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As filed with the Securities and Exchange Commission on August 24, 2011

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT

Under

The Securities Act of 1933

Brightcove Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	7372	20-1579162
(State of Incorporation)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

One Cambridge Center
Cambridge, MA 02142
(888) 882-1880

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

Jeremy Allaire
Chief Executive Officer
Brightcove Inc.
One Cambridge Center
Cambridge, MA 02142
(888) 882-1880

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

Copies to:

William J. Schnoor, Esq. Joseph C. Theis, Esq. Goodwin Procter LLP Exchange Place 53 State Street Boston, MA 02109 (617) 570-1000	Andrew Feinberg, Esq., CLO Christopher Menard, CFO Christopher Keenan, Esq. Brightcove Inc. One Cambridge Center Cambridge, MA 02142 (888) 882-1880	David A. Westenberg, Esq. Wilmer Cutler Pickering Hale and Dorr LLP 60 State Street Boston, MA 02109 (617) 526-6000

Approximate date of commencement of proposed sale to the public: **As soon as practicable after the effective date of this registration statement**.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

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

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

Large Accelerated Filer ☐ Accelerated Filer ☐

Non-Accelerated Filer (Do not check if a smaller reporting company) ☑ Smaller Reporting Company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price[1][2]	Amount of Registration Fee
Common Stock, $0.001 par value per share	$50,000,000	$5,805

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

(2) Includes the offering price of additional shares that the underwriters have the option to purchase to cover over-allotments, if any.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)
Issued August 24, 2011

Shares

COMMON STOCK

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

We will apply to list our common stock on the NASDAQ Global Market under the symbol "BCOV."

Investing in our common stock involves risks. See "Risk Factors" beginning on page 9.

PRICE $ A SHARE

	Price to Public	*Underwriting Discounts and Commissions*	*Proceeds to Brightcove*
Per Share	*$*	*$*	*$*
Total	*$*	*$*	*$*

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

The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock to purchasers on , 2011.

MORGAN STANLEY *STIFEL NICOLAUS WEISEL*

RBC CAPITAL MARKETS *PACIFIC CREST SECURITIES* *RAYMOND JAMES*

, 2011

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[INSERT ARTWORK HERE FOR INSIDE COVER]

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You should rely only on the information contained in this prospectus or in any free writing prospectus we file with the Securities and Exchange Commission, or SEC. We and the underwriters have not authorized anyone to provide you with additional information or information different from that contained in this prospectus or any free writing prospectus. We and the underwriters are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date on the front cover of this prospectus, or other earlier date stated in this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock.

Until , 2011 (the 25th day after the date of this prospectus), all dealers that buy, sell, or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

For investors outside of the United States: Neither we nor any of the underwriters have done anything that would permit this offering outside the United States or permit the possession or distribution of this prospectus outside the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our consolidated financial statements and the related notes included elsewhere in this prospectus. You should also consider, among other things, the matters described under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in each case appearing elsewhere in this prospectus.

BRIGHTCOVE INC.

Brightcove is a leading global provider of cloud-based solutions for publishing and distributing professional digital media. Brightcove Video Cloud, our flagship product released in 2006, is the world's leading online video platform. As of June 30, 2011, we had 3,295 customers in over 50 countries, including many of the world's leading media, retail, technology and financial services companies, as well as governments, educational institutions and non-profit organizations. Our customers include The New York Times Company, Oracle, Showtime, Philips Electronics, Macy's, Bank of America, the U.S. Army and Honda.

Widespread and growing broadband adoption, rapid growth in online video viewership, the proliferation of new Internet-connected devices and the emergence of social media have radically changed the way in which people interact with and consume content online. Organizations now seek to manage growing libraries of content and media, create compelling branded user experiences and deliver those experiences across a wide range of Internet-connected devices such as PCs, smartphones, tablets and televisions. These processes can be complex, expensive and time-consuming.

Brightcove Video Cloud, or Video Cloud, enables our customers to publish and distribute video to Internet-connected devices quickly, easily and in a cost-effective and high-quality manner. Our innovative technology and intuitive user interface give customers control over a wide range of features and functionality needed to publish and deliver a compelling user experience, including content management, format conversion, video player styling, distributed caching, advertising insertion, content protection and distribution to diverse device types and multiple websites, including their own websites, partner websites and social media sites. Video Cloud also includes comprehensive analytics that allow customers to understand and refine their engagement with end users.

In May 2011, we announced the release of Brightcove App Cloud, or App Cloud, and expect its first commercial sale in the second half of 2011. App Cloud is a software application development and management platform designed to help customers publish and distribute video and other professional digital media through software applications across multiple Internet-connected devices. We refer to these applications as content apps. We believe App Cloud will serve the market for the development and management of content apps much like Video Cloud serves the market for publishing and distributing video content online.

We generate revenue by offering our products to customers on a subscription-based, software as a service, or SaaS, model. Our revenue grew from $24.5 million in the fiscal year ended December 31, 2008 to $43.7 million in the fiscal year ended December 31, 2010 and the number of customers using our products grew from 549 as of December 31, 2008 to 2,469 as of December 31, 2010. Our revenue was $20.3 million for the six months ended June 30, 2010, compared to $28.4 million for the six months ended June 30, 2011. To date, all of our revenue has been attributable to our Video Cloud product. Our consolidated net loss was $17.8 million in 2010 and $9.7 million for the six months ended June 30, 2011. We expect to continue to invest in the growth of our business and operations and to incur operating losses on an annual basis through at least the end of 2012.

Our Mission

Our mission is to publish and distribute the world's professional digital media.

Our Market and Industry

We believe there is a large and growing market opportunity for our on-demand solutions. This market opportunity reflects several important trends:

- many consumers are now equipped with high-speed broadband connections;
- the cost of creating and producing professional video content has dropped dramatically;
- video content consumption has become a mainstream online activity for consumers;
- smartphones and tablets are rapidly becoming mainstream tools for consuming digital media;
- increasingly, next-generation content experiences are being driven through new Internet-connected consumer electronics;
- the number of content apps is growing rapidly; and
- social media destinations such as Facebook and Twitter are becoming important channels for discovering and distributing digital media.

Although these trends are driving a rapid expansion of content creation, they are also creating greater challenges to managing, publishing and distributing a high-quality digital experience. Content owners have attempted to address these challenges with two common solutions: video-sharing sites and in-house solutions. Many content owners are finding these solutions inadequate, however. Although video-sharing sites can serve as distribution channels, these sites generally do not provide the features and functionality that professional organizations require to achieve their objectives. At the same time, in-house solutions are often not a viable alternative because of the significant investment of money, time and people that is required to create and maintain a comprehensive video solution that keeps pace with advances in technology.

Publishing and distributing digital content in a high-quality manner is a critical strategy for many organizations worldwide. We believe there is a significant opportunity for a comprehensive SaaS solution designed to address the growing complexity and expense organizations face when seeking to publish professional digital media. Given the industry trends and the limitations of video-sharing sites and in-house solutions, we believe adoption of outsourced online video platforms will increase. We estimate our total addressable market for online video platforms to be approximately $2.3 billion in 2011, growing to approximately $5.8 billion in 2015.

Our Solution

Video Cloud offers the following key benefits:

- *Comprehensive, highly configurable and scalable*. Video Cloud includes all of the features and functionality necessary to publish and distribute video online to a broad range of Internet-connected devices in a high-quality manner. Our multi-tenant architecture enables us to scale our solution as our customer and end user base expands.
- *Easy to use and low total cost of ownership*. We designed Video Cloud to be intuitive and easy-to-use, empowering anyone within an organization to publish and distribute video online. We provide a reliable, cost-effective, on-demand solution to our customers, relieving them of the cost, time and resources associated with in-house solutions.

- *Open platform and extensive ecosystem.* Our open and extensible platform enables our customers to customize our solution and integrate it with third-party technology to meet their own specific requirements and business objectives. We also have an extensive ecosystem of technology and solution partners which provide our customers with enhanced flexibility, functionality and ease of use.
- *Help customers grow their audience and generate revenue*. Our customers use our product to achieve key business objectives such as driving site traffic, increasing viewer engagement on their sites, increasing conversion rates for transactions, increasing brand awareness and expanding their audiences. Our video advertising features such as tools for ad insertions and built-in ad server and network integrations help our customers generate advertising revenue from their audiences.
- *Ongoing customer-driven development*. Through our account managers, customer support team, product managers and regular outreach from senior leadership, we solicit and capture feedback from our customer base for incorporation into ongoing enhancements to our platform.

Our Business Strengths

We believe that the following business strengths also differentiate us from our competitors and are key to our success:

- *We are the recognized online video platform market leader.* In 2011, our customers have used Video Cloud to deliver an average of approximately 700 million video streams per month, which we believe is more video streams per month than any other professional solution. In July 2011, our customers used Video Cloud to reach over 165 million unique viewers on over 85,000 websites.
- *We have a demonstrated track record of innovation and technology leadership*. We pioneered the commercialization of online video platforms beginning with our first customer deployment in 2006, and we have consistently released new features and functionality. In April 2011, we were issued a U.S. patent covering aspects of publishing and distributing digital media online. Our latest innovation is the development and introduction of App Cloud.
- *We have established a global presence*. We have established a global presence, beginning with our first non-U.S. customer in 2007, and continuing with the expansion of our operations into Europe, Japan and Asia Pacific. We built our solutions to be localized into almost any language and currently offer 24/7 customer support worldwide.
- *We have high visibility and predictability in our business.* We sell our subscription and support services through monthly, quarterly or annual contracts and recognize revenue over the life of the committed term. The predictable revenue recognition of our existing contracts provides us with visibility into revenue that has not yet been recognized. We have also achieved an overall recurring dollar retention rate of at least 86% in each of the last six fiscal quarters, including 94% and 93% for the three months ended March 31, 2011 and June 30, 2011, respectively.
- *We have customers of all sizes across multiple industries.* We offer different editions of Video Cloud tailored to meet the needs of organizations of various sizes, from large global enterprises to small and medium-sized businesses, across industries.
- *Our management team has experience building and scaling successful software companies.* Our people have held senior product, business and technology positions at software companies such as Adobe, Allaire, ATG, EMC, Lycos, Macromedia and Phase Forward.

Growth Strategy

Key elements of our growth strategy are:

- *Acquire new customers.* We believe that every organization with a website or digital content is a potential customer. We intend to make significant investments across all areas of our business, including sales, marketing, lead-generation and product development to acquire new customers.
- *Expand our relationships with existing customers.* We believe we can grow our business with existing customers by helping them increase their usage of our products, expanding their deployments with us and selling additional functionality to them.
- *Continue to innovate*. We plan to continue innovating and bringing to market new solutions and new features on existing solutions. We believe App Cloud is a prime example of this strategy and represents a significant opportunity for growth.
- *Increase our global market penetration.* We intend to expand our presence in targeted geographies by growing our direct sales force and international sales channels. We believe our existing international markets and new markets each represent significant opportunities for growth.
- *Continue to build our brand and drive category awareness.* We plan to continue investing in marketing and promotion to enhance our brand and increase awareness of the online video and content app platform categories.
- *Pursue strategic acquisitions.* We plan to pursue acquisitions that complement our existing business, represent a strong strategic fit and are consistent with our overall growth strategy.

Risks Relating to Our Business and Our Industry

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled "Risk Factors" immediately following this prospectus summary. Some of these risks are:

- We have a history of losses, we expect to continue to incur losses and we may not achieve or sustain profitability in the future.
- We have a relatively short operating history, which makes it difficult to evaluate our business and future prospects.
- If customer demand for our services does not meet expectations, our ability to generate revenue and meet our financial targets could be adversely affected.
- Our long-term success depends, in part, on our ability to expand the sales of our products to customers located outside of the United States, and thus our business is susceptible to risks associated with international sales and operations.
- We must keep up with rapid technological change to remain competitive in a rapidly evolving industry.
- If we are unable to retain our existing customers, our revenue and results of operations will be adversely affected.
- Our business and operations have experienced rapid growth and organizational change in recent periods, which has placed, and may continue to place, significant demands on our management and infrastructure. If we fail to manage our growth effectively and successfully recruit additional highly-qualified employees, we may be unable to execute our business plan, maintain high levels of service or address competitive challenges adequately.
- We face significant competition and may be unsuccessful against current and future competitors. If we do not compete effectively, our operating results and future growth could be harmed.

Our Corporate Information

We were incorporated in Delaware in August 2004 as Video Marketplace, Inc., and changed our name to Brightcove Inc. in March 2005. Our principal executive office is located at One Cambridge Center, Cambridge, Massachusetts 02142 and our telephone number is (888) 882-1880. Our website address is *www.brightcove.com*. The information on, or that can be accessed through, our website does not constitute part of this prospectus, and you should not rely on any such information in making the decision whether to purchase our common stock. Unless otherwise stated, all references to "us," "our," "Brightcove," "we," the "company" and similar designations refer to Brightcove Inc. and its subsidiaries.

THE OFFERING

Common stock offered by us	shares
Common stock to be outstanding after this offering	shares
Overallotment option offered by us	The underwriters have an option to purchase a maximum of additional shares of common stock. The underwriters can exercise this option at any time within 30 days from the date of this prospectus.
Use of proceeds	We intend to use approximately $ million of the net proceeds of this offering to repay outstanding indebtedness and to use the remainder for working capital and other general corporate purposes. We may also use a portion of the net proceeds to acquire complementary technologies or businesses. See "Use of Proceeds."
Proposed NASDAQ Global Market symbol	"BCOV"
Risk factors	You should read carefully "Risk Factors" in this prospectus for a discussion of factors that you should consider before deciding to invest in shares of our common stock.

The number of shares of common stock to be outstanding after this offering is based on 54,965,387 shares of common stock outstanding as of June 30, 2011 and excludes:

- 11,127,023 shares of common stock issuable upon the exercise of stock options outstanding as of June 30, 2011 with a weighted-average exercise price of $1.37 per share;
- 121,456 shares of common stock issuable upon the exercise of warrants outstanding as of June 30, 2011 with a weighted-average exercise price of $1.235 per share; and
- 620,032 shares of common stock reserved for future issuance under our equity incentive plans as of June 30, 2011.

Except as otherwise indicated, the information in this prospectus:

- gives effect to our amended and restated certificate of incorporation, which will be in effect upon completion of this offering;
- gives effect to the conversion of all of our outstanding preferred stock into 41,991,381 shares of common stock upon the closing of this offering;
- assumes that the warrants outstanding as of June 30, 2011 to purchase 60,728 shares of our series B preferred stock automatically become warrants to purchase 121,456 shares of our common stock upon the closing of this offering;
- gives effect to our planned -for- reverse stock split of our common stock to be effected on , 2011, which has not yet occurred; and
- assumes no exercise by the underwriters of their option to purchase up to an additional shares of our common stock in this offering to cover over-allotments.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables summarize certain consolidated financial and other data for our business. You should read the following summary consolidated financial data in conjunction with "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

We derived the consolidated statements of operations data for the years ended December 31, 2008, 2009 and 2010 and the consolidated balance sheet data as of December 31, 2009 and 2010 from our audited consolidated financial statements included elsewhere in this prospectus. The consolidated statements of operations data for the six months ended June 30, 2010 and 2011, and the consolidated balance sheet data as of June 30, 2011, are derived from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared the unaudited financial information on the same basis as the audited consolidated financial statements and have included, in our opinion, all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of results to be expected in any future period, and results for the six months ended June 30, 2011 are not necessarily indicative of results to be expected for the full fiscal year.

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
	(in thousands, except per share data)				
Consolidated statements of operations data:					
Revenue:					
Subscription and support revenue	$ 22,432	$32,240	$ 40,521	$ 18,798	$ 26,970
Professional services and other revenue	2,068	3,947	3,195	1,507	1,384
Total revenue	24,500	36,187	43,716	20,305	28,354
Cost of revenue:(1)					
Cost of subscription and support revenue	6,070	6,986	11,060	5,187	7,039
Cost of professional services and other revenue	2,916	3,463	4,065	1,865	2,273
Total cost of revenue	8,986	10,449	15,125	7,052	9,312
Gross profit	15,514	25,738	28,591	13,253	19,042
Operating expenses:(1)					
Research and development	7,756	8,927	12,257	5,502	7,198
Sales and marketing	11,542	13,218	24,124	11,384	15,372
General and administrative	5,970	6,696	9,617	4,432	5,978
Total operating expenses	25,268	28,841	45,998	21,318	28,548
Loss from operations	(9,754)	(3,103)	(17,407)	(8,065)	(9,506)
Other income (expense):					
Interest income	918	313	185	139	18
Other (expense) income, net	(1,388)	22	(503)	(594)	(157)
Total other (expense) income, net	(470)	335	(318)	(455)	(139)
Loss before income taxes and non-controlling interest in consolidated subsidiary	(10,224)	(2,768)	(17,725)	(8,520)	(9,645)
Provision for income taxes	11	55	56	38	83
Consolidated net loss	(10,235)	(2,823)	(17,781)	(8,558)	(9,728)
Net loss (income) attributable to non-controlling interest in consolidated subsidiary	305	478	280	211	(145)
Net loss attributable to Brightcove Inc.	(9,930)	(2,345)	(17,501)	(8,347)	(9,873)
Accretion of dividends on redeemable convertible preferred stock	(4,919)	(4,918)	(5,470)	(2,651)	(2,819)
Net loss attributable to common stockholders	$(14,849)	$ (7,263)	$(22,971)	$(10,998)	$(12,692)
Net loss per share attributable to common stockholders—basic and diluted	$ (1.53)	$ (0.65)	$ (1.92)	$ (0.96)	$ (1.02)

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
	(in thousands, except per share data)				
Weighted-average number of common shares used in computing net loss per share attributable to common stockholders—basic and diluted	9,694	11,117	11,992	11,485	12,468
Pro forma net loss per share attributable to common stockholders—basic and diluted(2)			$ (0.33)		$ (0.18)
Pro forma weighted-average number of common shares used in computing net loss per share attributable to common stockholders—basic and diluted(2)			53,382		54,459

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
	(in thousands)				
(1)Stock-based compensation included in above line items:					
Cost of subscription and support revenue	$ 21	$ 21	$ 26	$ 15	$ 23
Cost of professional services and other revenue	22	36	99	49	59
Research and development	99	125	369	178	177
Sales and marketing	82	102	1,459	847	555
General and administrative	114	224	1,362	581	1,217

	As of December 31,		As of June 30, 2011		
	2009	2010	Actual	Pro Forma(3)	Pro Forma As Adjusted(3)(4)
			(in thousands)		
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 22,554	$ 20,341	$ 24,565	$ 24,565	$
Property and equipment, net	3,355	4,706	5,582	5,582	
Working capital	21,054	17,263	16,962	16,962	
Total assets	40,255	41,984	49,930	49,930	
Current and long-term debt	—	—	7,000	7,000	
Redeemable convertible preferred stock warrants	99	285	429	—	
Redeemable convertible preferred stock	96,725	114,404	117,377	—	
Total stockholders' (deficit) equity	(66,855)	(86,937)	(97,396)	20,410	

(2) Pro forma basic and diluted net loss per share have been computed to give effect to the conversion of all redeemable convertible preferred stock into shares of common stock, as if such conversion had occurred as of the date of original issuance. The impact of the accretion of unpaid and undeclared dividends has been excluded from the determination of net loss attributable to common stockholders as the holders of the redeemable convertible preferred stock are not entitled to receive undeclared dividends upon such conversion.

