each case subject to customary and other exceptions for a credit facility of this size and type, each as further described in the Credit Facility. On May 22, 2015, the Company entered into an amendment to the Credit Facility, with Silicon Valley Bank (the "Amendment"), which amends the Company's existing Credit Facility. The Amendment eliminates from the events which constitute a change of control and, consequently, an event of default, the replacement, under specified circumstances, of a majority of the Company's board of directors. The Amendment also allows the Company to repurchase its capital stock pursuant to a board of directors approved stock repurchase

plan, so long as the total of such repurchases does not exceed $20 million during the term of the Credit Facility and the Company remains in pro forma compliance with the financial and other

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covenants. On October 30, 2015, the Company entered into a second amendment to the Credit Facility with Silicon Valley Bank, which includes technical corrections relating to certain definitions and calculations of financial covenants.
As of December 31, 2015, the Company was in compliance with these covenants and there was one letter of credit for $0.8 million outstanding under the Credit Facility related to the security deposit on the lease for the Company's corporate headquarters. As of December 31, 2015, availability under the Credit Facility was $24.2 million.

16. Subsequent Events

On January 13, 2016, the Company completed the EVault Acquisition. Carbonite acquired substantially all of the assets utilized in EVault's operations for cash consideration of $14.0 million. Carbonite expects to complete the acquisition of the European Union assets of EVault in the first quarter of 2016, subject to applicable laws, compliance requirements and customary closing conditions.
The Company is in the process of gathering information to complete its preliminary valuation of certain assets and liabilities acquired as part of the transaction in order to complete acquisition accounting.

17. Quarterly Information (Unaudited)

Quarterly results of operations are as follows (in thousands, except per share amounts):

	For the three months ended:							
	Dec. 31, 2015	Sept. 30, 2015	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	March 31, 2014
Statements of Operations Data:								
Revenue	$35,065	$34,553	$33,972	$33,026	$31,914	$31,274	$30,295	$29,137
Gross profit	$25,869	$24,779	$24,172	$23,012	$21,913	$21,689	$20,574	$19,877
Loss from operations	$(5,488)	$(5,701)	$(4,476)	$(5,993)	$(4,615)	$(481)	$(2,547)	$(942)
Net loss	$(4,599)	$(5,966)	$(4,820)	$(6,230)	$(5,133)	$(699)	$(2,536)	$(982)
Basic and diluted net loss per share	$(0.17)	$(0.22)	$(0.18)	$(0.23)	$(0.19)	$(0.03)	$(0.09)	$(0.04)

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2015. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of December 31, 2015, our chief executive officer and chief financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Annual Report on Internal Control Over Financing Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of our principal executive and principal financial officers and effected by our board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and disposition of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and board of directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2015. Management based its assessment on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) ("COSO").

Based on management's assessment, management has concluded that our internal control over financial reporting was effective as of December 31, 2015. The certifications of our chief executive officer and chief financial officer attached as Exhibits 31.1 and 31.2 to this Annual Report include, in paragraph 4 of such certifications, information concerning our disclosure controls and procedures and internal controls over financial reporting.

Ernst & Young LLP, an independent registered public accounting firm, has issued a report on our internal control over financial reporting, which is included below.

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Changes in Internal Control over Financial Reporting
There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Annual Report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of
Carbonite, Inc.

We have audited Carbonite, Inc.'s internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). Carbonite, Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Carbonite, Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Carbonite, Inc. as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three

years in the period ended December 31, 2015 of Carbonite, Inc. and our report dated March 8, 2016 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP
Boston, Massachusetts
March 8, 2016

ITEM 9B. OTHER INFORMATION

None.

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PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Except as set forth below with respect to the Company's Code of Business Conduct and Ethics, the information required by this item will be set forth in the sections entitled "Board of Directors, Corporate Governance & Related Matters", "Section 16(a) Beneficial Ownership Reporting Compliance", "Executive Officers" and "Criteria for Director Nominations" of our definitive proxy statement to be filed with the SEC in connection with our 2016 annual meeting of stockholders (the "Proxy Statement"), which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2015, and is incorporated in this Annual Report by reference.