(3) The balance sheet data as of June 30, 2011 is presented:

- on an actual basis;
- on a pro forma basis to reflect the automatic conversion of all outstanding shares of our preferred stock and warrants to purchase shares of our preferred stock into 41,991,381 shares of common stock and warrants to purchase 121,456 shares of common stock, respectively, upon the completion of this offering; and
- on a pro forma as adjusted basis to reflect the pro forma adjustments described above and the sale by us of shares of common stock offered by this prospectus at the initial public offering price of $ per share, which is the mid-point of the range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(4) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the mid-point of the range set forth on the cover page of this prospectus, would increase (decrease) the amount of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of one million shares in the number of shares of our common stock offered by us would increase (decrease) the amount of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately $ million, assuming that the assumed initial public offering price remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual public offering price and other terms of this offering determined at pricing.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this prospectus, including our consolidated financial statements and related notes, before deciding whether to invest in our common stock. Any of the risk factors we describe below could materially adversely affect our business, financial condition or results of operations, as could other risks not currently known to us or risks that we consider immaterial. The market price of our common stock could decline if one or more of these risks or uncertainties actually occurs, causing you to lose all or part of your investment. Certain statements below are forward-looking statements. See "Special Note Regarding Forward-Looking Statements" in this prospectus.

Risks Relating to Our Business and Our Industry

We have a history of losses, we expect to continue to incur losses and we may not achieve or sustain profitability in the future.

We have incurred significant losses in each fiscal year since our inception in 2004. We experienced a consolidated net loss of $2.8 million for the year ended December 31, 2009, a consolidated net loss of $17.8 million for the year ended December 31, 2010 and a consolidated net loss of $9.7 million for the six months ended June 30, 2011. These losses were due to the substantial investments we made to build our products and services, grow and maintain our business and acquire customers. Key elements of our growth strategy include acquiring new customers and continuing to innovate and build our brand. As a result, we expect our operating expenses to increase in the future due to expected increased sales and marketing expenses, operations costs, research and development costs and general and administrative costs and, therefore, our operating losses will continue or even increase at least through 2012. In addition, as a public company we will incur significant legal, accounting and other expenses that we did not incur as a private company. Furthermore, to the extent that we are successful in increasing our customer base, we will also incur increased expenses because costs associated with generating and supporting customer agreements are generally incurred up front, while revenue is generally recognized ratably over the term of the agreement. You should not rely upon our recent revenue growth as indicative of our future performance. We cannot assure you that we will reach profitability in the future or at any specific time in the future or that, if and when we do become profitable, we will sustain profitability. If we are ultimately unable to generate sufficient revenue to meet our financial targets, become profitable and have sustainable positive cash flows, investors could lose their investment.

We have a relatively short operating history, which makes it difficult to evaluate our business and future prospects.

Our business has a relatively short operating history, which makes it difficult to evaluate our business and future prospects. We have been in existence since 2004, and much of our growth has occurred in recent periods. We have encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly changing industries, including those related to:

- market acceptance of our current and future products and services;
- customer renewal rates;
- our ability to compete with other companies that are currently in, or may in the future enter, the market for our products;
- our ability to successfully expand our business, especially internationally;
- our ability to control costs, including our operating expenses;
- the amount and timing of operating expenses, particularly sales and marketing expenses, related to the maintenance and expansion of our business, operations and infrastructure;

- network outages or security breaches and any associated expenses;
- foreign currency exchange rate fluctuations;
- write-downs, impairment charges or unforeseen liabilities in connection with acquisitions;
- our ability to successfully manage any acquisitions; and
- general economic and political conditions in our domestic and international markets.

If we do not manage these risks successfully, our business will be harmed.

If customer demand for our services does not meet expectations, our ability to generate revenue and meet our financial targets could be adversely affected.

While we expect strong growth in the markets for our products, it is possible that the growth in some or all of these markets may not meet our expectations, or materialize at all. We do not have any experience with customer adoption of our App Cloud product because it has not been released yet. If the customer adoption rate in our target markets does not meet our expectations, our ability to generate revenue from customers and meet our financial targets could be adversely affected.

Our business is substantially dependent upon the continued growth of the market for on-demand software solutions.

We derive, and expect to continue to derive, substantially all of our revenue from the sale of our on-demand solutions. As a result, widespread acceptance and use of the on-demand business model is critical to our future growth and success. Under the perpetual or periodic license model for software procurement, users of the software would typically install and operate the applications on their hardware. Because many companies are generally predisposed to maintaining control of their information technology, or IT, systems and infrastructure, there may be resistance to the concept of accessing software as a service provided by a third party. In addition, the market for on-demand software solutions is still evolving, and competitive dynamics may cause pricing levels to change as the market matures and as existing and new market participants introduce new types of solutions and different approaches to enable organizations to address their technology needs. As a result, we may be forced to reduce the prices we charge for our products and may be unable to renew existing customer agreements or enter into new customer agreements at the same prices and upon the same terms that we have historically. If the market for on-demand software solutions fails to grow, grows more slowly than we currently anticipate or evolves and forces us to reduce the prices we charge for our products, our revenue, gross margin and other operating results could be materially adversely affected.

We currently depend on revenue from a single product.

We are currently dependent on revenue from a single product, Video Cloud. Our business would be harmed by a decline in the market for Video Cloud, increased competition in the market for online video platforms, or our failure or inability to provide sufficient investment to support Video Cloud as needed to maintain or grow its competitive position.

Our operating results may fluctuate from quarter to quarter, which could make them difficult to predict.

Our quarterly operating results are tied to certain financial and operational metrics that have fluctuated in the past and may fluctuate significantly in the future. As a result, you should not rely upon our past quarterly operating results as indicators of future performance. Our operating results depend on numerous factors, many of which are outside of our control. In addition to the other risks described in this “Risk Factors” section, the following risks could cause our operating results to fluctuate:

- our ability to retain existing customers and attract new customers;
- the mix of annual and monthly customers at any given time;

- the timing and amount of costs of new and existing marketing and advertising efforts;
- the timing and amount of operating costs and capital expenditures relating to expansion of our business, operations and infrastructure;
- the cost and timing of the development and introduction of new product and service offerings by us or our competitors; and
- system or service failures, security breaches or network downtime.

Our long-term success depends, in part, on our ability to expand the sales of our products to customers located outside of the United States, and thus our business is susceptible to risks associated with international sales and operations.

We currently maintain offices and have sales personnel in Australia, France, Germany, Japan, Singapore, South Korea, Spain and the United Kingdom, and we intend to expand our international operations. Any international expansion efforts that we may undertake may not be successful. In addition, conducting international operations subjects us to new risks that we have not generally faced in the United States. These risks include:

- unexpected costs and errors in the localization of our products, including translation into foreign languages and adaptation for local practices and regulatory requirements;
- lack of familiarity and burdens of complying with foreign laws, legal standards, regulatory requirements, tariffs, and other barriers;
- unexpected changes in regulatory requirements, taxes, trade laws, tariffs, export quotas, custom duties or other trade restrictions;
- difficulties in managing systems integrators and technology partners;
- differing technology standards;
- longer accounts receivable payment cycles and difficulties in collecting accounts receivable;
- difficulties in managing and staffing international operations and differing employer/employee relationships;
- fluctuations in exchange rates that may increase the volatility of our foreign-based revenue;
- potentially adverse tax consequences, including the complexities of foreign value added tax (or other tax) systems and restrictions on the repatriation of earnings;
- uncertain political and economic climates; and
- reduced or varied protection for intellectual property rights in some countries.

These factors may cause our costs of doing business in these geographies to exceed our comparable domestic costs. Operating in international markets also requires significant management attention and financial resources. Any negative impact from our international business efforts could negatively impact our business, results of operations and financial condition as a whole.

We must keep up with rapid technological change to remain competitive in a rapidly evolving industry.

The online video platform market is characterized by rapid technological change, frequent new product and service introductions and evolving industry standards. Our future success will depend on our ability to adapt quickly to rapidly changing technologies, to adapt our services and products to evolving industry standards and to improve the performance and reliability of our services and products. To achieve market acceptance for our products, we must effectively anticipate and offer products that meet changing customer demands in a timely

manner. Customers may require features and functionality that our current products do not have. If we fail to develop products that satisfy customer preferences in a timely and cost-effective manner, our ability to renew our contracts with existing customers and our ability to create or increase demand for our products will be harmed.

We may experience difficulties with software development, industry standards, design or marketing that could delay or prevent our development, introduction or implementation of new products and enhancements. The introduction of new products by competitors, the emergence of new industry standards or the development of entirely new technologies to replace existing offerings could render our existing or future products obsolete.

If we are unable to successfully develop or acquire new features and functionality, enhance our existing products to anticipate and meet customer requirements or sell our products into new markets, our revenue and results of operations will be adversely affected.

If we are unable to retain our existing customers, our revenue and results of operations will be adversely affected.

We sell our products pursuant to agreements that are generally for monthly, quarterly or annual terms. Our customers have no obligation to renew their subscriptions after their subscription period expires, and these subscriptions may not be renewed on the same or on more profitable terms. As a result, our ability to retain our existing customers and grow depends in part on subscription renewals. We may not be able to accurately predict future trends in customer renewals, and our customers' renewal rates may decline or fluctuate because of several factors, including their satisfaction or dissatisfaction with our services, the cost of our services and the cost of services offered by our competitors, reductions in our customers' spending levels or the introduction by competitors of attractive features and functionality. If our customer retention rate decreases, we may need to increase the rate at which we add new customers in order to maintain and grow our revenue, which may require us to incur significantly higher advertising and marketing expenses than we currently anticipate, or our revenue may decline. If our customers do not renew their subscriptions for our services, renew on less favorable terms, or do not purchase additional functionality or subscriptions, our revenue may grow more slowly than expected or decline, and our profitability and gross margins may be harmed.

We depend on the experience and expertise of our founders, senior management team and key technical employees, and the loss of any key employee could have an adverse effect on our business, financial condition and results of operations.

Our success depends upon the continued service of our founders and senior management team and key technical employees, as well as our ability to continue to attract and retain additional highly qualified personnel. Each of our founders, executive officers, key technical personnel and other employees could terminate his or her relationship with us at any time. The loss of any of our founders or any other member of our senior management team or key personnel might significantly delay or prevent the achievement of our business objectives and could materially harm our business and our customer relationships. In addition, because of the nature of our business, the loss of any significant number of our existing engineering, project management and sales personnel could have an adverse effect on our business, financial condition and results of operations.

Our business and operations have experienced rapid growth and organizational change in recent periods, which has placed, and may continue to place, significant demands on our management and infrastructure. If we fail to manage our growth effectively and successfully recruit additional highly-qualified employees, we may be unable to execute our business plan, maintain high levels of service or address competitive challenges adequately.

We increased our number of full-time employees from 178 as of December 31, 2009, to 255 as of December 31, 2010 and to 288 as of June 30, 2011, and our revenue grew from $36.2 million in 2009 to $43.7 million in 2010 and was $28.4 million through the six months ended June 30, 2011. Our headcount and

operations have grown, both domestically and internationally, since our inception. This growth has placed, and will continue to place, a significant strain on our management, administrative, operational and financial infrastructure. We anticipate further growth will be required to address increases in our product and service offerings and continued international expansion. Our success will depend in part upon the ability of our senior management team to manage this growth effectively. To do so, we must continue to recruit, hire, train, manage and integrate a significant number of qualified managers, technical personnel and employees in specialized roles within our company, including in technology, sales and marketing. If our new employees perform poorly, or if we are unsuccessful in recruiting, hiring, training, managing and integrating these new employees, or retaining these or our existing employees, our business may suffer.

In addition, to manage the expected continued growth of our headcount, operations and geographic expansion, we will need to continue to improve our information technology infrastructure, operational, financial and management systems and procedures. Our expected additional headcount and capital investments will increase our costs, which will make it more difficult for us to address any future revenue shortfalls by reducing expenses in the short term. If we fail to successfully manage our growth we will be unable to successfully execute our business plan, which could have a negative impact on our business, financial condition or results of operations.

We may experience delays in product and service development, including delays beyond our control, which could prevent us from achieving our growth objectives and hurt our business.

Many of the problems, delays and expenses we may encounter may be beyond our control. Such problems may include, but are not limited to, problems related to the technical development of our products and services, problems with the infrastructure for the distribution and delivery of online media, the competitive environment in which we operate, marketing problems, consumer and advertiser acceptance and costs and expenses that may exceed current estimates. Problems, delays or expenses in any of these areas could have a negative impact on our business, financial conditions or results of operations.

Delays in the timely design, development, deployment and commercial operation of our product and service offerings, and consequently the achievement of our revenue targets and positive cash flow, could result from a variety of causes, including many causes that are beyond our control. Such delays include, but are not limited to, delays in the integration of new offers into our existing offering, changes to our products and services made to correct or enhance their features, performance or marketability or in response to regulatory developments or otherwise, delays encountered in the development, integration or testing of our products and services and the infrastructure for the distribution and delivery of online media and other systems, unsuccessful commercial launches of new products and services, delays in our ability to obtain financing, insufficient or ineffective marketing efforts and slower-than-anticipated consumer acceptance of our products. Delays in any of these matters could hinder or prevent our achievement of our growth objectives and hurt our business.

There is no assurance that the current cost of Internet connectivity and network access will not rise with the increasing popularity of online media services.

We rely on third-party service providers for our principal connections to the Internet and network access, and to deliver media to consumers. As demand for online media increases, there can be no assurance that Internet and network service providers will continue to price their network access services on reasonable terms. The distribution of online media requires delivery of digital content files and providers of network access and distribution may change their business models and increase their prices significantly, which could slow the widespread adoption of such services. In order for our services to be successful, there must be a reasonable price model in place to allow for the continuous distribution of digital media files. We have limited or no control over the extent to which any of these circumstances may occur, and if network access or distribution prices rise, our business, financial condition and results of operations would likely be adversely affected.

Failure of our infrastructure for the distribution and delivery of online media could adversely affect our business.

Our success as a business depends, in large part, on our ability to provide a consistently high-quality digital experience to consumers via our relationships and infrastructure for the distribution and delivery of online media generally. There is no guarantee that our relationships and infrastructure will not experience problems or other performance issues, which could seriously impair the quality and reliability of our delivery of digital media to end users. For example, we primarily use two content delivery networks, or CDNs, to deliver content to end users. If one or both of these CDNs were to experience sustained technical failures, it could cause delays in our service and we could lose customers. If we do not accurately predict our infrastructure capacity requirements, our customers could experience service outages or service degradation that may subject us to financial penalties and liabilities and result in customer losses. In the past we have, on occasion, suffered temporary losses of our ability to deliver some or all elements of our service under circumstances that have affected our customers. We cannot guarantee that service interruptions will not occur again or predict the duration of interruptions of our service or the impact of such interruptions on our customers. Failures and interruptions of our service may impact our reputation, result in our payment of compensation or service credits to our customers, result in loss of customers and adversely affect our financial results and ability to grow our business. In addition, if our hosting infrastructure capacity fails to keep pace with increased sales or if our delivery capabilities fail, customers may experience delays as we seek to obtain additional capacity or enable alternative delivery capability, which could harm our reputation and adversely affect our revenue growth.

We may have difficulty scaling and adapting our existing infrastructure to accommodate increased traffic and storage, technology advances or customer requirements.

In the future, advances in technology, increases in traffic and storage, and new customer requirements may require us to change our infrastructure, expand our infrastructure or replace our infrastructure entirely. Scaling and adapting our infrastructure is likely to be complex and require additional technical expertise. If we are required to make any changes to our infrastructure, we may incur substantial costs and experience delays or interruptions in our service. These delays or interruptions may cause customers and partners to become dissatisfied with our service and move to competing providers of online publishing or distribution services. Our failure to accommodate increased traffic and storage, increased costs, inefficiencies or failures to adapt to new technologies or customer requirements and the associated adjustments to our infrastructure could harm our business, financial condition and results of operations.

We face significant competition and may be unsuccessful against current and future competitors. If we do not compete effectively, our operating results and future growth could be harmed.

We compete with other online video platforms and content app development platforms, as well as larger companies that offer multiple services, including those that may be used as substitute services for our products. Competition is already intense in these markets and, with the introduction of new technologies and market entrants, we expect competition to further intensify in the future. In addition, some of our competitors may make acquisitions, be acquired, or enter into strategic relationships to offer a more comprehensive service than we do. These combinations may make it more difficult for us to compete effectively. We expect these trends to continue as competitors attempt to strengthen or maintain their market positions.

Demand for our services is sensitive to price. Many factors, including our advertising, customer acquisition and technology costs, and our current and future competitors' pricing and marketing strategies, can significantly affect our pricing strategies. There can be no assurance that we will not be forced to engage in price-cutting initiatives, or to increase our advertising and other expenses to attract and retain customers in response to competitive pressures, either of which could have a material adverse effect on our revenue, operating results and resources.

We will likely encounter significant, growing competition in our business from many sources, including portals and digital media retailers, search engines, social networking and consumer-sharing services companies, broadband media distribution platforms, technology suppliers, direct broadcast satellite television service companies and digital and traditional cable systems. Many of our present and likely future competitors have substantially greater financial, marketing, technological and other resources than we do. Some of these companies may even choose to offer services competitive with ours at no cost as a strategy to attract or retain customers of their other services. If we are unable to compete successfully with traditional and other emerging providers of competing services, our business, financial condition and results of operations could be adversely affected.

We rely on software and services licensed from other parties. Defects in or the loss of software or services from third parties could increase our costs and adversely affect the quality of our service.

Components of our service and product offerings include various types of software and services licensed from unaffiliated parties. For example, some of our products incorporate software licensed from Adobe. Our business would be disrupted if any of the software or services we license from others or functional equivalents thereof were either no longer available to us or no longer offered on commercially reasonable terms. In either case, we would be required to either redesign our services and products to function with software or services available from other parties or develop these components ourselves, which would result in increased costs and could result in delays in our product launches and the release of new service and product offerings. Furthermore, we might be forced to limit the features available in our current or future products and services. If we fail to maintain or renegotiate any of these software or service licenses, we could face significant delays and diversion of resources in attempting to license and integrate functional equivalents.

If our software products contain serious errors or defects, then we may lose revenue and market acceptance and may incur costs to defend or settle claims.

Complex software applications such as ours often contain errors or defects, particularly when first introduced or when new versions or enhancements are released. Despite internal testing and testing by our customers, our current and future products may contain serious defects, which could result in lost revenue, lost customers, slower growth or a delay in market acceptance.

Since our customers use our products for critical business applications, such as online video, errors, defects or other performance problems could result in damage to our customers. They could seek significant compensation from us for the losses they suffer. Although our customer agreements typically contain provisions designed to limit our exposure to claims, existing or future laws or unfavorable judicial decisions could negate these limitations. Even if not successful, a claim brought against us would likely be time-consuming and costly and could seriously damage our reputation in the marketplace, making it harder for us to sell our products.

Unauthorized disclosure of data or unauthorized access to our service could adversely affect our business.

Any security breaches, unauthorized access, unauthorized usage, virus or similar breach or disruption could result in loss of confidential information, personal data and customer content, damage to our reputation, early termination of our contracts, litigation, regulatory investigations or other liabilities. If our security measures, or those of our partners or service providers, are breached as a result of third-party action, employee error, malfeasance or otherwise and, as a result, someone obtains unauthorized access to confidential information, personal data or customer content, our reputation will be damaged, our business may suffer or we could incur significant liability.

Techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target. As a result, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived security breach occurs, the market

perception of our security measures could be harmed and we could lose sales and customers. Any significant violations of data privacy or unauthorized disclosure of information could result in the loss of business, litigation and regulatory investigations and penalties that could damage our reputation and adversely impact our results of operations and financial condition. Moreover, if a security breach occurs with respect to another software as a service, or SaaS, provider, our customers and potential customers may lose trust in the security of the SaaS business model generally, which could adversely impact our ability to retain existing customers or attract new ones.

We use a limited number of data centers and cloud computing services facilities to deliver our services. Any disruption of service at these facilities could harm our business.

We manage our services and serve all of our customers from three third-party data center facilities located in the United States and from a limited number of cloud computing services facilities located outside the United States. While we control the actual computer and storage systems upon which our platform runs, and deploy them to the data center facilities, we do not control the operation of these facilities.

The owners of these facilities have no obligation to renew their agreements with us on commercially reasonable terms, or at all. If we are unable to renew these agreements on commercially reasonable terms, we may be required to transfer to new facilities, and we may incur significant costs and possible service interruption in connection with doing so.

Any changes in third-party service levels at these facilities or any errors, defects, disruptions or other performance problems at or related to these facilities that affect our services could harm our reputation and may damage our customers' businesses. Interruptions in our services might reduce our revenue, cause us to issue credits to customers, subject us to potential liability, and cause customers to terminate their subscriptions or harm our renewal rates.

These facilities are vulnerable to damage or service interruption resulting from human error, intentional bad acts, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures and similar events. The occurrence of a natural disaster or an act of terrorism, or vandalism or other misconduct, or a decision to close the facilities without adequate notice or other unanticipated problems could result in lengthy interruptions in our services.

Our business may be adversely affected by third-party claims, including by governmental bodies, regarding the content and advertising distributed through our service.

We rely on our customers to secure the rights to redistribute content over the Internet, and we do not screen the content that is distributed through our service. There is no assurance that our customers have licensed all rights necessary for distribution, including Internet distribution. Other parties may claim certain rights in the content of our customers.

In the event that our customers do not have the necessary distribution rights related to content, we may be required to cease distributing such content, or we may be subject to lawsuits and claims of damages for infringement of such rights. If these claims arise with frequency, the likelihood of our business being adversely affected would rise significantly. In some cases, we may have rights to indemnification or claims against our customers if they do not have appropriate distribution rights related to specific content items, however there is no assurance that we would be successful in any such claim.

We operate an "open" publishing platform and do not screen the content that is distributed through our service. Content may be distributed through our platform that is illegal or unlawful under international, federal, state or local laws or the laws of other countries. We may face lawsuits, claims or even criminal charges for such distribution, and we may be subject to civil, regulatory or criminal sanctions and damages for such distribution. Any such claims or investigations could adversely affect our business, financial condition and results of operations.

We could incur substantial costs as a result of any claim of infringement of another party's intellectual property rights.

In recent years, there has been significant litigation in the United States involving patents and other intellectual property rights. Companies providing Internet-related products and services are increasingly bringing and becoming subject to suits alleging infringement of proprietary rights, particularly patent rights. These risks have been amplified by the increase in third parties whose sole or primary business is to assert such claims, some of whom have sent letters to and/or filed suit alleging infringement against some of our customers. We could incur substantial costs in prosecuting or defending any intellectual property litigation. Additionally, the defense or prosecution of claims could be time-consuming, and could divert our management's attention away from the execution of our business plan.

Moreover, any settlement or adverse judgment resulting from a claim could require us to pay substantial amounts or obtain a license to continue to use the technology that is the subject of the claim, or otherwise restrict or prohibit our use of the technology. There can be no assurance that we would be able to obtain a license from the third party asserting the claim on commercially reasonable terms, if at all, that we would be able to develop alternative technology on a timely basis, if at all, or that we would be able to obtain a license to use a suitable alternative technology to permit us to continue offering, and our customers to continue using, our affected product or service. In addition, we may be required to indemnify our customers for third-party intellectual property infringement claims, which would increase the cost to us. An adverse determination could also prevent us from offering our products or services to others. Infringement claims asserted against us may have an adverse effect on our business, financial condition and results of operations.

Our agreements with customers using premium editions of Video Cloud include contractual obligations to indemnify them against claims that our products infringe the intellectual property rights of third parties. The results of any intellectual property litigation to which we might become a party, or for which we are required to provide indemnification, may force us to do one or more of the following:

- cease selling or using products or services that incorporate the challenged intellectual property;
- make substantial payments for costs or damages;
- obtain a license, which may not be available on reasonable terms, to sell or use the relevant technology; or
- redesign those products or services to avoid infringement.

If we are required to make substantial payments or undertake any of the other actions noted above as a result of any intellectual property infringement claims against us or any obligation to indemnify our customers for such claims, such payments or costs could have a material adverse effect upon our business and financial results.

Failure to adequately protect our intellectual property could substantially harm our business and operating results.

Because our business depends substantially on our intellectual property, the protection of our intellectual property rights is important to the success of our business. We rely upon a combination of trademark, patent, trade secret and copyright law and contractual restrictions to protect our intellectual property. These afford only limited protection. Despite our efforts to protect our property rights, unauthorized parties may attempt to copy aspects of our products, service, software and functionality or obtain and use information that we consider proprietary. Moreover, policing our proprietary rights is difficult and may not always be effective. In addition, we may need to enforce our rights under the laws of countries that do not protect proprietary rights to as great an extent as do the laws of the United States.

Litigation or proceedings before the U.S. Patent and Trademark Office or other governmental authorities and administrative bodies in the United States and abroad may be necessary in the future to enforce our intellectual property rights, to protect our patent rights, trade secrets, trademarks and domain names, and to

determine the validity and scope of the proprietary rights of others. Such litigation or proceedings may be very costly and impact our financial performance. We may also incur substantial costs defending against frivolous litigation or be asked to indemnify our customers against the same. Our efforts to enforce or protect our proprietary rights may prove to be ineffective and could result in substantial costs and diversion of resources and could substantially harm our operating results.

Our exposure to risks associated with the use of intellectual property may increase as a result of acquisitions, as we have less opportunity to have visibility into the development process with respect to acquired technology or the care taken to safeguard against infringement risks. Third parties may make infringement and similar or related claims after we have acquired technology that had not been asserted prior to our acquisition.

Confidentiality agreements with employees and others may not adequately prevent disclosure of trade secrets and other proprietary information.

We have devoted substantial resources to the development of our technology, business operations and business plans. In order to protect our trade secrets and proprietary information, we rely in significant part on confidentiality agreements with our employees, licensees, independent contractors, advisers and customers. These agreements may not be effective to prevent disclosure of confidential information, including trade secrets, and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover trade secrets and proprietary information, and in such cases we would not be able to assert trade secret rights against such parties. To the extent that our employees and others with whom we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Laws regarding trade secret rights in certain markets in which we operate may afford little or no protection to our trade secrets. The loss of trade secret protection could make it easier for third parties to compete with our products by copying functionality. In addition, any changes in, or unexpected interpretations of, the trade secret and other intellectual property laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

Potential future acquisitions could be difficult to integrate, divert the attention of key personnel, disrupt our business, dilute stockholder value and impair our financial results.

As part of our business strategy, we intend to consider acquisitions of companies, technologies and products that we believe could accelerate our ability to compete in our core markets or allow us to enter new markets. Acquisitions involve numerous risks, any of which could harm our business, including:

- difficulties in integrating the technologies, products, operations, existing contracts and personnel of a target company and realizing the anticipated benefits of the combined businesses;
- difficulties in supporting and transitioning customers, if any, of a target company;
- diversion of financial and management resources from existing operations;
- the price we pay or other resources that we devote may exceed the value we realize, or the value we could have realized if we had allocated the purchase price or other resources to another opportunity;
- risks of entering new markets in which we have limited or no experience;
- potential loss of key employees, customers and strategic alliances from either our current business or a target company’s business; and
- inability to generate sufficient revenue to offset acquisition costs.

Acquisitions also frequently result in the recording of goodwill and other intangible assets which are subject to potential impairments in the future that could harm our financial results. In addition, if we finance acquisitions by issuing equity securities, our existing stockholders may be diluted. As a result, if we fail to properly evaluate acquisitions or investments, we may not achieve the anticipated benefits of any such acquisitions, and we may incur costs in excess of what we anticipate. The failure to successfully evaluate and execute acquisitions or investments or otherwise adequately address these risks could materially harm our business and financial results.

Our use of "open source" software could negatively affect our ability to sell our services and subject us to possible litigation.

A portion of the technology licensed by us incorporates "open source" software, and we may incorporate open source software in the future. Such open source software is generally licensed by its authors or other third parties under open source licenses. If we fail to comply with these licenses, we may be subject to certain conditions, including requirements that we offer our services that incorporate the open source software for no cost, that we make available source code for modifications or derivative works we create based upon, incorporating or using the open source software and that we license such modifications or alterations under the terms of the particular open source license. If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our services that contained the open source software and required to comply with the foregoing conditions, which could disrupt the distribution and sale of some of our services.

Fluctuations in the exchange rate of foreign currencies could result in currency transactions losses.

We currently have foreign sales denominated in Australian dollars, British pound sterling, euros, Japanese yen and Korean won and may, in the future, have sales denominated in the currencies of additional countries in which we establish or have established sales offices. In addition, we incur a portion of our operating expenses in euros and, to a lesser extent, other foreign currencies. Any fluctuation in the exchange rate of these foreign currencies may negatively impact our business, financial condition and operating results. We have not previously engaged in foreign currency hedging. If we decide to hedge our foreign currency exposure, we may not be able to hedge effectively due to lack of experience, unreasonable costs or illiquid markets.

We may be required to collect sales and use taxes on the services we sell in additional jurisdictions in the future, which may decrease sales, and we may be subject to liability for sales and use taxes and related interest and penalties on prior sales.

A successful assertion by one or more states that we should collect sales or other taxes on the sale of our services, or that we have failed to do so where required in the past, could result in substantial tax liabilities for past sales and decrease our ability to compete for future sales. Each state has different rules and regulations governing sales and use taxes and these rules and regulations are subject to varying interpretations that may change over time. We review these rules and regulations periodically and, when we believe our services are subject to sales and use taxes in a particular state, voluntarily engage state tax authorities in order to determine how to comply with their rules and regulations. We cannot assure you that we will not be subject to sales and use taxes or related penalties for past sales in states where we presently believe sales and use taxes are not due. We reserve estimated sales and use taxes in our financial statements but we cannot be certain that we have made sufficient reserves to cover all taxes that might be assessed.

Vendors of services, like us, are typically held responsible by taxing authorities for the collection and payment of any applicable sales and similar taxes. If one or more taxing authorities determines that taxes should have, but have not, been paid with respect to our services, we may be liable for past taxes in addition to being required to collect sales or similar taxes in respect of our services going forward. Liability for past taxes may also include substantial interest and penalty charges. Our client contracts typically provide that our clients must pay

all applicable sales and similar taxes. Nevertheless, clients may be reluctant to pay back taxes and may refuse responsibility for interest or penalties associated with those taxes or we may determine that it would not be feasible to seek reimbursement. If we are required to collect and pay back taxes and the associated interest and penalties and if our clients do not reimburse us for all or a portion of these amounts, we will incur unplanned expenses that may be substantial. Moreover, imposition of such taxes on our services going forward will effectively increase the cost of such services to our clients and may adversely affect our ability to retain existing clients or to gain new clients in the areas in which such taxes are imposed.

Many states are also pursuing legislative expansion of the scope of goods and services that are subject to sales and similar taxes as well as the circumstances in which a vendor of goods and services must collect such taxes. Furthermore, legislative proposals have been introduced in Congress that would provide states with additional authority to impose such taxes. Accordingly, it is possible that either federal or state legislative changes may require us to collect additional sales and similar taxes from our clients in the future.

Government and industry regulation of the Internet is evolving and could directly restrict our business or indirectly affect our business by limiting the growth of our markets. Unfavorable changes in government regulation or our failure to comply with regulations could harm our business and operating results.

Federal, state and foreign governments and agencies have adopted and could in the future adopt regulations covering issues such as user privacy, content, and taxation of products and services. Government regulations could limit the market for our products and services or impose burdensome requirements that render our business unprofitable. Our products enable our customers to collect, manage and store a wide range of data. The United States and various state governments have adopted or proposed limitations on the collection, distribution and use of personal information. Several foreign jurisdictions, including the European Union and the United Kingdom, have adopted legislation (including directives or regulations) that increase or change the requirements governing data collection and storage in these jurisdictions. If our privacy or data security measures fail to comply with current or future laws and regulations, we may be subject to litigation, regulatory investigations or other liabilities, or our customers may terminate their relationships with us.

In addition, although many regulations might not apply to our business directly, we expect that laws regulating the solicitation, collection or processing of personal and consumer information could affect our customers' ability to use and share data, potentially reducing demand for our services. The Telecommunications Act of 1996 and the European Union Data Protection Directive along with other similar laws and regulations prohibit certain types of information and content from being transmitted over the Internet. The scope of this prohibition and the liability associated with a violation are currently unsettled. In addition, although substantial portions of the Communications Decency Act were held to be unconstitutional, we cannot be certain that similar legislation will not be enacted and upheld in the future. Legislation like the Telecommunications Act and the Communications Decency Act could dampen the growth in web usage and decrease its acceptance as a medium of communications and commerce. Moreover, if future laws and regulations limit our customers' ability to use and share consumer data or our ability to store, process and share data with our customers over the Internet, demand for our products could decrease, our costs could increase, and our results of operations and financial condition could be harmed.

In addition, taxation of services provided over the Internet or other charges imposed by government agencies or by private organizations for accessing the Internet may be imposed. Any regulation imposing greater fees for Internet use or restricting information exchange over the Internet could result in a decline in the use of the Internet and the viability of Internet-based services, which could harm our business and operating results.

Risks Relating to the Offering

An active trading market for our common stock may not develop, and you may not be able to resell your shares at or above the initial offering price.

Prior to this offering, there has been no public market for shares of our common stock. Although our common stock has been approved for listing on the NASDAQ Global Market, an active trading market for our shares may never develop or be sustained following this offering. The initial public offering price of our common stock will be determined through negotiations between us and the underwriters. This initial public offering price may not be indicative of the market price of our common stock after the offering. In the absence of an active trading market for our common stock, investors may not be able to sell their common stock at or above the initial public offering price or at the time that they would like to sell.

Our stock price may be volatile and the market price of our common stock after this offering may drop below the price you pay.

The market price of our common stock could be subject to significant fluctuations after this offering, and it may decline below the initial public offering price. Market prices for securities of early stage companies have historically been particularly volatile. As a result of this volatility, you may not be able to sell your common stock at or above the initial public offering price. Some, but not all, of the factors that may cause the market price of our common stock to fluctuate include:

- fluctuations in our quarterly or annual financial results or the quarterly or annual financial results of companies perceived to be similar to us or relevant for our business;
- changes in estimates of our financial results or recommendations by securities analysts;
- failure of our products to achieve or maintain market acceptance;
- changes in market valuations of similar or relevant companies;
- success of competitive service offerings or technologies;
- changes in our capital structure, such as the issuance of securities or the incurrence of debt;
- announcements by us or by our competitors of significant services, contracts, acquisitions or strategic alliances;
- regulatory developments in the United States, foreign countries, or both;
- litigation;
- additions or departures of key personnel;
- investors' general perceptions; and
- changes in general economic, industry or market conditions.

In addition, if the market for technology stocks, or the stock market in general, experiences a loss of investor confidence, the trading price of our common stock could decline for reasons unrelated to our business, financial condition, or results of operations. If any of the foregoing occurs, it could cause our stock price to fall and may expose us to lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

A significant portion of our total outstanding shares may be sold into the public market in the near future, which could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time after the expiration of the lock-up agreements described in the "Underwriting" section of this prospectus. These sales or the market perception that the holder or holders of a large number of shares intend to sell shares, could

reduce the market price of our common stock. After this offering, we will have shares of common stock outstanding based on the number of shares outstanding as of , 2011. This includes the shares that we are selling in this offering, which may be resold in the public market immediately. The remaining shares, or % of our outstanding shares after this offering, are currently restricted as a result of securities laws or lock-up agreements but will be able to be sold, subject to any applicable volume limitations under federal securities laws with respect to affiliate sales, in the near future as set forth below.

Number of Shares and % of Total Outstanding	Date Available for Sale Into Public Market
shares, or %	On the date of this prospectus
shares, or %	180 days after the date of this prospectus, subject to extension in specified instances, due to lock-up agreements between the holders of these shares and the underwriters. However, Morgan Stanley can waive the provisions of these lock-up agreements and allow these stockholders to sell their shares at any time

In addition, as of , 2011, there were shares subject to outstanding warrants, shares subject to outstanding options and an additional shares reserved for future issuance under our employee benefit plans that will become eligible for sale in the public market to the extent permitted by any applicable vesting requirements, the lock-up agreements and Rules 144 and 701 under the Securities Act of 1933, as amended, or the Securities Act. Moreover, after this offering, holders of an aggregate of approximately shares of our common stock as of , 2011, will have rights, subject to some conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We also intend to register all shares of common stock that we may issue under our employee benefit plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to the lock-up agreements and the restrictions imposed on our affiliates under Rule 144.

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

The trading market for our common stock will be influenced by research and reports that industry or security analysts may publish about us, our business, our market or our competitors. If any of the analysts who may cover us adversely change their recommendations regarding our stock, or provide more favorable relative recommendations about our competitors, our stock price would likely decline. If any analyst who may cover us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

After the completion of this offering, we do not expect to declare any dividends in the foreseeable future.

After the completion of this offering, we do not anticipate declaring any dividends to holders of our common stock in the foreseeable future. Consequently, investors may need to rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking dividends should not purchase our common stock.

We may be unable to meet our future capital requirements, which could limit our ability to grow.

We believe our existing cash and cash equivalents will be sufficient to meet our anticipated working capital and capital expenditure needs over at least the next 12 months. We may, however, need, or could elect to seek, additional funding at any time. To the extent that funds generated by this offering, together with existing resources, are insufficient to fund our business operations, our future activities for the expansion of our service and our product offerings, developing and sustaining our relationships and infrastructure for the distribution and

delivery of digital media online, marketing, and supporting our office facilities, we may need to raise additional funds through equity or debt financing. Additional funds may not be available on terms favorable to us or our stockholders. Furthermore, if we issue equity securities, our stockholders may experience additional dilution or the new equity securities may have rights, preferences and privileges senior to those of our existing classes of stock. If we cannot raise funds on acceptable terms, we may not be able to develop or enhance our products, take advantage of future opportunities or respond to competitive pressures or unanticipated requirements.

Our management has wide discretion in the use of the offering proceeds and may not apply these proceeds in a manner that will increase our revenue or market value.

Our management will have considerable discretion in the application of the proceeds of this offering, and you will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. The proceeds may be used for corporate purposes that do not increase our revenue or our market value.

Purchasers in this offering will incur immediate and substantial dilution in the book value of their investment as a result of this offering.