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers and employees, including our principal executive officer and principal financial officer. The Code of Business Conduct and Ethics is posted on our website at http://investor.carbonite.com/governance.cfm.

We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this Code of Business Conduct and Ethics by posting such information on our website, at the address and location specified above and, to the extent required by the listing standards of The NASDAQ Global Market, by filing a Current Report on Form 8-K with the SEC, disclosing such information.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be set forth in the sections entitled "Compensation Discussion and Analysis", "Compensation Committee Interlocks and Insider Participation" and "Report of the Compensation Committee of the Board of Directors on Executive Compensation" of our Proxy Statement and is incorporated in this Annual Report by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item will be set forth in the sections entitled "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information" of our Proxy Statement and is incorporated in this Annual Report by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information, if any, required by this item will be set forth in the sections entitled "Certain Relationships And Related Transactions" and "Board of Directors, Corporate Governance & Related Matters - Independence of our Board of Directors" of our Proxy Statement and is incorporated in this Annual Report by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item will be set forth in the section entitled "Audit-Related Matters" of our Proxy Statement and is incorporated in this Annual Report by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements

See Index to Consolidated Financial Statements on page 44 of this Annual Report, which is incorporated into this Item by reference.

(a)(3) Exhibits

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See Exhibit Index to this Annual Report, which is incorporated into this Item by reference. Each management contract or compensatory plan or arrangement required to be filed has been identified.

(b) Exhibits
See Exhibit Index to this Annual Report, which is incorporated into this Item by reference.
(c) Financial Statement Schedules
No schedules are submitted because they are not applicable, not required or because the information is included in the Consolidated Financial Statements or Notes to Consolidated Financial Statements.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	CARBONITE, INC.
Dated: March 8, 2016	By: /s/ Mohamad Ali Mohamad Ali Chief Executive Officer

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Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Mohamad Ali Mohamad Ali	Chief Executive Officer and Director (Principal Executive Officer)	March 8, 2016
/s/ Anthony Folger Anthony Folger	Chief Financial Officer (Principal Financial Officer)	March 8, 2016
/s/ Cassandra Hudson Cassandra Hudson	Chief Accounting Officer (Principal Accounting Officer)	March 8, 2016
/s/ Stephen Munford* Stephen Munford	Chairman of the Board	March 8, 2016
/s/ Jeffry Flowers* Jeffry Flowers	Director	March 8, 2016
/s/ Charles Kane* Charles Kane	Director	March 8, 2016
/s/ Todd Krasnow* Todd Krasnow	Director	March 8, 2016
/s/ Peter Gyenes* Peter Gyenes	Director	March 8, 2016
/s/ Scott Daniels* Scott Daniels	Director	March 8, 2016
/s/ David Friend* David Friend	Director	March 8, 2016