If you purchase common stock in this offering, you will incur immediate and substantial dilution of $ per share, representing the difference between the assumed initial public offering price of $ per share and our pro forma net tangible book value per share after giving effect to this offering and the automatic conversion of all outstanding shares of our preferred stock upon the closing of this offering. Moreover, we issued warrants and options in the past to acquire common stock at prices significantly below the assumed initial public offering price. As of , 2011, there were shares subject to outstanding warrants with an exercise price of $ per share and shares subject to outstanding options with a weighted-average exercise price of $ per share. To the extent that these outstanding warrants or options are ultimately exercised, you will incur further dilution.

Our independent registered public accounting firm has advised us that it has identified a material weakness in our internal control over financial reporting. Failure to achieve and maintain effective internal control over financial reporting could result in our failure to accurately report our financial results. Any inability to report and file our financial results accurately and timely could harm our business and adversely impact investor confidence in our company and, as a result, the value of our common stock.

In connection with the audit of our consolidated financial statements as of and for the year ended December 31, 2010, our independent registered public accounting firm reported to our audit committee that it had identified a material weakness in the design and operation of our internal control over financial reporting. Under standards established by the Public Company Accounting Oversight Board, a material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis. Specifically, our independent registered public accounting firm determined that we did not have adequate procedures and controls to ensure that stock-based compensation arrangements were appropriately accounted for under the guidance within Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, 718, *Compensation—Stock Compensation*, and FASB ASC 505, *Equity-Based Payments to Non-Employees.*

We concurred with the findings of our independent registered public accounting firm. We believe this material weakness has been remediated as of July 1, 2011. We have taken the following steps to remediate the underlying causes of the material weakness, including:

- prior to any stock option grants being recommended to the board for approval, our chief financial officer is responsible for reviewing the list of recommended awards;

- all stock-based awards granted by the board of directors are reviewed by our chief financial officer and corporate controller at the time of grant to ensure that they are appropriately identified as either an award to an employee or non-employee;
- our corporate controller is responsible for reviewing all equity award data uploaded within our third-party equity administration software application package; and
- our corporate controller is responsible for reviewing and approving all calculations and journal entries related to the accounting for non-employee variable stock option grants to ensure they are recorded in accordance with ASC 505.

In addition, we will need to evaluate our internal control over financial reporting in connection with Section 404 of the Sarbanes-Oxley Act for fiscal 2012, and our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting starting with our annual report for fiscal 2012. This assessment will need to include the disclosure of any material weaknesses in our internal control over financial reporting identified by our management, as well as our independent registered public accounting firm's attestation report on our internal control over financial reporting. We are just beginning the costly and challenging process of compiling the system and processing documentation needed to comply with such requirements. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective. As discussed above, we have in the past identified a material weakness in our internal control over financial reporting, and although we believe we have remediated the material weakness, we cannot assure you that there will not be material weaknesses or significant deficiencies in our internal controls in the future. If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, which could have a material adverse effect on the price of our common stock.

Our principal stockholders will exercise significant control over our company.

After this offering, our two largest stockholders will beneficially own, in the aggregate, shares representing approximately % of our outstanding capital stock. Although we are not aware of any voting arrangements that will be in place among these stockholders following this offering, if these stockholders were to choose to act together, as a result of their stock ownership, they would be able to influence our management and affairs and control all matters submitted to our stockholders for approval, including the election of directors and approval of any merger, consolidation or sale of all or substantially all of our assets. This concentration of ownership may have the effect of delaying or preventing a change in control of our company and might affect the market price of our common stock.

Anti-takeover provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Our certificate of incorporation, bylaws, and Delaware law contain provisions that could have the effect of rendering more difficult or discouraging an acquisition deemed undesirable by our board of directors. Our corporate governance documents include provisions:

- authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend, and other rights superior to our common stock;
- limiting the liability of, and providing indemnification to, our directors and officers;
- limiting the ability of our stockholders to call and bring business before special meetings and to take action by written consent in lieu of a meeting;

- requiring advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nominations of candidates for election to our board of directors;
- controlling the procedures for the conduct and scheduling of board of directors and stockholder meetings;
- providing our board of directors with the express power to postpone previously scheduled annual meetings and to cancel previously scheduled special meetings;
- establishing a classified board of directors so that not all members of our board are selected at one time;
- limiting the determination of the number of directors on our board of directors and the filling of vacancies or newly created seats on the board to our board of directors then in office; and
- providing that directors may be removed by stockholders only for cause.

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

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation Law, which prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations without approval of the holders of substantially all of our outstanding common stock. Any provision of our amended and restated certificate of incorporation or bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are wiling to pay for our common stock.

We record substantial expenses related to our issuance of stock options that may have a material adverse impact on our operating results for the foreseeable future.

We expect our stock-based compensation expenses will continue to be significant in future periods, which will have an adverse impact on our operating results. The model used by us requires the input of highly subjective assumptions, including the price volatility of the option's underlying stock. If facts and circumstances change and we employ different assumptions for estimating stock-based compensation expense in future periods, or if we decide to use a different valuation model, the future period expenses may differ significantly from what we have recorded in the current period and could materially affect the fair value estimate of stock-based payments, our operating income, net income and net income per share.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the sections entitled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business," contains forward-looking statements that are based on our management's belief and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements in this prospectus include, but are not limited to, statements about:

- our commercial release of App Cloud;
- our ability to achieve profitability;
- our competitive position and the effect of competition in our industry;
- our ability to retain and attract new customers;
- our ability to penetrate existing markets and develop new markets for our services;
- our ability to retain or hire qualified accounting and other personnel;
- our ability to protect our intellectual property and operate our business without infringing upon the intellectual property rights of others;
- our ability to maintain the security and reliability of our systems;
- our estimates with regard to our addressable markets and future performance;
- our estimates regarding our anticipated results of operations, future revenue, capital requirements and our needs for additional financing;
- our use of proceeds from this offering; and
- our goals and strategies.

In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "projects," "potential," "continue," and similar expressions, or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under "Risk Factors" and elsewhere in this prospectus. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement, of which this prospectus is a part, and any related free writing prospectus, completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

The forward-looking statements in this prospectus represent our views as of the date of this prospectus. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this prospectus.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of our shares of common stock in this offering will be approximately $ million, based on an assumed initial public offering price of $ per share, the mid-point of the price range set forth on the cover of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses. If the underwriters' over-allotment option to purchase additional shares in this offering is exercised in full, we estimate that our net proceeds will be approximately $ million, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of one million shares in the number of shares of common stock offered by us would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the assumed initial public offering price remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The principal reasons for this offering are to obtain additional capital, to create a public market for our common stock and to facilitate our future access to public equity markets. We currently estimate that of the net proceeds we receive from this offering we will spend approximately $ million to repay the outstanding principal and interest under our credit facility with Silicon Valley Bank. Our credit facility with Silicon Valley Bank consists of an asset based line of credit with a maturity date of March 31, 2013, which accrues interest at the prime rate plus 1.5%, and a term loan line of credit that has a maturity date of 48 months from the date a term advance is made and which accrues interest at the prime rate plus 7%. We have used our credit facility for general working capital purposes and to secure a $2.4 million letter of credit for the lease of our corporate headquarters. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

We anticipate that we will use the remaining net proceeds we receive from this offering, including any net proceeds we receive from the exercise of the underwriters' over-allotment option, for working capital and other general corporate purposes, funding of our marketing activities and the costs of operating as a public company and further investment in the development of our proprietary technologies. We may use a portion of the net proceeds for the acquisition of businesses, products and technologies that we believe are complementary to our own, although we have no agreements or understandings with respect to any acquisition at this time. We have not allocated any specific portion of the remaining net proceeds to any particular purpose, and our management will have the discretion to allocate the proceeds as it determines. Pending these uses, we intend to invest the net proceeds to us from the offering in a variety of capital preservation investments, including short-term, investment-grade and interest-bearing instruments.

DIVIDEND POLICY

We have never declared or paid any dividends on our capital stock. We currently intend to retain any future earnings and do not intend to declare or pay cash dividends on our common stock in the foreseeable future. Any future determination to pay cash dividends will be, subject to applicable law, at the discretion of our board of directors and will depend upon, among other factors, our results of operations, financial condition, prospects, contractual restrictions and capital requirements.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2011:

- on an actual basis;
- on a pro forma basis to give effect to the conversion of all outstanding shares of our preferred stock and warrants to purchase shares of our preferred stock into 41,991,381 shares of common stock and warrants to purchase 121,456 shares of common stock, respectively, upon the closing of this offering; and
- on a pro forma as adjusted basis to give further effect to our sale in this offering of shares of our common stock at an assumed initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, and after the application of a portion of the net proceeds of this offering to the repayment of certain of our outstanding indebtedness.

The information below is illustrative only and our capitalization following the closing of this offering will be based on the actual initial public offering price and other terms of this offering determined at pricing. You should read the following table in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Capital Stock," and the consolidated financial statements and related notes appearing elsewhere in this prospectus.

	As of June 30, 2011		
	Actual	Pro Forma	Pro Forma, as Adjusted[1]
	(in thousands, except share and per share data)		
Cash and cash equivalents	$ 24,565	$ 24,565	$
Current and long-term debt	7,000	7,000	
Redeemable convertible preferred stock warrants	429	—	
Redeemable convertible preferred stock	117,377	—	
Stockholders' (deficit) equity:			
Common stock, $0.001 par value; 68,000,000 shares authorized, actual and pro forma; 12,974,006 shares issued and outstanding, actual and 54,965,387 shares issued and outstanding, pro forma; shares authorized and shares issued and outstanding, pro forma as adjusted[2]	13	55	
Additional paid-in capital	—	103,386	
Accumulated other comprehensive income	806	806	
Accumulated deficit	(99,107)	(84,729)	
Total stockholders' (deficit) equity attributable to Brightcove Inc.	(98,288)	19,518	
Non-controlling interest in consolidated subsidiary	892	892	
Total stockholders' (deficit) equity	(97,396)	20,410	
Total cash and cash equivalents and capitalization	$ 51,975	$ 51,975	

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover page of this prospectus, would increase (decrease) the amount of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of one million shares in the number of shares of common stock offered by us would increase (decrease) cash and

cash equivalents, and additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual public offering price and other terms of this offering determined at pricing.

(2) The number of shares of our common stock outstanding set forth in the table is based on 54,965,387 shares outstanding as of June 30, 2011 and excludes (i) 11,127,023 shares of common stock issuable upon exercise of outstanding options as of June 30, 2011 at a weighted-average exercise price of $1.37 per share, (ii) 121,456 shares of common stock issuable upon the exercise of warrants outstanding as of June 30, 2011 with a weighted-average exercise price of $1.235 per share and (iii) 620,032 shares of our common stock reserved for future issuance under our equity incentive plans as of June 30, 2011.

DILUTION

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

Our net tangible book value of our common stock, as of June 30, 2011, was $17.6 million, or $1.36 per share. The net tangible book value per share represents our total tangible assets less our total liabilities, divided by the number of shares of outstanding common stock. If you invest in our common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per share and the net tangible book value per share of our common stock after this offering.

After giving effect to our sale of shares of common stock in this offering at an assumed initial public offering price of $ per share, the mid-point of the range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses, our pro forma net tangible book value as of , 2011 would have been approximately $, or $ per share of common stock. This represents an immediate increase in net tangible book value of $ per share to existing stockholders and an immediate dilution in net tangible book value of $ per share to purchasers of common stock in this offering, as illustrated in the following table:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of June 30, 2011	$	
Increase per share attributable to new investors		
Pro forma as adjusted net tangible book value per share after giving effect to the offering		$
Dilution per share to new investors		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the pro forma as adjusted net tangible book value by approximately $ per share and the dilution to new investors by approximately $ per share, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated expenses payable by us.

If the underwriters exercise their over-allotment option in full, the pro forma as adjusted net tangible book value per share of our common stock would be $ per share, the increase in pro forma net tangible book value per share to existing stockholders would be $ per share, and the dilution per share to investors would be $ per share of common stock, in each case assuming an initial public offering price of $ per share, which is the mid-point of the range set forth on the cover page of this prospectus.

The following table summarizes, on a pro forma basis, as of June 30, 2011, the difference between the number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid by existing stockholders and by new investors at an assumed initial public offering price of $ per share, the mid-point of the price range set forth on the cover of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses.

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

The above discussion and tables are based on 12,974,006 shares of common stock issued and outstanding as of June 30, 2011 and also reflects the conversion of all outstanding shares of our preferred stock into an aggregate of 41,991,381 shares of our common stock upon the completion of this offering and excludes:

- 11,127,023 shares of common stock issuable upon the exercise of stock options outstanding as of June 30, 2011 with a weighted-average exercise price of $1.37 per share;
- 121,456 shares of common stock issuable upon the exercise of warrants outstanding as of June 30, 2011 with a weighted-average exercise price of $1.235 per share; and
- 620,032 shares of common stock reserved for future issuance under our equity incentive plans as of June 30, 2011.

To the extent that outstanding options or warrants are exercised and restricted stock grants vest, you will experience further dilution. In addition, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of these securities may result in further dilution to our stockholders.

SELECTED CONSOLIDATED FINANCIAL DATA

You should read the following selected consolidated financial data in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements, related notes and other financial information included elsewhere in this prospectus. The selected consolidated financial data in this section are not intended to replace the consolidated financial statements and are qualified in their entirety by the consolidated financial statements and related notes included elsewhere in this prospectus.

The consolidated statements of operations data for the years ended December 31, 2008, 2009 and 2010 and the consolidated balance sheet data as of December 31, 2009 and 2010 are derived from our audited consolidated financial statements included elsewhere in this prospectus. The consolidated statements of operations data for the years ended December 31, 2006 and 2007 and the consolidated balance sheet data as of December 31, 2006, 2007 and 2008 are derived from our audited consolidated financial statements not included in this prospectus. The unaudited consolidated statements of operations data for the six months ended June 30, 2010 and 2011, and the unaudited consolidated balance sheet data as of June 30, 2011, are derived from our unaudited consolidated financial statements that are included elsewhere in the prospectus. We have prepared the unaudited financial information on the same basis as the audited consolidated financial statements and have included, in our opinion, all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in the future, and our interim results are not necessarily indicative of the results to be expected for the full fiscal year.

	Year Ended December 31,					Six Months Ended June 30,	
	2006	2007	2008	2009	2010	2010	2011
	(in thousands, except per share data)						
Consolidated statements of operations data:							
Revenue:							
Subscription and support revenue	$ 991	$ 8,061	$22,432	$32,240	$ 40,521	$18,798	$26,970
Professional services and other revenue	380	472	2,068	3,947	3,195	1,507	1,384
Total revenue	1,371	8,533	24,500	36,187	43,716	20,305	28,354
Cost of revenue:[1]							
Cost of subscription and support revenue	1,288	4,635	6,070	6,986	11,060	5,187	7,039
Cost of professional services and other revenue	498	721	2,916	3,463	4,065	1,865	2,273
Total cost of revenue	1,786	5,356	8,986	10,449	15,125	7,052	9,312
Gross profit	(415)	3,177	15,514	25,738	28,591	13,253	19,042
Operating expenses:[1]							
Research and development	6,145	8,398	7,756	8,927	12,257	5,502	7,198
Sales and marketing	6,239	9,365	11,542	13,218	24,124	11,384	15,372
General and administrative	3,674	6,168	5,970	6,696	9,617	4,432	5,978
Total operating expenses	16,058	23,931	25,268	28,841	45,998	21,318	28,548
Loss from operations	(16,473)	(20,754)	(9,754)	(3,103)	(17,407)	(8,065)	(9,506)
Other income (expense):							
Interest income	380	2,177	918	313	185	139	18
Other (expense) income, net	(473)	(26)	(1,388)	22	(503)	(594)	(157)
Total other (expense) income, net	(93)	2,151	(470)	335	(318)	(455)	(139)

	Year Ended December 31,					Six Months Ended June 30,	
	2006	2007	2008	2009	2010	2010	2011
	(in thousands, except per share data)						
Loss before income taxes and non-controlling interest in consolidated subsidiary	(16,566)	(18,603)	(10,224)	(2,768)	(17,725)	(8,520)	(9,645)
Provision for income taxes	—	—	11	55	56	38	83
Consolidated net loss	(16,566)	(18,603)	(10,235)	(2,823)	(17,781)	(8,558)	(9,728)
Net loss (income) attributable to non-controlling interest in consolidated subsidiary	—	—	305	478	280	211	(145)
Net loss attributable to Brightcove Inc.	(16,566)	(18,603)	(9,930)	(2,345)	(17,501)	(8,347)	(9,873)
Accretion of dividends on redeemable convertible preferred stock	(1,376)	(4,774)	(4,919)	(4,918)	(5,470)	(2,651)	(2,819)
Net loss attributable to common stockholders	$(17,942)	$(23,377)	$(14,849)	$ (7,263)	$(22,971)	$(10,998)	$(12,692)
Net loss per share attributable to common stockholders—basic and diluted	$ (5.06)	$ (2.42)	$ (1.53)	$ (0.65)	$ (1.92)	$ (0.96)	$ (1.02)
Weighted-average number of common shares used in computing net loss per share attributable to common stockholders—basic and diluted	3,275	7,680	9,694	11,117	11,992	11,485	12,468
Pro forma net loss per share attributable to common stockholders—basic and diluted					$ (0.33)		$ (0.18)
Pro forma weighted-average number of common shares used in computing net loss per share attributable to common stockholders—basic and diluted					53,382		54,459

	Year Ended December 31,					Six Months Ended June 30,	
	2006	2007	2008	2009	2010	2010	2011
	(in thousands)						
(1) Stock-based compensation included in above line items:							
Cost of subscription and support revenue	$ 1	$ 2	$ 21	$ 21	$ 26	$ 15	$ 23
Cost of professional services and other revenue	—	1	22	36	99	49	59
Research and development	17	69	99	125	369	178	177
Sales and marketing	28	100	82	102	1,459	847	555
General and administrative	11	67	114	224	1,362	581	1,217

	As of December 31,					As of June 30,
	2006	2007	2008	2009	2010	2011
	(in thousands)					
Consolidated Balance Sheet Data:						
Cash and cash equivalents	$ 4,204	$ 10,928	$ 24,176	$ 22,554	$ 20,341	$ 24,565
Property and equipment, net	960	1,555	2,014	3,355	4,706	5,582
Working capital	550	25,152	24,046	21,054	17,263	16,962
Total assets	9,877	43,387	40,425	40,255	41,984	49,930
Current and long-term debt	4,891	—	—	—	—	7,000
Redeemable convertible preferred stock warrants	409	75	85	99	285	429
Redeemable convertible preferred stock	24,513	85,300	91,013	96,725	114,404	117,377
Total stockholders' deficit	(23,389)	(49,005)	(60,524)	(66,855)	(86,937)	(97,396)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes that appear elsewhere in this prospectus. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results may differ materially from those discussed in these forward-looking statements due to a number of factors, including those set forth in the section entitled "Risk Factors" and elsewhere in this prospectus. See "Special Note Regarding Forward-Looking Statements."

Company Overview

Brightcove is a leading global provider of cloud-based solutions for publishing and distributing professional digital media. Brightcove Video Cloud, or Video Cloud, our flagship product released in 2006, is the world's leading online video platform. As of June 30, 2011, we had 3,295 customers in over 50 countries, including many of the world's leading media, retail, technology and financial services companies, as well as governments, educational institutions and non-profit organizations. In 2011, our customers have used Video Cloud to deliver an average of approximately 700 million video streams per month, which we believe is more video streams per month than any other professional solution.

Video Cloud enables our customers to publish and distribute video to Internet-connected devices quickly, easily and in a cost-effective and high-quality manner. Our innovative technology and intuitive user interface give customers control over a wide range of features and functionality needed to publish and deliver a compelling user experience, including content management, format conversion, video player styling, distributed caching, advertising insertion, content protection and distribution to diverse device types and multiple websites, including their own websites, partner websites and social media sites. Video Cloud also includes comprehensive analytics that allow customers to understand and refine their engagement with end users.

We were incorporated in Delaware in August 2004 and our headquarters are in Cambridge, Massachusetts. In February 2006 we began generating revenue through our sale of Video Cloud. By the end of 2006, we had 106 employees and 59 customers. In November 2009, we launched the Express edition of our Video Cloud product. In May 2011, we announced the release of Brightcove App Cloud, or App Cloud, and expect its first commercial sale in the second half of 2011. App Cloud is a software application development and management platform designed to help customers publish and distribute video and other professional digital media through software applications, which we refer to as content apps, across multiple Internet-connected devices.

As of December 31, 2010, we had 255 employees and 2,469 customers, of which 1,564 used our Express edition of Video Cloud and 905 used our premium editions of Video Cloud. As of June 30, 2011, we had 288 employees and 3,295 customers, of which 2,183 used our Express edition of Video Cloud and 1,112 used our premium editions of Video Cloud.

We have generated all of our revenue to date by offering our Video Cloud product to customers on a subscription-based, software as a service, or SaaS, model. Our revenue grew from $24.5 million in the fiscal year ended December 31, 2008 to $43.7 million in the fiscal year ended December 31, 2010 and the number of customers using our solutions grew from 549 as of December 31, 2008 to 2,469 as of December 31, 2010. Our revenue was $28.4 million for the six months ended June 30, 2011. Our consolidated net loss was $17.8 million in 2010 and $9.7 million for the six months ended June 30, 2011.

We have signed a new lease for over 80,000 square feet of office space in Boston, Massachusetts. We expect to move into these new headquarters on April 1, 2012. We have sales and marketing offices in New York, New York; London, England; Paris, France; Barcelona, Spain; Tokyo, Japan; Sydney, Australia; Seoul, South Korea; and Singapore, and a research and development office in Seattle, Washington.

For the full year ended December 31, 2010 and the six months ended June 30, 2011, our net revenue derived from customers located outside North America was 32% and 34%, respectively. We expect the percentage of total net revenue derived from outside North America to increase in future periods as we continue to expand our international operations.

We expect to continue to invest in our operations to support anticipated future growth, public company reporting and compliance obligations, expansion of our infrastructure, the hiring of additional technical and sales personnel and innovation for new features and solutions such as App Cloud. As a result of these factors, we expect to incur operating losses on an annual basis through at least the end of 2012.

Key Metrics

We regularly review a number of metrics, including the following key metrics, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions.

- *Number of Customers.* We define our number of customers at the end of a particular quarter as the number of customers generating subscription revenue during the period, plus customers who have committed a minimum level of revenue to us for use of our products. We believe the number of customers is a key indicator of our market penetration in the online video platform market, the productivity of our sales organization and the value that our products bring to both large and small organizations. The number of customers subscribing to our Video Cloud product is particularly important to monitor given that we expect revenue from Video Cloud to continue to represent a significant portion of our total revenue, and we are investing significantly to support our sales of this product in a new and rapidly evolving market.

  During 2010, the number of customers increased 185%, and from June 30, 2010 to June 30, 2011, the number of customers increased 94%. Most of the increase was a result of 2010 being the first full year in which we offered the Express edition of Video Cloud, which was introduced in November of 2009. During these periods, we experienced an increase in revenue from Video Cloud, which made up 100% of revenue through June 30, 2011. As of June 30, 2011, we had 3,295 customers, of which 2,183 used our Express edition of Video Cloud and 1,112 used our premium editions of Video Cloud. For more information about our customers, see "*Business—Our Customers*."

- *Average Monthly Streams.* We define average monthly streams as the year-to-date average number of monthly stream starts on Video Cloud. We believe the average number of monthly streams is a key indicator of both the adoption of Video Cloud as an online video platform and the growth of video content across the Internet. We also expect growth in streams will be driven, in part, by improvements in products and features that drive traffic to our customers' websites and growth in the number of customers.

  In the six months ended June 30, 2011, the average number of monthly streams was approximately 700 million, which represents 72% growth over the six months ended June 30, 2010, reflecting increased viewership of our customers' video content.

- *Recurring Dollar Retention Rate.* We believe that our ability to retain our customers is an indicator of the stability of our revenue base and the long-term value of our customer relationships. We assess our performance in this area using a metric we refer to as our recurring dollar retention rate. We calculate the recurring dollar retention rate by dividing the retained recurring value of subscription revenue for a period by the previous recurring value of subscription revenue for the same period. We define retained recurring value of subscription revenue as the committed subscription fees for all contracts that renew in a given period. We define previous recurring value of subscription revenue as the recurring value from committed subscription fees for all contracts that expire in that same period. We typically calculate our recurring dollar retention rate on a monthly basis.

In the six months ended June 30, 2011, the recurring dollar retention rate was 93% compared with 89% for the six months ended June 30, 2010. This consistent recurring dollar retention rate provides visibility into our ongoing revenue. We did not calculate recurring dollar retention rate prior to December 31, 2009 in part because there were no renewals of our Express customers prior to that date.

The following table includes our key metrics for the periods presented:

	Years Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
Key Metrics					
Customers (at period end):					
Express	—	143	1,564	906	2,183
Premium	549	723	905	796	1,112
Total customers (at period end)	549	866	2,469	1,702	3,295
Average monthly year to date streams (in thousands)	235,832	313,262	475,450	412,000	706,908
Recurring dollar retention rate	—	—	88%	89%	93%

Components of Consolidated Statements of Operations

Revenue

Subscription and Support Revenue—We generate subscription and support revenue from the sale of our on-demand online video platform called Video Cloud. Video Cloud allows customers to publish and distribute video and other professional digital media across Internet-connected devices. Video Cloud is offered in two product lines. The first product line is comprised of our premium product editions: Enterprise and Pro. The Enterprise edition provides additional features and functionality such as a multi-account environment with consolidated billing, IP address filtering, the ability to produce live events with DVR functionality and advanced upload acceleration of content. Customer arrangements are typically one year contracts, which include a subscription to our platform, basic support and a pre-determined amount of bandwidth. We also offer gold support to our premium customers for an additional fee, which includes extended phone support. The pricing for our premium editions is based on the number of users, accounts and usage, which is comprised of video streams, bandwidth and managed content.

Our second product line is our Express edition, which targets small and medium-sized businesses, or SMBs. The Express edition provides customers with the same basic functionality that is offered in our premium product editions but has been designed for customers who have lower usage requirements and do not typically seek advanced features and functionality. Customers who purchase the Express edition generally enter into month-to-month agreements. Express customers are generally billed on a monthly basis and pay via a credit card, or they are billed annually in advance.

Professional Services and Other Revenue—Professional Services and Other Revenue consists of services such as implementation, software customizations and project management for customers who subscribe to our premium editions. These arrangements are typically priced on a fixed fee basis with a portion due upon contract signing and the remainder due when the related services have been completed.

Cost of Revenue

Cost of subscription, support and professional services revenue primarily consists of costs related to supporting and hosting our product offerings and delivering our professional services. These costs include salaries, benefits, incentive compensation and stock-based compensation expense related to the management of our data centers, our customer support team and our professional services staff. In addition to these expenses, we

incur third-party service provider costs such as data center and networking expenses, allocated overhead, depreciation expense and amortization of capitalized internal-use software development costs. We allocate overhead costs such as rent, utilities and supplies to all departments based on relative headcount. As such, general overhead expenses are reflected in cost of revenue in addition to each operating expense category.

The costs associated with providing professional services are significantly higher as a percentage of related revenue than the costs associated with delivering our subscription and support services due to the labor costs of providing professional services. As such, the implementation and professional services costs relating to an arrangement with a new customer are more significant than the costs to renew a customer's subscription and support arrangement.

Cost of revenue increased in absolute dollars from both fiscal 2008 to fiscal 2009 and fiscal 2009 to fiscal 2010. In future periods we expect our cost of revenue will increase in absolute dollars as our revenue increases. We also expect that cost of revenue as a percentage of revenue will decrease over time as we are able to achieve economies of scale in our business. However, cost of revenue as a percentage of revenue could fluctuate from period to period depending on the growth of our professional services business and any associated costs relating to the delivery of subscription services and the timing of significant expenditures. To the extent that our customer base grows, we intend to continue to invest additional resources in expanding the delivery capability of our products and other services. The timing of these additional expenses could affect our cost of revenue, both in terms of absolute dollars and as a percentage of revenue, in any particular quarterly or annual period.

Operating Expenses

We classify our operating expenses as follows:

Research and Development. Research and development expenses consist primarily of personnel and related expenses for our research and development staff, including salaries, benefits, incentive compensation and stock-based compensation, in addition to the costs associated with contractors and allocated overhead. We have focused our research and development efforts on expanding the functionality and scalability of our products and enhancing their ease of use, as well as creating new product offerings. We expect research and development expenses to increase in absolute dollars as we intend to continue to periodically release new features and functionality, expand our product offerings, continue the localization of our products in various languages, upgrade and extend our service offerings, and develop new technologies. Over the long term, we believe that research and development expenses as a percentage of revenue will decrease, but will vary depending upon the mix of revenue from new and existing products, features and functionality, as well as changes in the technology that our products must support, such as new operating systems or new Internet-connected devices.

Sales and Marketing. Sales and marketing expenses consist primarily of personnel and related expenses for our sales and marketing staff, including salaries, benefits, incentive compensation, commissions, stock-based compensation and travel costs, in addition to costs associated with marketing and promotional events, corporate communications, advertising, other brand building and product marketing expenses and allocated overhead. Our sales and marketing expenses have increased in absolute dollars in each of the last three years. The increase in sales and marketing expenses as a percentage of revenue is primarily due to our substantial investments in obtaining and retaining customers. We intend to continue to invest in sales and marketing and increase the number of sales representatives to add new customers and expand the sale of our product offerings within our existing customer base, build brand awareness and sponsor additional marketing events. Accordingly, in future periods we expect sales and marketing expense to increase in absolute dollars and continue to be our most significant operating expense. Over the long term, we believe that sales and marketing expense as a percentage of revenue will decrease, but will vary depending upon the mix of revenue from new and existing customers and from small, medium-sized and enterprise customers, as well as changes in the productivity of our sales and marketing programs.

General and Administrative. General and administrative expenses consist primarily of personnel and related expenses for executive, legal, finance, information technology and human resources functions, including salaries, benefits, incentive compensation and stock-based compensation, in addition to the costs associated with professional fees, insurance premiums, other corporate expenses and allocated overhead. In future periods we expect general and administrative expenses to increase in absolute dollars as we continue to incur additional personnel and professional services costs in order to meet the compliance requirements of operating as a public company, including those costs incurred in connection with Section 404 of the Sarbanes-Oxley Act. We currently anticipate that we will be required to comply with Section 404 of the Sarbanes-Oxley Act for the year ending December 31, 2012. Over the long term, we believe that general and administrative expenses as a percentage of revenue will decrease.

Other Income (Expense)

Other income (expense) consists primarily of interest income earned on our cash and cash equivalents, foreign exchange gains and losses, interest expense payable on our debt, changes in the fair value of the warrants issued in connection with a line of credit and income (loss) recorded upon the sale of long-term investments.

Non-Controlling Interest

Our results include a non-controlling interest in our majority-owned subsidiary, Brightcove Kabushiki Kaisha, or Brightcove KK. Brightcove KK is a Japanese joint venture which was formed on July 18, 2008. We own 63% of the entity. The non-controlling interest in Brightcove KK is reported as a separate component of stockholders' equity (deficit) in our consolidated balance sheet. The portion of net income (loss) attributable to non-controlling interests is presented as net income (loss) attributable to non-controlling interests in consolidated subsidiary in our consolidated statements of operations, and the portion of the other comprehensive loss of this subsidiary is presented in the consolidated statements of stockholders' equity (deficit) and comprehensive loss.

Income Taxes

As part of the process of preparing our consolidated financial statements we are required to estimate our taxes in each of the jurisdictions in which we operate. We account for income taxes in accordance with the asset and liability method. Under this method, deferred tax assets and liabilities are recognized based on temporary differences between the financial reporting and income tax bases of assets and liabilities using statutory rates. In addition, this method requires a valuation allowance against net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. We have provided a full valuation allowance against our net deferred tax assets at June 30, 2011 and at December 31, 2010 and 2009.

Stock-Based Compensation Expense

Our cost of revenue, research and development, sales and marketing, and general and administrative expenses include stock-based compensation expense. Stock-based compensation expense represents the fair value of outstanding stock options and restricted stock awards, which are recognized over the respective stock option and restricted stock award service periods. During 2008, 2009 and 2010 and the six months ended June 30, 2011, we recorded $338,000, $508,000, $3.3 million and $2.0 million, respectively, of stock-based compensation expense. The increase in stock-based compensation expense is primarily related to an increase in the fair market value of our common stock. We expect stock-based compensation expense to increase in absolute dollars in future periods.

Foreign Currency Translation

With regard to our international operations, we frequently enter into transactions in currencies other than the U.S. dollar. As a result, our revenues, expenses and cash flows are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the euro, British pound, Australian dollar, and Japanese

yen. In 2008, 2009 and 2010 and the six months ended June 30, 2011, approximately 20%, 28%, 32% and 34%, respectively, of our revenues were generated in locations outside the United States. During the same periods, 19%, 26%, 30% and 29%, respectively, of our revenues were in currencies other than the U.S. dollar, as are some of the associated expenses. In periods when the U.S. dollar declines in value as compared to the foreign currencies in which we conduct business, our foreign currency-based revenues and expenses generally increase in value when translated into U.S. dollars. We expect our foreign currency-based revenue to increase in absolute dollars and as a percentage of total revenue.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

We believe that the following significant accounting policies, which are more fully described in the notes to our consolidated financial statements included elsewhere in this prospectus, involve a greater degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our financial condition and results of operations.

Revenue Recognition

We primarily derive revenue from the sale of our on-demand application service to our internet video platform, which provides customers the right to access our hosted software applications for uploading, managing, distributing, and monetizing our video assets. Revenue is derived from three primary sources: (1) the subscription of our technology and related support; (2) hosting and bandwidth services; and (3) professional services, which include initiation, set-up and customization services.

We recognize revenue when all of the following conditions are satisfied: (1) there is persuasive evidence of an arrangement; (2) the service has been provided to the customer; (3) the collection of fees is probable; and (4) the amount of fees to be paid by the customer is fixed or determinable.

Our subscription arrangements provide customers the right to access our hosted software applications. Customers do not have the right to take possession of our software during the hosting arrangement. Accordingly, we recognize revenue in accordance with Accounting Standards Codification (ASC) 605, *Revenue Recognition*. Contracts for premium customers generally have a term of one year and are non-cancelable. These contracts generally provide the customer with a maximum annual level of usage, and provide the rate at which the customer must pay for actual usage above the annual allowable usage. For these services, we recognize the annual fee ratably as revenue each month. Should a customer's usage of our services exceed the annual allowable level, revenue is recognized for such excess in the period of the usage. Contracts for our Express customers are generally month-to-month arrangements, have a maximum monthly level of usage and provide the rate at which the customer must pay for actual usage above the monthly allowable usage. The monthly Express subscription and support and usage fees are recognized as revenue during the period in which the related cash is collected.

Revenue recognition commences upon the later of when the application is placed in a production environment, or when all revenue recognition criteria have been met. Professional services and other revenue sold on a stand-alone basis are recognized upon final delivery. Deferred revenue includes amounts billed to customers for which revenue has not been recognized, and primarily consists of the unearned portion of annual software subscription and maintenance and support fees, and deferred initiation and professional service fees. Revenue is presented net of any taxes collected from customers.

We periodically enter into multi-element service arrangements that include platform subscription fees, support fees, initiation fees, and, in certain cases, other professional services. Prior to January 1, 2011, when we entered into such arrangements, each element was accounted for separately over our respective service period, provided that each element had value to the customer on a stand-alone basis, and there was objective and reliable evidence of fair value for the separate elements. If these criteria could not be objectively met or determined, the total value of the arrangement was generally recognized ratably as a single unit of accounting over the entire service period to the extent that all services had begun to be provided at the outset of the period. For multi-element service arrangements entered into through December 31, 2010, we were unable to separately account for the different elements because we did not have objective and reliable evidence of fair value for certain of our deliverables. Therefore, all revenue under these arrangements has been recognized ratably over the contract term.

Initiation fees and other professional services charged when services are first activated were recorded as deferred revenue, and recognized as revenue ratably over a term beginning upon go-live of the software application and extending through the contract term.

In October 2009, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2009-13, *Revenue Recognition (Topic 605), Multiple-Deliverable Revenue Arrangements—a consensus of the FASB Emerging Issues Task Force*, which amended the previous multiple-element arrangements accounting guidance. Pursuant to the new guidance, objective and reliable evidence of fair value of the undelivered elements is no longer required in order to account for deliverables in a multiple-deliverable arrangement separately. Instead, arrangement consideration is allocated to deliverables based on their relative selling price. The new guidance also eliminates the use of the residual method.

Effective January 1, 2011, we adopted this new accounting guidance on a prospective basis. We applied the new accounting guidance to those multiple-element arrangements entered into, or materially modified, on or after January 1, 2011, which is the beginning of our fiscal year. The adoption of this new accounting guidance did not have a material impact on our financial condition, results of operations or cash flows.

Under the new accounting guidance, in order to treat deliverables in a multiple-deliverable arrangement as separate units of accounting, the deliverables must have standalone value upon delivery. If the deliverables have standalone value upon delivery, we account for each deliverable separately. Subscription services have standalone value as such services are often sold separately. In determining whether professional services have standalone value, we consider the following factors for each professional services agreement: availability of the services from other vendors, the nature of the professional services, the timing of when the professional services contract was signed in comparison to the subscription service start date, and the contractual dependence of the subscription service on the customer's satisfaction with the professional services work. To date, we have concluded that all of the professional services included in multiple-deliverable arrangements executed have standalone value, with the exception of initiation and activation fees.

Under the new accounting guidance, when multiple deliverables included in an arrangement are separated into different units of accounting, the arrangement consideration is allocated to the identified separate units based on a relative selling price hierarchy. We determine the relative selling price for a deliverable based on vendor-specific objective evidence of fair value, or VSOE, if available, or best estimate of selling price, or BESP, if VSOE is not available. We have determined that third-party evidence of selling price, or TPE, is not a practical alternative due to differences in our service offerings compared to other parties and the availability of relevant third party pricing information. The amount of revenue allocated to delivered items is limited by contingent revenue, if any.

We have not established VSOE for our offerings due to lack of pricing consistency, the introduction of new services and other factors. Accordingly, we use BESP to determine the relative selling price. We determine BESP by considering our overall pricing objectives and market conditions. Significant pricing practices taken into consideration include our discounting practices, the size and volume of transactions, the geographic area where

services are sold, price lists, our go to market strategy, historic contractually stated prices and prior relationships and future subscription service sales with certain classes of customers.