March 8, 2016

*By: /s/ Mohamad Ali
*Mohamad Ali Attorney-in-Fact

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EXHIBIT INDEX

Exhibit No.	Description
2.1(1)	Share Purchase Agreement relating to all shares in MailStore Software GmbH, dated as of December 12, 2014.
2.2 (33)	Asset Purchase Agreement by and among Carbonite, Inc., Carbonite Cloud Backup (Canada) Inc., Carbonite GmbH, Carbonite Operations BV, EVault, Inc. and Seagate Technologies (US) Holdings, Inc., dated as of December 15, 2015.
3.1(2)	Amended and Restated Certificate of Incorporation of Carbonite, Inc.
3.2(3)	Amended and Restated By-Laws of Carbonite, Inc.
4.1(4)	Form of Common Stock Certificate.
4.3(6)	Form of Indenture.
10.1(3)#	Amended and Restated 2005 Stock Incentive Plan and Form of Incentive Stock Option Agreement, Nonqualified Stock Option Agreement, and Stock Restriction Agreement under the Amended and Restated 2005 Stock Incentive Plan.
10.2(3)#	2011 Equity Award Plan and Form of Incentive Stock Option Agreement, Nonqualified Stock Option Agreement, and Stock Restriction Agreement under the 2011 Equity Award Plan.
10.3(5)#	Form of Indemnification Agreement by and between Carbonite, Inc. and each of its directors and executive officers.
10.4(5)#	Severance Agreement with David Friend, dated as of May 3, 2011.
10.5(35)	Amended and Restated Office Lease by Trustees of Church Realty Trust to Carbonite, Inc., dated as of October 17, 2011.
10.6(7)	Commercial Lease with Lewiston Properties, LLC, dated as of May 13, 2011.
10.7(8)	Turn Key Datacenter Lease with GIP Wakefield, LLC, dated as of June 3, 2011.
10.8(9)	Turn Key Datacenter Lease with Digital Phoenix Van Buren, LLC, dated as of November 29, 2011.
10.9(10)	First Amendment to the Datacenter Lease with GIP Wakefield, LLC, dated as of September 15, 2011.
10.10(11)	Second Amendment to the Datacenter Lease with GIP Wakefield, LLC, dated as of March 31, 2012.
10.11(12)	Third Amendment to the Datacenter Lease with GIP Wakefield LLC, dated as of June 11, 2012.
10.12(13)#	Offer Letter with Anthony Folger, dated as of November 21, 2012.
10.13(14)†	Fourth Amendment to the Datacenter Lease with GIP Wakefield, LLC, dated as of February 14, 2013.
10.14(15)†	Turnkey Datacenter Lease with Digital 2121 South Price, LLC, dated as of December 31, 2013.
10.15(16)†	Fifth Amendment to the Datacenter Lease with GIP Wakefield, LLC, dated as of February 6, 2014.
10.16(17)#	Form of Restricted Stock Unit Agreement under the 2011 Equity Award Plan.
10.17(18)	Indenture of Lease by and between Abbey Lafayette Operating LLC and Carbonite, Inc. dated as of May 5, 2014.
10.18(19)#	Form of Stock Restriction Agreement under the 2011 Equity Award Plan.
10.19(20)#	Amended and Restated Offer Letter with Danielle Sheer, dated as of August 1, 2014.
10.20(21)#	Promotion Letter Agreement with Cassandra Hudson, dated as of October 28, 2014.
10.21(22)†	Sixth Amendment to the Datacenter Lease with GIP Wakefield, LLC, dated as of September 30, 2014.
10.22(23)#	Employment Agreement with David Friend, dated as of January 8, 2015.
10.23(24)#	Executive Employment Agreement with Mohamad Ali, dated as of December 3, 2014, as amended January 8, 2015.
10.26(25)	Credit Agreement by and among Carbonite, Inc., the lenders party thereto and Silicon Valley Bank, dated as of May 6, 2015.
10.27(26)#	Offer Letter with David Raissipour, dated as of May 12, 2015.
10.28(27)	First Amendment to Credit Agreement by and among Carbonite, Inc., the lenders party thereto and Silicon Valley Bank, dated as of May 22, 2015.

10.29(28)	Seventh Amendment to the Datacenter Lease with GIP Wakefield, LLC, dated as of September 30, 2015.
10.30(29)	Second Amendment to Credit Agreement by and among Carbonite, Inc., the lenders party thereto and Silicon Valley Bank, dated as of October 30, 2015.
10.31(30)#	Offer Letter with Christopher Doggett, dated as of November 27, 2015.

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Exhibit No.	Description
10.32(31)#	Offer Letter with Paul Mellinger, dated as of December 15, 2015.
10.33(32)#	Offer Letter with Norman Guadagno, dated as of January 6, 2016.
10.34(34)#	Executive Severance Plan, dated as of February 2, 2016.
10.35	Performance-Based Restricted Stock Unit Award Agreement under the 2011 Equity Award Plan.
10.36	First Amendment to Turnkey Datacenter Lease with Digital Phoenix Van Buren, LLC, dated as of February 3, 2016.
21.1	List of subsidiaries.
23.1	Consent of Ernst & Young LLP, independent registered public accounting firm.
24.1	Power of Attorney.
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certifications of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

(1) Filed as the same numbered exhibit to Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 15, 2014, and incorporated herein by reference.