The determination of BESP is made through consultation with and approval by our management, taking into consideration the go-to market strategy. As our go-to-market strategies evolve, we may modify our pricing practices in the future, which could result in changes in selling prices, including both VSOE and BESP. We plan to analyze the selling prices used in our allocation of arrangement consideration, at a minimum, on an annual basis. Selling prices will be analyzed on a more frequent basis if a significant change in our business necessitates a more timely analysis or if we experience significant variances in our selling prices.

Allowance for Doubtful Accounts

We offset gross trade accounts receivable with an allowance for doubtful accounts. The allowance for doubtful accounts is our best estimate of the amount of probable credit losses in our existing accounts receivable and is based upon historical loss patterns, the number of days that billings are past due and an evaluation of the potential risk of loss associated with specific accounts. Provisions for allowances for doubtful accounts are recorded in general and administrative expense. If, upon signing a customer arrangement, the related account receivable is not considered collectable, we will defer the associated revenue until we collect the cash.

Software Development Costs

Costs incurred to develop software applications used in our on-demand application services consist of (a) certain external direct costs of materials and services incurred in developing or obtaining internal-use computer software and (b) payroll and payroll-related costs for employees who are directly associated with, and who devote time to, the project. These costs generally consist of internal labor during configuration, coding and testing activities. Research and development costs incurred during the preliminary project stage or costs incurred for data conversion activities, training, maintenance and general and administrative or overhead costs are expensed as incurred. Capitalization begins when the preliminary project stage is complete, management with the relevant authority authorizes and commits to the funding of the software project, it is probable the project will be completed, and the software will be used to perform the functions intended and certain functional and quality standards have been met. Qualified costs incurred during the operating stage of our software applications relating to upgrades and enhancements are capitalized to the extent it is probable that they will result in added functionality, while costs that cannot be separated between maintenance of, and minor upgrades and enhancements to, internal-use software are expensed as incurred. These capitalized costs are amortized on a straight line basis over the expected useful life of the software, which is three years. We capitalized $1.5 million in 2008, $694,000 in 2009, $829,000 in 2010 and $216,000 in the six months ended June 30, 2011. Amortization of software development costs was $183,000 in 2008, $601,000 in 2009, $845,000 in 2010 and $490,000 in the six months ended June 30, 2011.

In addition to the software development costs described above, we incur costs to develop computer software to be licensed or otherwise marketed to customers. Costs incurred in the research, design and development of software for sale to others are charged to expense until technological feasibility is established. We capitalize direct computer software development costs upon achievement of technological feasibility subject to net realizable value considerations. Thereafter, software development costs are capitalized until the product is released and amortized to product cost of sales on a straight-line basis over the lesser of three years or the estimated economic lives of the respective products. We have determined that technological feasibility is established at the time a working model of software is completed. Because we believe our current process for developing software will be essentially completed concurrently with the establishment of technological feasibility, no costs have been capitalized to date.

Income Taxes

We are subject to income taxes in both the United States and international jurisdictions, and we use estimates in determining our provision for income taxes. We account for income taxes under the asset and liability method for accounting and reporting for income taxes. Deferred tax assets and liabilities are recognized based on temporary differences between the financial reporting and income tax basis of assets and liabilities using statutory rates. This process requires us to project our current tax liability and estimate our deferred tax assets and liabilities, including net operating losses and tax credit carryforwards. In assessing the need for a valuation allowance, we considered our recent operating results, future taxable income projections and feasible tax planning strategies. We have provided a full valuation allowance against our net deferred tax assets at December 31, 2009 and 2010 and June 30, 2011.

We account 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. We do not have any recorded liabilities for uncertain tax positions as of December 31, 2010 or June 30, 2011.

Goodwill

We review the carrying value of goodwill for impairment annually and whenever events or changes in circumstances indicate that the carrying value of goodwill may exceed its fair value. Conditions that could trigger a more frequent impairment assessment include, but are not limited to, a significant adverse change in certain agreements, significant underperformance relative to historical or projected future operating results, an economic downturn in customers' industries, increased competition, a significant reduction in our stock price for a sustained period or a reduction of our market capitalization relative to net book value. We evaluate impairment by comparing the estimated fair value of each reporting unit to its carrying value. We estimate fair value primarily utilizing the market approach, which calculates fair value based on the market values of comparable companies or comparable transactions. Actual results may differ materially from these estimates. The estimates we make in determining the fair value of our reporting unit involve the application of judgment, which could affect the timing and size of any future impairment charges. Impairment of our goodwill could significantly affect our operating results and financial position.

We continually evaluate whether events or circumstances have occurred that indicate that the estimated remaining useful life of our long-lived assets may warrant revision or that the carrying value of these assets may be impaired. Any write-downs are treated as permanent reductions in the carrying amount of the assets. We must use judgment in evaluating whether events or circumstances indicate that useful lives should change or that the carrying value of assets has been impaired. Any resulting revision in the useful life or the amount of an impairment also requires judgment. Any of these judgments could affect the timing or size of any future impairment charges. Revision of useful lives or impairment charges could significantly affect our operating results and financial position.

Accounting for Stock-based Compensation Arrangements

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 expense.

We estimate the fair value of employee stock options on the date of grant using the Black-Scholes option-pricing model, which requires the use of highly subjective estimates and assumptions. For restricted stock awards issued we estimate the fair value of each grant based on the stock price of our common stock on the date of grant. Historically, as a private company, we lacked company-specific historical and implied volatility information. Therefore, we estimate our expected volatility from the historical volatility of selected publicly-traded peer companies and expect to continue to do so until we have adequate historical data regarding the volatility of our traded stock price. 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 dividends on our capital stock. In addition, we have estimated expected forfeitures of stock options based on our historical forfeiture rate and used these rates in developing a future forfeiture rate. If our actual forfeiture rate varies from our historical rates and estimates, additional adjustments to compensation expense may be required in future periods. The weighted-average assumptions for volatility, expected life, risk-free interest rate and expected dividend yield for the year ended December 31, 2010 and the six months ended June 30, 2011 are presented in the following table:

	Year Ended December 31, 2010	Six Months Ended June 30, 2011
Risk-free interest rate	2.87%	2.68%
Expected volatility	61%	57%
Expected life (in years)	6.2	6.3
Expected dividend yield	—	—

The fair value of our common stock underlying our stock-based awards was determined by our board of directors which intended all stock-based awards granted to be at a price per share not less than the per share fair value of our common stock underlying those awards on the date of grant. The valuations of our common stock were determined in accordance with the guidelines outlined in the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. The assumptions we use in the valuation model are based on future expectations combined with management's judgment. In the absence of a public trading market, our board, with input from management, exercised significant judgment and considered numerous objective and subjective factors to determine the fair value of our common stock as of the date of each award grant, including the following factors:

- the rights, preferences and privileges of our redeemable convertible preferred stock relative to our common stock;
- the prices of our preferred stock sold to outside investors in arms-length transactions;
- secondary transactions in our common stock;
- our stage of development, operating and financial performance and revenue growth;
- current business conditions and projections;
- the hiring of key personnel;
- the history of our company and the introduction of new products and services;
- the illiquid nature of our common stock;
- contemporaneous or other valuations of our common stock performed by an independent valuation specialist;
- the likelihood of achieving a liquidity event for the shares of common stock underlying these awards, such as an initial public offering or sale of our company, given prevailing market conditions; and
- the U.S. and global capital market conditions.

The following table summarizes stock options granted to employees from April 1, 2010 through June 30, 2011. There were no grants of restricted stock during this time:

Option Grant Dates	Number of Shares Underlying Options Granted	Per Share Exercise Price of Options (1)	Per Share Fair Value of Underlying Common Stock	Per Share Estimated Fair Value of Options (2)	Aggregate Estimated Fair Value of Options (2) (in-thousands)
May 14, 2010	1,024,987	$ 3.58	$ 3.58	$ 2.12	$ 2,176
July 27, 2010	641,360	3.58	3.58	2.08	1,333
March 8, 2011	1,356,499	3.15	3.15	1.61-1.78	2,406
May 12, 2011	543,000	3.15	4.02	2.48	1,347
June 23, 2011	255,190	4.02	4.02	2.24	571

(1) The per share exercise price of options was determined by our board.
(2) As described above, the estimated fair value of options was estimated on the date of grant using the Black-Scholes option-pricing model. For the March 8, 2011 grants, we have disclosed a range of per share fair values due to differences in the estimated term of stock options granted on that date.

As discussed above, in order to determine the fair value of our common stock underlying stock option and restricted stock grants, our board considered numerous objective and subjective factors, including arm's length transactions in our common shares whenever those transactions were considered contemporaneous with the valuation date of our common stock. If contemporaneous transactions were not available, in addition to considering the objective and subjective factors listed above, our board considered valuations provided by management from an independent third-party valuation specialist. These valuations estimated the fair value of a minority interest in our common stock, determined based on our business enterprise value, or BEV. Our BEV was estimated using a combination of generally accepted approaches: the income approach using the discounted cash flow method, or DCF method, the market approach using the guideline public company method, and the market approach using the guideline transaction method. The DCF method estimates the enterprise value based on the estimated present value of future net cash flows the business is expected to generate over a forecasted period and an estimate of the present value of cash flows beyond that period, which is referred to as the terminal value. The estimated present value is calculated using a discount rate known as the weighted average cost of capital, which accounts for the time value of money and the appropriate degree of risks inherent in the business. The market approach considers multiples of financial metrics based on guideline transactions and trading multiples of guideline public companies. These multiples are then applied to our financial metrics to derive a range of indicated values. Once calculated, the DCF method and guideline company methods are then weighted. Our indicated BEV was allocated to the shares of preferred stock, common stock, warrants and stock options, using the option pricing method, or OPM, or the probability weighted expected return method, or PWERM. Estimates of the volatility of our common stock were based on available information on the volatility of common stock of comparable, publicly traded companies. We applied a discount for lack of marketability to our common stock based on a put option model.

Significant factors considered by our board in determining the fair value of our common stock at each grant date in the table above are as follows:

May and July 2010 Grants

In March 2010, we issued a total of 2,315,842 shares of our series D redeemable convertible preferred stock for $5.1817 per share to a group of existing investors for aggregate proceeds of approximately $12.0 million. Additionally, at the time of the series D financing, certain members of our management team sold shares of common stock to certain investors participating in the series D financing for $3.5754 per share.

On May 14, 2010 and July 27, 2010, our board determined that the fair value of our common stock was $3.58 per share. In addition to considering the series D financing and the secondary transaction for our common stock described above, our board also considered the contemporaneous valuation of a minority interest in our

common stock as of March 31, 2010 provided by management from an independent third-party valuation specialist. We concluded that it was appropriate to rely on the March 31, 2010 valuation analysis, which was completed on April 26, 2010, but dated as of March 31, 2010, for purposes of the May 14, 2010 and July 27, 2010 grants because there were no significant changes to the business, including our forecasted financial results, and no significant changes to market conditions, between March 31, 2010 and the date of the grants.

Our valuation of the common stock as of March 31, 2010, which was based on the contemporaneous transactions described above, also considered the DCF method under the income approach and the guideline public company transaction methods under the market approach.

Under the DCF method, future values were discounted to present value using a discount rate of 19%. In determining the appropriate discount rate, we determined our weighted average cost of capital based on comparable companies. The terminal value was determined using a Gordon growth model, which capitalizes expected cash flows.

Under the guideline public company method, we considered multiples of financial metrics based on both acquisitions and trading multiples of a peer group of companies. The companies used for comparison under the guideline public company method were selected based on a number of factors, including but not limited to, the similarity of their industry, growth rate, stage of development, and financial risk. These multiples were then applied to our financial metrics to derive an indication of our enterprise value. A discount of 10% for lack of marketability was applied after considering a number of factors, including the prospects and timeframe for an initial public offering of our common stock.

We used the OPM to allocate the total BEV in the valuation analysis as of March 31, 2010, with the income approach and the market approach both being weighted at 50%, and arrived at a per share fair value of common stock of $3.27. Management and our board relied on the March 2010 contemporaneous transaction in the common stock as we believed this to be the best indicator of the fair value of our common stock as of the date of the May and July 2010 grants.

March 2011 Grants

On March 8, 2011, our board determined that the fair value of our common stock was $3.15 per share. In addition to considering the objective and subjective factors listed above, our board considered the contemporaneous valuation of a minority interest in our common stock as of December 31, 2010 provided by management from an independent third-party valuation specialist. We concluded that it was appropriate to rely on the December 31, 2010 valuation analysis, which was completed on January 11, 2011, but dated as of December 31, 2010, for purposes of the March 8, 2011 grants because there were no significant changes to the business, including our forecasted financial results, and no significant changes to market conditions, between December 31, 2010 and the date of the grants.

Our valuation of our common stock as of December 31, 2010 was based on contemporaneous transactions completed in November 2010. On November 24, 2010, our Chief Executive Officer sold common shares to certain of our existing investors at a price of $3.5754 per share. This price was based on the March 2010 transaction described above. Additionally, at this time, one of our nonemployee investors sold shares of common stock, as well as series B, series C and series D redeemable convertible preferred stock to other existing investors. Our common stock was priced at $3.1489 per share. The price for series B, series C and series D redeemable convertible preferred stock was $6.2977, $8.05 and $5.1817, respectively. As the amount received by our Chief Executive Officer exceeded the estimated fair value of our common stock at the time of the transaction, we recorded compensation expense for the difference between the transaction price and the estimated fair value of our common stock and the date of the transaction.

Management and our board believe that the secondary transaction made by nonemployee investors, discussed above, as well as the results of the contemporaneous valuation as of December 31, 2010 are the best indicators of the fair value of our common stock as of the date of the May and July 2010 grants, and accordingly, granted stock options to purchase 1,356,499 shares of common stock with an exercise price of $3.15 per share on March 8, 2011.

May 2011 Grant

On May 12, 2011, we granted options to purchase 543,000 shares of common stock with an exercise price of $3.15 per share, which was determined to be the fair market value of our common stock at that time, based in part on the contemporaneous third-party valuation as of December 31, 2010, which is discussed above.

In connection with the preparation of our financial statements for the six months ended June 30, 2011, and in light of the contemporaneous valuation of our common stock as of May 31, 2011, we reassessed the fair market value of our common stock granted on May 12, 2011, and we determined $4.02 per share to be the fair market value of our common stock for purposes of valuing all stock options granted on that date.

The May 31, 2011 contemporaneous valuation, provided to management by an independent third-party valuation specialist, was based on the market approach, specifically the guideline public company method and the guideline transactions method. The allocation of value was based on the PWERM, which evaluates the probability of a future sale or an IPO. This method calculated enterprise values ranging from $280 million to $565 million and a discount rate of 19%, resulting in a stock price of $4.02 after taking into account a 10% discount for the lack of marketability. Under these scenarios, we (1) estimated the future value of total stockholders' equity using a multiple of forecasted revenues as of the estimated IPO or sale date, (2) allocated that equity value to the preferred and common stock on a pro-rata basis considering the preferred stock conversion at an IPO and sale event, and (3) then discounted the resulting per share common stock value back to the valuation date. The key inputs under this model are the estimated IPO and sale value range, the probability weighting that we assign to each point within the range and the discount rate. We estimated our value range considering a variety of factors, the most significant of which were revenue multiples derived from market data and our forecasted trailing 12-month revenues as of the estimated event date. We assigned a higher probability to the middle of the range and lower probabilities to the low and high end of the range. We determined the discount rate using venture capital rates of return appropriate for our stage of development as of the valuation date.

The key assumptions in the sale and IPO scenarios included an estimated value range of $280 million to $565 million, assigning various probabilities of 35%, 25%, 15%, 10%, 10%, and 5% to $280 million, $295 million, $385 million, $405 million, $540 million and $565 million, respectively, and a discount rate of 19%. Additionally, we applied a discount for lack of marketability of 10%, resulting in an estimated common stock value of $4.02 per share.

June 2011 Grants

On June 23, 2011, our board granted options to purchase 255,190 shares of common stock with an exercise price of $4.02 per share, which was determined to be the fair market value of our common stock at that time, based in part on the contemporaneous third-party valuation as of May 31, 2011, which is discussed above. We concluded that it was appropriate to rely on the May 31, 2011 valuation analysis for purposes of the June 23, 2011 grant because there were no significant changes to the business, including our forecasted financial results, and no significant changes to market conditions, between May 31, 2011 and the date of the grants.

Results of Operations

The following tables set forth our results of operations for the periods presented. The period-to-period comparison of financial results is not necessarily indicative of future results.

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
			(in thousands)		
Consolidated statements of operations data:					
Revenue:					
Subscription and support revenue	$ 22,432	$32,240	$ 40,521	$ 18,798	$ 26,970
Professional services and other revenue	2,068	3,947	3,195	1,507	1,384
Total revenue	24,500	36,187	43,716	20,305	28,354
Cost of revenue:					
Cost of subscription and support revenue	6,070	6,986	11,060	5,187	7,039
Cost of professional services and other revenue	2,916	3,463	4,065	1,865	2,273
Total cost of revenue	8,986	10,449	15,125	7,052	9,312
Gross profit	15,514	25,738	28,591	13,253	19,042
Operating expenses:					
Research and development	7,756	8,927	12,257	5,502	7,198
Sales and marketing	11,542	13,218	24,124	11,384	15,372
General and administrative	5,970	6,696	9,617	4,432	5,978
Total operating expenses	25,268	28,841	45,998	21,318	28,548
Loss from operations	(9,754)	(3,103)	(17,407)	(8,065)	(9,506)
Other income (expense):					
Interest income	918	313	185	139	18
Other (expense) income, net	(1,388)	22	(503)	(594)	(157)
Total other (expense) income, net	(470)	335	(318)	(455)	(139)
Loss before income taxes and non-controlling interest in consolidated subsidiary	(10,224)	(2,768)	(17,725)	(8,520)	(9,645)
Provision for income taxes	11	55	56	38	83
Consolidated net loss	(10,235)	(2,823)	(17,781)	(8,558)	(9,728)
Net loss (income) attributable to non-controlling interest in consolidated subsidiary	305	478	280	211	(145)
Net loss attributable to Brightcove Inc.	(9,930)	(2,345)	(17,501)	(8,347)	(9,873)
Accretion of dividends on redeemable convertible preferred stock	(4,919)	(4,918)	(5,470)	(2,651)	(2,819)
Net loss attributable to common stockholders	$(14,849)	$ (7,263)	$(22,971)	$(10,998)	$(12,692)

Overview of Results of Operations for the Six Months Ended June 30, 2010 and 2011

Total revenue increased by 40%, or $8.0 million, in the six months ended June 30, 2011 compared to the same period in 2010, primarily due to an increase in subscription and support revenue of 43%, or $8.2 million, partially offset by a decrease in professional services revenue of 8%, or $123,000. The increase in subscription and support revenue resulted primarily from an increase in the number of our premium customers, which was 1,112 as of June 30, 2011, an increase of 40% from 796 customers as of June 30, 2010. In addition, our revenues from Express offerings grew by $1.8 million, or 335%, from the corresponding period of the prior year as our Express customer base increased by approximately 141% from the corresponding period of the prior year. Our ability to continue to provide the product functionality and performance that our customers require will be a major factor in our ability to continue to increase revenue.

Our gross profit increased by $5.8 million, or 44%, in the six months ended June 30, 2011 compared to the same period in 2010, primarily due to an increase in revenue. With the continued growth in our total revenue, our ability to continue to maintain our overall gross profit will depend on our ability to continue controlling our costs of delivery.

Loss from operations was $9.5 million in the six months ended June 30, 2011 compared to $8.1 million in the six months ended June 30, 2010. Loss from operations for the six months ended June 30, 2011 and 2010 included $2.0 million and $1.7 million, respectively, of stock-based compensation expense. We expect operating income to increase from increased sales to both new and existing customers and from improved efficiencies throughout our organization as we continue to grow and scale our operations.

Our results for the six months ended June 30, 2011 compared to the same period in 2010 were impacted by foreign exchange rate fluctuations, resulting in an increase in revenue of approximately $582,000, or 3% of revenue, and an increase in expense of approximately $552,000, or 2% of expenses.

As of June 30, 2011, we had $24.6 million of unrestricted cash and cash equivalents, an increase of $4.3 million from $20.3 million at December 31, 2010. In addition, as of June 30, 2011, we had $7.0 million of outstanding debt.

Revenue

	Six Months Ended June 30,					
	2010		2011		Change	
Revenue by Product Line	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Premium	$19,755	97%	$25,959	92%	$6,204	31%
Express	550	3	2,395	8	1,845	335
Total	$20,305	100%	$28,354	100%	$8,049	40%

During the six months ended June 30, 2011, revenue increased by $8.0 million, or 40%, from the corresponding period of the prior year, primarily due to an increase in revenue from our premium offerings, which consist of subscription and support revenue, as well as professional services and other revenue. The increase in premium revenue of $6.2 million, or 31%, is the result of a 40% increase in the number of premium customers from 796 at June 30, 2010 to 1,112 at June 30, 2011, as well as increased revenue from our existing customers. Express revenue grew by $1.8 million, or 335%, which was also driven by an increase of 141% in customers from 906 at June 30, 2010 to 2,183 at June 30, 2011.

	Six Months Ended June 30,					
	2010		2011		Change	
Revenue by Type	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Subscription and support	$18,798	93%	$26,970	95%	$8,172	43%
Professional services and other	1,507	7	1,384	5	(123)	(8)
Total	$20,305	100%	$28,354	100%	$8,049	40%

During the six months ended June 30, 2011, subscription and support revenue increased by $8.2 million, or 43%, from the corresponding period of the prior year. The increase was primarily related to the continued growth of our customer base for our premium offerings. In addition, professional services and other revenue decreased $123,000, or 8%. Professional services and other revenue will vary from period to period depending on the timing and completion of related implementation and other projects.

	Six Months Ended June 30,					
	2010		2011		Change	
Revenue by Geography	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
North America	$13,838	68%	$18,764	66%	$ 4,926	36%
Europe	5,220	26	6,699	24	1,479	28
Japan	1,015	5	2,156	8	1,141	112
Asia Pacific	217	1	707	2	490	226
Other	15	—	28	—	13	87
International subtotal	6,467	32	9,590	34	3,123	48
Total	$20,305	100%	$28,354	100%	$ 8,049	40%

For purposes of this section, we designate revenue by geographic regions based upon the locations of our customers. North America is comprised of revenue from the United States, Canada and Mexico. International is comprised of revenue from locations outside of North America. Depending on the timing of new customer contracts, revenue mix from a geographic region can vary from period to period.

During the six months ended June 30, 2011, total revenue for North America increased $4.9 million, or 36%, from the corresponding period of the prior year. The increase in revenue for North America resulted primarily from an increase in subscription and support revenue from our premium offerings. Total revenue outside of North America increased $3.1 million, or 48%, compared to that of the prior year. The increase in revenue internationally was the result of our increasing focus on marketing our services internationally.

Cost of Revenue

	Six Months Ended June 30,					
	2010		2011		Change	
Cost of Revenue	Amount	Percentage of Related Revenue	Amount	Percentage of Related Revenue	Amount	%
	(in thousands)					
Subscription and support	$5,187	28%	$7,039	26%	$1,852	36%
Professional services and other	1,865	124	2,273	164	408	22
Total	$7,052	35%	$9,312	33%	$2,260	32%

During the six months ended June 30, 2011, cost of subscription and support revenue increased $1.9 million, or 36%, from the corresponding period of the prior year. The increase resulted primarily from an increase in the cost of content delivery network expenses, network hosting services, depreciation expense and employee-related expenses of $1.4 million, $423,000, $363,000 and $209,000, respectively. These increases were offset in part by a $1.1 million sales tax expense, recorded during the six months ended June 30, 2010, without a corresponding amount recorded during the six months ended June 30, 2011 as we determined we were subject to sales tax in certain states.

During the six months ended June 30, 2011, cost of professional services and other revenue increased $408,000, or 22%, from the corresponding period of the prior year. The increase can be attributed primarily to increased employee-related expenses of $382,000, as we hired an additional nine employees.

Gross profit

Gross profit	Six Months Ended June 30, 2010 Amount	2010 Percentage of Related Revenue	2011 Amount	2011 Percentage of Related Revenue	Change Amount	Change %
	(in thousands)					
Subscription and support	$13,611	72%	$19,931	74%	$6,320	46%
Professional services and other	(358)	(24)	(889)	(64)	(531)	(148)
Total	$13,253	65%	$19,042	67%	$5,789	44%

For the six months ended June 30, 2011, the overall gross profit percentage was 67% compared to 65% for the six months ended June 30, 2010. The subscription and support gross profit percentage increased primarily related to a decrease in sales tax expense. The professional services and other gross profit percentage decreased primarily due to increases in employee-related expenses of $382,000. We continue to generate a negative gross profit for professional services and other due to the development of our professional services management team and infrastructure. We expect to gain economies of scale over time. It is likely that gross profit, as a percentage of revenue, will fluctuate quarter by quarter due to the timing and mix of subscription and support revenue and professional services and other revenue, and the type, timing and duration of service required in delivering certain projects.

Operating Expenses

Operating Expenses	Six Months Ended June 30, 2010 Amount	2010 Percentage of Revenue	2011 Amount	2011 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Research and development	$ 5,502	27%	$ 7,198	25%	$1,696	31%
Sales and marketing	11,384	56	15,372	55	3,988	35
General and administrative	4,432	22	5,978	21	1,546	35
Total	$21,318	105%	$28,548	101%	$7,230	34%

Research and Development. During the six months ended June 30, 2011, research and development expense increased by $1.7 million, or 31%, primarily due to increases in employee-related expenses and recruiting of $1.5 million and $225,000, respectively, as we hired an additional 16 employees. These increases were partially offset by a decrease in contractor expenses of $220,000. In future periods, we expect that our research and development costs will continue to increase in absolute dollars as we continue to add employees, develop new features and functionality for our products, introduce additional software solutions and expand our product and service offerings.

Sales and Marketing. During the six months ended June 30, 2011, sales and marketing expense increased $4.0 million, or 35%, from the corresponding period of the prior year primarily due to increases in employee- related expenses, marketing programs, travel expenses and commission expenses of $2.4 million, $1.2 million, $353,000 and $352,000, respectively. These increases were partially offset by a decrease in contractor and recruiting expenses of $242,000 and $121,000, respectively. We expect that our sales and marketing expense will continue to increase in absolute dollars along with our revenues, as we continue to expand sales coverage and build brand awareness through what we believe are cost-effective channels. We expect that such increases may fluctuate from period to period, however, due to the timing of marketing programs.

General and Administrative. During the six months ended June 30, 2011, general and administrative expense increased by $1.5 million, or 35%, from the corresponding period of the prior year primarily due to an

increase in employee-related and legal expenses of $666,000 and $177,000, respectively, as well as an increase in stock-based compensation expense of $636,000. These increases were partially offset by a decrease in travel expenses of $133,000. In future periods, we expect general and administrative expenses will increase in absolute dollars as we add personnel and incur additional costs related to the growth of our business and operations.

Other Income (Expense), Net

	Six Months Ended June 30,					
	2010		2011		Change	
Other Income (Expense)	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Interest income	$ 139	1%	$ 18	—	$ (121)	(87)%
Other expense, net	(594)	(3)	(157)	(1)	437	74
Total	$ (455)	(2)%	$ (139)	(1)%	$ 316	69%

During the six months ended June 30, 2011, interest income, net decreased by $121,000 or 87%, from the corresponding period of the prior year. Interest income is generated from investment of our cash balances, less related bank fees. The decrease in interest income is primarily due to decreased interest rates associated with our auction rate security, or ARS, holdings. The decrease in other expense, net was primarily due to decreased foreign currency exchange losses of $500,000 and an increase of $99,000 related to the revaluation of a warrant. These increases were offset in part by a realized loss of $146,000, recognized during the six months ended June 30, 2011, when we sold our remaining ARS.

Provision for Income Taxes

	Six Months Ended June 30,					
	2010		2011		Change	
Provision for income taxes	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Provision for income taxes	$ 38	—	$ 83	—	$ 45	118%

The increase in the provision for income taxes during the six months ended June 30, 2011 compared to that of the corresponding period of the prior year, resulted primarily from an increase in income tax expenses related to foreign jurisdictions.

Non-Controlling Interest in Consolidated Subsidiary

	Six Months Ended June 30,					
	2010		2011		Change	
Non-controlling interest in consolidated subsidiary	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Net loss (income) attributable to non-controlling interest in consolidated subsidiary	$ 211	1%	$ (145)	(1)%	$ (356)	(169)%

Non-controlling interests represent the minority stockholders' proportionate share (37%) of our majority- owned subsidiary, Brightcove KK. During the six months ended June 30, 2011, Brightcove KK generated net income as a result of increased market penetration in Japan.

Overview of Results of Operations for the Years Ended December 31, 2009 and 2010

Total revenue increased by 21%, or $7.5 million, in 2010 compared to 2009 due to an increase in subscription and support revenue of 26%, or $8.3 million, which was partially offset by a 19% decrease in professional services and other revenue of $752,000. The increase in subscription and support revenue resulted primarily from an increase in the number of our premium customers, which was 905 at December 31, 2010, an increase of about 25% from that of the prior year. We also had our first full year of Express revenue in 2010 and ended the year with 1,564 Express customers, generating a total of $2.0 million in revenue.

Our gross profit increased by 11%, or $2.9 million, in 2010 compared to 2009, primarily due to a more significant increase in revenue compared to the increase in the cost of revenue. The increase in gross profit is primarily due to the increase in subscription and support revenue, which has a higher gross profit than professional services revenue.

Loss from operations was $17.4 million in 2010 compared to $3.1 million in 2009. This increase was primarily the result of an increase in research and development, sales and marketing and general administrative expenses to support the growth of our operations. Loss from operations in 2010 and 2009 included $3.3 million and $508,000, respectively, of stock-based compensation expense.

Our results of operations in 2010 compared to 2009 were impacted by foreign exchange rate fluctuations, resulting in a decrease in revenue of approximately $153,000, and a decrease in expenses of approximately $28,000.

As of December 31, 2010, we had $20.3 million of unrestricted cash and cash equivalents, a decrease of $2.2 million from $22.6 million at December 31, 2009. In addition, as of December 31, 2010 and, 2009, we had $2.9 million and $3.0 million, respectively, of long-term investments.

Revenue

	Year Ended December 31,					
	2009		2010		Change	
Revenue by Product Line	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Premium	$36,164	100%	$41,710	95%	$5,546	15%
Express	23	—	2,006	5	1,983	nm
Total	$36,187	100%	$43,716	100%	$7,529	21%

nm—not meaningful

During 2010, revenue increased by $7.5 million, or 21%, compared to 2009, primarily due to an increase in revenue from our premium offerings. The increase in premium revenue was $5.5 million, or 15%, and is the result of a 25% increase in the number of premium customers from 723 at December 31, 2009 to 905 at December 31, 2010, as well as increased revenue from our existing customers. Our Express revenues grew by $2.0 million, resulting primarily from an increase in Express customers from 143 at December 31, 2009 to 1,564 at December 31, 2010. Fiscal 2010 was our first full year of Express revenue.

	Year Ended December 31,					
	2009		2010		Change	
Revenue by Type	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Subscription and support	$32,240	89%	$40,521	93%	$8,281	26%
Professional services and other	3,947	11	3,195	7	(752)	(19)
Total	$36,187	100%	$43,716	100%	$7,529	21%

During 2010, subscription and support revenue increased by $8.3 million, or 26%, compared to 2009. The increase was primarily related to the continued growth of our customer base for our premium offerings. This increase was partially offset by a $752,000 decrease in professional services and other revenue. Professional services and other revenue will vary depending on the timing and completion of related implementation and other projects.

	Year Ended December 31,					
	2009		2010		Change	
Revenue by Geography	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
North America	$26,193	72%	$29,582	68%	$3,389	13%
Europe	8,680	24	11,077	25	2,397	28
Japan	931	3	2,546	6	1,615	173
Asia Pacific	359	1	482	1	123	34
Other	24	—	29	—	5	21
International subtotal	9,994	28	14,134	32	4,140	41
Total	$36,187	100%	$43,716	100%	$7,529	21%

For purposes of this discussion, we designate revenue by geographic regions based upon the locations of our customers. Depending on the timing of new customer contracts, revenue mix from geographic region can vary from period to period.

During 2010, total revenue for North America increased $3.4 million, or 13%, compared to 2009. The increase in revenue for North America resulted primarily from an increase in subscription and support revenue from our premium offerings. Total revenue outside of North America increased $4.1 million, or 41%, compared to 2009. The increase in revenue internationally was the result of expanded geographic focus to establish a wider distribution of our service.

Cost of Revenue

	Year Ended December 31,					
	2009		2010		Change	
Cost of Revenue	Amount	Percentage of Related Revenue	Amount	Percentage of Related Revenue	Amount	%
	(in thousands)					
Subscription and support	$ 6,986	22%	$11,060	27%	$4,074	58%
Professional services and other	3,463	88	4,065	127	602	17
Total	$10,449	29%	$15,125	35%	$4,676	45%

During 2010, cost of subscription and support revenue increased by $4.1 million, or 58%, compared to 2009 primarily due to an increase in sales tax, content delivery network expenses, and employee related expenses of $1.2 million, $875,000, and $557,000, respectively. There were also increases in expenses relating to outside service providers, including network hosting fees and other services, of $701,000. In addition, there was an increase in both amortization of capitalized software costs and depreciation expense of $244,000 and $227,000, respectively.

During 2010, cost of professional services and other revenue increased by $602,000, or 17%, compared to 2009 primarily due to increases in employee related expenses of $449,000 and increases in computer-related maintenance and support expenses of $94,000. These increases were partially offset by decreases in expenses for contractors of $121,000.

Gross profit

Gross profit	Year Ended December 31, 2009 Amount	2009 Percentage of Related Revenue	2010 Amount	2010 Percentage of Related Revenue	Change Amount	Change %
	(in thousands)					
Subscription and support	$25,254	78%	$29,461	73%	$ 4,207	17%
Professional services and other	484	12	(870)	(27)	(1,354)	(280)
Total	$25,738	71%	$28,591	65%	$ 2,853	11%

During 2010, the overall gross profit percentage was 65% compared to 71% during 2009. The subscription and support gross profit percentage decreased from 78% to 73% due to an increase in sales tax, content delivery network expenses and network hosting services, which offset the growth in subscription and support revenues. The professional services gross profit percentage decreased from 12% to (27%) primarily due to increases in employee-related expenses as a percentage of related revenues. During 2010 and 2009, gross margin was impacted by the timing of professional services revenue recognized in multiple element arrangements that included both subscription and professional services fees. In such arrangements, the professional services fees were recognized ratably along with the subscription fees, while the costs to provide professional services fees for these arrangements were expensed as incurred.

Operating Expenses

Operating Expenses	Year Ended December 31, 2009 Amount	2009 Percentage of Revenue	2010 Amount	2010 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Research and development	$ 8,927	25%	$12,257	28%	$ 3,330	37%
Sales and marketing	13,218	37	24,124	55	10,906	83
General and administrative	6,696	18	9,617	22	2,921	44
Total	$28,841	80%	$45,998	105%	$17,157	59%

Research and Development. During 2010, research and development expense increased by $3.3 million, or 37%, compared to 2009 primarily due to increases in employee-related and recruiting expenses of $2.2 million and $171,000, respectively, as we hired an additional sixteen employees. Additionally, we had increases in contractor and stock-based compensation expenses of $283,000 and $244,000, respectively.

Sales and Marketing. During 2010, sales and marketing expense increased by $10.9 million, or 83%, compared to 2009 primarily due to increases in employee-related expenses, marketing programs and commission expense of $3.8 million, $2.5 million and $977,000, respectively. The employee-related and commission expense increases were primarily driven by an increase in headcount as we hired an additional 40 employees to support our growth. Additionally, stock-based compensation expenses, travel and recruiting expenses increased by $1.4 million, $965,000, and $279,000, respectively.

General and Administrative. During 2010, general and administrative expense increased by $2.9 million, or 44%, compared to 2009 primarily due to increases in stock-based compensation expense of $1.1 million and employee-related expenses of $872,000, as we hired an additional 13 employees. There were also increases in travel expenses and recruiting and computer-related maintenance and support for of $240,000, $226,000, and $195,000, respectively.

Other Income (Expense), Net

Other Income (Expense)	Year Ended December 31, 2009 Amount	2009 Percentage of Revenue	2010 Amount	2010 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Interest income, net	$ 313	1%	$ 185	—	$ (128)	(41)%
Other income (expense), net	22	—	(503)	(1)%	(525)	nm
Total	$ 335	1%	$ (318)	(1)%	$ (653)	(195)%

nm—not meaningful

During 2010, interest income, net decreased by $128,000, or 41%, compared to 2009. Interest income is generated from investment of our cash balances, less related bank fees. The decrease in interest income, net principally reflected a decline in interest rates associated with our auction rate security holdings. The decrease in other, net in 2010 was primarily due to an increase in foreign currency loss of $351,000 from 2009 to 2010 and an increase of $172,000 related to the revaluation of our warrants.

Provision for Income Taxes

Provision for income taxes	Year Ended December 31, 2009 Amount	2009 Percentage of Revenue	2010 Amount	2010 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Provision for income taxes	$ 55	—	$ 56	—	$ 1	2%

Provision for income taxes remained relatively unchanged from 2009 to 2010, and primarily consists of taxes from our foreign jurisdictions.

Non-Controlling Interest in Consolidated Subsidiary

Non-controlling interest in consolidated subsidiary	Year Ended December 31, 2009 Amount	2009 Percentage of Revenue	2010 Amount	2010 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Net loss attributable to non-controlling interest in consolidated subsidiary	$ 478	1%	$ 280	1%	$ (198)	(41)%

Non-controlling interests represent the minority stockholders' proportionate share (37%) of our majority-owned subsidiary, Brightcove KK. The net loss attributable to the non-controlling interest decreased in 2010 by $198,000 due to a reduced net loss of the subsidiary.

Overview of Results of Operations for the Years Ended December 31, 2008 and 2009

During 2009, total revenues increased by $11.7 million, or 48%, compared to 2008 primarily due to an increase in total subscription and support revenues of $9.8 million, or 44%, and to a lesser extent, an increase in professional services and other revenue of $1.9 million, or 91%. The increase in subscription and support revenue resulted primarily from an increase in the number of our premium customers, which was 723 at December 31, 2009, an increase of 32% from the prior year. We also launched our Express offering in the fourth quarter of 2009 and ended the year with 143 Express customers, which generated $23,000 in revenue during 2009.