(2) Filed as the same numbered exhibit to Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 10, 2011, and incorporated herein by reference.

(3) Filed as the same numbered exhibit to Amendment No. 2 to Registrant’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on July 13, 2011, and incorporated herein by reference.

(4) Filed as the same numbered exhibit to Amendment No. 3 to Registrant’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on July 25, 2011, and incorporated herein by reference.

(5) Filed as the same numbered exhibit to Registrant’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on May 12, 2011, and incorporated herein by reference.

(6) Filed as Exhibit 4.5 to Registrant's Registration Statement on Form S-3 filed with the Securities and Exchange Commission on November 19, 2013, and incorporated herein by reference.

(7) Filed as Exhibit 10.13 to Amendment No. 1 to Registrant’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on June 15, 2011, and incorporated herein by reference.

(8) Filed as Exhibit 10.14 to Amendment No. 1 to Registrant’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on June 15, 2011, and incorporated herein by reference.

(9) Filed as Exhibit 10.17 to Registrant’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 7, 2012, and incorporated herein by reference.

(10) Filed as Exhibit 10.1 to Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 3, 2012, and incorporated herein by reference.

(11) Filed as Exhibit 10.2 to Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 3, 2012, and incorporated herein by reference.

(12) Filed as Exhibit 10.24 to Registrant’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 6, 2013, and incorporated herein by reference.

(13) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on January 2, 2013, and incorporated herein by reference.

(14)

Filed as Exhibit 10.19 to Registrant's Annual Report on Form 10-K with the Securities and Exchange Commission on March 5, 2014, and incorporated herein by reference.

(15) Filed as Exhibit 10.24 to Registrant's Annual Report on Form 10-K with the Securities and Exchange Commission on March 5, 2014, and incorporated herein by reference.

(16) Filed as Exhibit 10.25 to Registrant's Annual Report on Form 10-K with the Securities and Exchange Commission on March 5, 2014, and incorporated herein by reference.

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(17) Filed as Exhibit 10.27 to Registrant's Annual Report on Form 10-K with the Securities and Exchange Commission on March 5, 2014, and incorporated herein by reference.
(18) Filed as Exhibit 10.1 to Registrant's Quarterly Report on Form 10-Q with the Securities and Exchange Commission on May 6, 2014, and incorporated herein by reference.
(19) Filed as Exhibit 10.1 to Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 4, 2014, and incorporated herein by reference.
(20) Filed as Exhibit 10.1 to Registrant's Quarterly Report on Form 10-Q with the Securities and Exchange Commission on August 5, 2014, and incorporated herein by reference.
(21) Filed as Exhibit 10.1 to Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 3, 2014, and incorporated herein by reference.
(22) Filed as Exhibit 10.1 to Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 6, 2014, and incorporated herein by reference.
(23) Filed as Exhibit 99.1 to Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 9, 2015, and incorporated herein by reference.
(24) Filed as Exhibit 10.1 to Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 4, 2014 (Executive Employment Agreement) and Exhibit 99.2 to Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 9, 2015 (Amendment to Executive Employment Agreement), and each incorporated herein by reference.
(25) Filed as Exhibit 10.5 to Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 6, 2015, and incorporated herein by reference.
(26) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 14, 2015, and incorporated herein by reference.
(27) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 27, 2015, and incorporated herein by reference.
(28) Filed as Exhibit 10.1 to Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 9, 2015, and incorporated herein by reference.
(29) Filed as Exhibit 10.2 to Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 9, 2015, and incorporated herein by reference.
(30) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on December 1, 2015, and incorporated herein by reference.
(31) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on December 16, 2015, and incorporated herein by reference.
(32) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on January 6, 2016, and incorporated herein by reference.
(33) Filed as Exhibit 2.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on January 13, 2016, and incorporated herein by reference.
(34) Filed as Exhibit 10.1 to Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 4, 2016, and incorporated herein by reference.
(35) Filed as Exhibit 10.5 to Registrant’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 10, 2015, and incorporated herein by reference.
# Indicates a management contract or compensatory plan.
† Portions of this exhibit have been omitted pending a determination by the Securities and Exchange Commission as to whether these portions should be granted confidential treatment.