Our gross profit increased by 66%, or $10.2 million, in 2009 compared to 2008, primarily due to a more significant increase in revenue compared to the increase in the cost of revenue. The increase in gross profit is primarily due to the increase in subscription and support revenue, which has a higher gross profit than professional services revenue. The gross profit percentage for subscription and support revenue increased by 5%, which resulted primarily from reduced vendor rates for content delivery network services.

Loss from operations was $3.1 million in 2009 compared to $9.8 million in 2008. The change in loss from operations resulted primarily from an improvement in our overall gross profit and more significant growth in total revenue compared to operating expenses. Loss from operations in 2009 and 2008 included $508,000 and $338,000, respectively, of stock-based compensation expense.

Our results of operations in 2009 compared to 2008 were impacted by foreign exchange rate fluctuations, resulting in a decrease in revenue of approximately $860,000, and a decrease in expenses of approximately $224,000.

As of December 31, 2009, we had $22.6 million of unrestricted cash and cash equivalents, a decrease of $1.6 million from $24.2 million at December 31, 2008. In addition, as of December 31, 2009 and 2008, we had $3.0 million in long-term investments.

Revenue

	Year Ended December 31,					
	2008		2009		Change	
Revenue by Product Line	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Premium	$24,500	100%	$36,164	100%	$11,664	48%
Express	—	—	23	—	23	100
Total	$24,500	100%	$36,187	100%	$11,687	48%

During 2009, total revenue increased by $11.7 million, or 48%, compared to 2008, primarily due to an increase in revenue from our premium offerings. The increase in premium revenue was $11.7 million, or 48%, and is the result of a 32% increase in the number of premium customers from 549 at December 31, 2008 to 723 at December 31, 2009, as well as increased revenue from our existing customers. Our Express offering was launched in the fourth quarter of 2009 and contributed $23,000 for the period.

	Year Ended December 31,					
	2008		2009		Change	
Revenue by Type	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
Subscription and support	$22,432	92%	$32,240	89%	$ 9,808	44%
Professional services and other	2,068	8	3,947	11	1,879	91
Total	$24,500	100%	$36,187	100%	$11,687	48%

During 2009, subscription and support revenue increased $9.8 million, or 44%, compared to 2008. The increase resulted primarily from the continued growth of our customer base for our premium offerings. Professional services and other revenue increased by $1.9 million, or 91%, primarily related to an increase in implementation and other related projects.

	Year Ended December 31,					
	2008		2009		Change	
Revenue by Geography	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	%
	(in thousands)					
North America	$19,527	80%	$26,193	72%	$ 6,666	34%
Europe	4,728	19	8,680	24	3,952	84
Japan	59	—	931	3	872	nm
Asia Pacific	186	1	359	1	173	93
Other	—	—	24	—	24	100
International subtotal	4,973	20	9,994	28	5,021	101
Total	$24,500	100%	$36,187	100%	$11,687	48%

nm—not meaningful

For purposes of this discussion, we designate revenue by geographic regions based upon the locations of our customers. Depending on the timing of new customer contracts, revenue mix from geographic region can vary from period to period.

During 2009, total revenue for North America increased $6.7 million, or 34%, compared to 2008. The increase in revenue for North America resulted primarily from an increase in subscription and support revenue from our premium offerings. Total revenue outside of North America increased $5.0 million, or 101%, compared to 2008. The increase in revenue internationally was the result of the increasing acceptance of our services and our increased sales efforts internationally.

Cost of Revenue

	Year Ended December 31,					
	2008		2009		Change	
Cost of Revenue	Amount	Percentage of Related Revenue	Amount	Percentage of Related Revenue	Amount	%
	(in thousands)					
Subscription and support	$6,070	27%	$ 6,986	22%	$ 916	15%
Professional services and other	2,916	141	3,463	88	547	19
Total	$8,986	37%	$10,449	29%	$1,463	16%

During 2009, cost of subscription and support revenue increased by $916,000, or 15%, compared to 2008, primarily due to an increase in network hosting expenses, computer-related maintenance and support expenses and depreciation expense of $394,000, $284,000, and $257,000, respectively. In addition, there was an increase in both amortization of capitalized software development costs and employee-related expenses of $418,000 and $245,000, respectively. These increases were partially offset by decreases in expenses for content delivery network and outside service providers of $424,000 and $277,000, respectively.

During 2009, cost of professional services and other revenue increased by $547,000, or 19%, compared to 2008. The increase was primarily due to increases in employee-related expenses and contractor expenses of $489,000 and $341,000, respectively. These increases were partially offset by decreases in recruiting expenses of $158,000.

Gross profit

Gross profit	Year Ended December 31, 2008 Amount	2008 Percentage of Related Revenue	2009 Amount	2009 Percentage of Related Revenue	Change Amount	Change %
	(in thousands)					
Subscription and support	$16,362	73%	$25,254	78%	$ 8,892	54%
Professional services and other	(848)	(41)	484	12	1,332	157
Total	$15,514	63%	$25,738	71%	$10,224	66%

During 2009, the overall gross profit percentage increased to 71% from 63% during 2008. The subscription and support gross profit percentage increased to 78% from 73% due to increased subscription and support sales without the related increase in expenses. The professional services and other gross profit percentage increased to 12% from (41%) due to decreased services expenses as a percentage of related revenue. During 2009 and 2008, gross margin was impacted by the timing of professional services revenue recognized in multiple element arrangements that included both subscription and professional services fees. In such arrangements, the professional services fees were recognized ratably along with the subscription fees, while the costs to provide professional services fees for these arrangements were expensed as incurred.

Operating Expenses

Operating Expense	Year Ended December 31, 2008 Amount	2008 Percentage of Revenue	2009 Amount	2009 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Research and development	$ 7,756	32%	$ 8,927	25%	$1,171	15%
Sales and marketing	11,542	47	13,218	37	1,676	15
General and administrative	5,970	24	6,696	18	726	12
Total	$25,268	103%	$28,841	80%	$3,573	14%

Research and Development. During 2009, research and development expense increased $1.2 million, or 15%, compared to 2008 primarily due to higher capitalized software development costs in 2008. There was also an increase in contractor expenses and employee-related expenses of $279,000 and $226,000, respectively, over the same period.

Sales and Marketing. During 2009, sales and marketing expense increased $1.7 million, or 15%, compared to 2008 primarily due to an increase in commission expense of $1.2 million, as well as an increase in contractor expenses and marketing programs of $571,000 and $224,000, respectively. These increases were partially offset by a decrease in recruiting expenses of $287,000.

General and Administrative. During 2009, general and administrative expense increased $726,000, or 12%, compared to 2008 primarily due to increases in employee-related expenses and contractor expenses of $336,000 and $271,000, respectively. We also had increases in travel and stock-based compensation expenses of $168,000 and $110,000, respectively. These increases were partially offset by decreases in recruiting expenses and professional fees of $134,000 and $73,000, respectively.

Other Income (Expense), Net

Other Income (Expense)	Year Ended December 31, 2008 Amount	2008 Percentage of Revenue	2009 Amount	2009 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Interest income	$ 918	4%	$ 313	1%	$ (605)	(66)
Other income (expense), net	(1,388)	(6)	22	—	1,410	102
Total	$ (470)	(2)%	$ 335	1%	$ 805	171

During 2009, interest income decreased $605,000, or 66%, from 2008 primarily due to a decrease in invested cash balances combined with a decrease in interest rates. Other income (expense), net increased $1.4 million primarily due to a $1.0 million other-than-temporary impairment charge, recorded during 2008, associated with a decline in the fair value of our auction rate security holdings due to the illiquidity of those securities at the time, and an increase in foreign currency loss of $337,000.

Provision for Income Taxes

Provision for income taxes	Year Ended December 31, 2008 Amount	2008 Percentage of Revenue	2009 Amount	2009 Percentage of Revenue	Change Amount	Change %
	(in thousands)					
Provision for income taxes	$ 11	—	$ 55	—	$ 44	nm

nm—not meaningful

Provision for income taxes remained relatively unchanged from 2008 to 2009, and primarily consists of taxes from our foreign jurisdictions.

Non-Controlling Interest in Consolidated Subsidiary

Non-controlling interest in consolidated subsidiary	Year Ended December 31, 2008 Amount	2008 Percentage of Revenues	2009 Amount	2009 Percentage of Revenues	Change Amount	Change %
	(in thousands)					
Net loss attributable to non-controlling interest in consolidated subsidiary	$ 305	1%	$ 478	1%	$ 173	57%

Non-controlling interests represent the minority stockholders' proportionate share (37%) of our majority-owned subsidiary, Brightcove KK. During 2009, net loss attributable to non-controlling interest increased by $173,000, or 57%, compared to 2008 as we formed Brightcove KK in July 2008, and 2009 was its first full year of operating activity.

Quarterly Results of Operations Data

The following tables set forth our unaudited quarterly consolidated statements of operations data and our unaudited statements of operations data as a percentage of total revenue for each of the six quarters ended June 30, 2011. We have prepared the quarterly data on a basis consistent with the audited consolidated financial statements included in this prospectus. In the opinion of management, the financial information reflects all necessary adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this

data. This information should be read in conjunction with the audited consolidated financial statements and related notes included elsewhere in this prospectus. The results of historical periods are not necessarily indicative of the results of operations for a full year or any future period.

	For the Three Months Ended					
	March 31, 2010	June 30, 2010	September 30, 2010	December 31, 2010	March 31, 2011	June 30, 2011
	(in thousands, except per share data)					
Consolidated Statements of Operations Data:						
Revenue:						
Subscription and support revenue	$ 9,235	$ 9,563	$ 10,322	$ 11,401	$12,492	$14,478
Professional services and other revenue	791	716	730	958	582	802
Total revenue	10,026	10,279	11,052	12,359	13,074	15,280
Cost of revenue[1]:						
Cost of subscription and support revenue	2,861	2,326	2,703	3,170	3,279	3,760
Cost of professional services and other revenue	887	978	1,086	1,114	1,097	1,176
Total cost of revenue	3,748	3,304	3,789	4,284	4,376	4,936
Gross profit	6,278	6,975	7,263	8,075	8,698	10,344
Operating expenses[1]:						
Research and development	2,588	2,914	3,393	3,362	3,443	3,755
Sales and marketing	5,151	6,233	6,372	6,368	6,966	8,406
General and administrative	2,060	2,372	2,277	2,908	2,725	3,253
Total operating expenses	9,799	11,519	12,042	12,638	13,134	15,414
Loss from operations	(3,521)	(4,544)	(4,779)	(4,563)	(4,436)	(5,070)
Other income (expense):						
Interest income	64	75	36	10	12	6
Other (expense) income, net	(476)	(118)	175	(84)	110	(267)
Total other (expense) income, net	(412)	(43)	211	(74)	122	(261)
Loss before income taxes and non-controlling interest in subsidiary	(3,933)	(4,587)	(4,568)	(4,637)	(4,314)	(5,331)
Provision for income taxes	19	19	17	1	32	51
Consolidated net loss	(3,952)	(4,606)	(4,585)	(4,638)	(4,346)	(5,382)
Net loss (income) attributable to non-controlling interest in consolidated subsidiary	104	107	90	(21)	(69)	(76)
Net loss attributable Brightcove Inc.	(3,848)	(4,499)	(4,495)	(4,659)	(4,415)	(5,458)
Accretion of dividends on redeemable convertible preferred stock	(1,241)	(1,410)	(1,410)	(1,409)	(1,410)	(1,409)
Net loss attributable to common stockholders	$ (5,089)	$ (5,909)	$ (5,905)	$ (6,068)	$ (5,825)	$ (6,867)
Net loss per share attributable Brightcove Inc.:						
Basic and diluted	$ (0.45)	$ (0.49)	$ (0.49)	$ (0.50)	$ (0.47)	$ (0.55)

(1) Stock-based compensation included in above line items:

Cost of subscription and support revenue	$ 7	$ 8	$ 5	$ 6	$ 10	$ 13
Cost of professional services revenue	20	29	23	27	24	35
Research and development	87	91	85	106	86	91
Sales and marketing	645	202	305	307	255	300
General and administrative	275	306	311	470	615	602

The following table sets forth our number of customers, the average monthly streams and our recurring dollar retention rate for the periods indicated:

	March 31, 2010	June 30, 2010	September 30, 2010	December 31, 2010	March 31, 2011	June 30, 2011
Customers (at period end) :						
Express	492	906	1,255	1,564	1,852	2,183
Premium	763	796	836	905	996	1,112
Total customers (at period end)	1,255	1,702	2,091	2,469	2,848	3,295
Average monthly year to date streams (in thousands)	399,900	412,000	436,200	475,450	697,200	706,900
Recurring dollar retention rate	89%	89%	87%	86%	94%	93%

Subscription and support revenue increased in absolute dollars in every quarter during 2010 and 2011, primarily resulting from an increase in customers for both our premium and Express editions and increased revenue from existing customers. There is no discernible seasonality to subscription and support revenue as the contractual term of our customer arrangements is generally one year, and fees for annual subscriptions and support are recognized ratably over the term of the arrangement. Professional services revenue will vary depending upon the timing and completion of implementation and other professional services projects.

Cost of subscription and support revenue decreased from the first quarter of 2010 to the second quarter of 2010 as we recorded $1.0 million of expenses related to sales tax in the first quarter of 2010. Starting in the third quarter of 2010, cost of subscription and support revenue increased in absolute dollars in every quarter along with subscription and support revenue. Cost of professional services revenue increased in absolute dollars during 2010 and 2011 due to an increase in headcount to support implementation and other professional services projects.

Research and development expense increased in absolute dollars during 2010 and 2011, with the exception of the second quarter to the third quarter of 2010, where research and development expense remained relatively unchanged. The increase in research and development expense is related to increased headcount to support the development of both our Video Cloud and App Cloud products.

Sales and marketing expense increased from the first quarter to the second quarter of 2010 and remained relatively unchanged thereafter for the remainder of 2010. During 2011, sales and marketing expense increased in absolute dollars in every quarter.

General and administrative expense remained relatively unchanged during the first three quarters of 2010 and then increased thereafter through the second quarter of 2011. The increase in general and administrative expense during the fourth quarter of 2010 relates to an increase in headcount as we continued to build our internal infrastructure in preparation for an initial public offering of our common stock.

Liquidity and Capital Resources

We have funded our operations since inception primarily with approximately $100 million of net proceeds from issuances of preferred and common stock and with borrowings of $7.0 million under two bank credit facilities.

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
			(in thousands)		
Consolidated Statements of Cash Flow Data					
Purchases of property and equipment	$ (1,439)	$(1,075)	$ (2,720)	$ (913)	$(2,133)
Depreciation and amortization	1,129	1,778	2,199	958	1,438
Cash flows from operating activities	(9,343)	151	(10,762)	(5,671)	(3,615)
Cash flows from investing activities	16,996	(1,903)	(3,432)	(1,209)	661
Cash flows from financing activities	4,863	240	11,932	11,848	7,110

Cash and cash equivalents.

Our cash and cash equivalents at June 30, 2011 were held for working capital purposes and were invested primarily in money market funds. We do not enter into investments for trading or speculative purposes. At December 31, 2008, 2009 and 2010 restricted cash was $412,000, $621,000 and $554,000, respectively, and was held in certificates of deposit as collateral for letters of credit related to the lease agreements for our corporate headquarters in Cambridge, Massachusetts and our offices in New York, New York and Seattle, Washington and a portion of the restricted cash balance is associated with the contractual provisions of our corporate credit card. As of June 30, 2011, the restricted cash balance was $276,000. The reduction in restricted cash was related to the letter of credit for our Cambridge, Massachusetts facility being transferred under one of our bank credit facilities. As such, the related certificate of deposit was no longer considered restricted.

Accounts receivable, net.

Our accounts receivable balance fluctuates from period to period, which affects our cash flow from operating activities. The fluctuations vary depending on the timing of our billing activity, cash collections, and changes to our allowance for doubtful accounts. In many instances we receive cash payment from a customer prior to the time we are able to recognize revenue on a transaction. We record these payments as deferred revenue, which has a positive effect on our accounts receivable balances. We use days' sales outstanding, or DSO, calculated on a quarterly basis, as a measurement of the quality and status of our receivables. We define DSO as (a) accounts receivable, net of allowance for doubtful accounts, divided by total revenue for the most recent quarter, multiplied by (b) the number of days in that quarter. DSO was 76 days at December 31, 2008, 68 days at December 31, 2009, 69 days at December 31, 2010 and 78 days at June 30, 2011.

Operating activities.

Cash used by operating activities consists primarily of net loss adjusted for certain non-cash items including depreciation and amortization, stock-based compensation expense, the provision for bad debts and the effect of changes in working capital and other activities. During the six months ended June 30, 2011, cash used in operating activities was $3.6 million and consisted of $9.7 million of net loss, which included non-cash expenses of $2.0 million for stock-based compensation expense and $1.4 million for depreciation and amortization expense. Sources of cash primarily included increases in deferred revenue, accrued expenses and accounts payable of $4.3 million, $2.3 million and $1.8 million, respectively. These inflows were offset in part by a $3.9 million increase in accounts receivable and a $1.7 million increase in prepaid expenses.

During the six months ended June 30, 2010, cash used in operating activities was $5.7 million and consisted of $8.6 million of net loss, which included non-cash expenses of $1.7 million of stock-based compensation expense and $958,000 of depreciation and amortization expense. Sources of cash primarily included an increase in accrued expenses of $1.9 million, primarily related to expenses for sales tax. This inflow was offset in part by increases in prepaid expenses and other current assets, accounts payable, and accounts receivable and other assets of $475,000, $466,000, $356,000, and $303,000, respectively.

Cash used by operating activities in 2010 was $10.8 million and consisted of a $17.8 million net loss, which included non-cash expenses of $2.2 million for depreciation and amortization expense and $3.3 million for stock-based compensation expense. Sources of cash from operating activities included a $2.4 million increase in accrued expenses, primarily related to sales tax, and a $1.5 million increase in deferred revenue. These sources of cash were offset in part by a $2.0 million increase in accounts receivable, primarily related to an increase in sales of our subscription and support services.

Cash generated by operating activities in 2009 was $151,000 and consisted of a $2.8 million net loss, which included non-cash expenses of $1.8 million for depreciation and amortization expense and $508,000 for stock-based compensation expense. Sources of cash from operating activities included a $2.1 million increase in accrued expenses, primarily related to an increase in employee-related accruals, and a $505,000 increase in accounts payable. These sources of cash were offset by a $1.0 million increase in accounts receivable and a $628,000 decrease in deferred revenue.

Cash used by operating activities in 2008 was $9.3 million and consisted of a $10.2 million net loss, which included non-cash expenses of $1.1 million for depreciation and amortization expense and $338,000 of stock-based compensation expense. Additionally, during 2008, we recorded a $1.0 million other-than-temporary impairment charge associated with a decline in the fair value of our ARS holdings due to the illiquidity of those securities at the time. Sources of cash from operating activities included a $2.2 million increase in deferred revenue offset by a $2.9 million increase in accounts receivable and an $854,000 decrease in accounts payable and accrued expenses.

Investing activities.

Cash provided by investing activities in the six months ended June 30, 2011 was $661,000, consisting primarily of $2.7 million of proceeds from the sale of investments offset by $2.1 million in capital expenditures for equipment to support the business.

Cash used in investing activities in the six months ended June 30, 2010 was $1.2 million, consisting primarily of capital expenditures for equipment to support the business in addition to costs relating to the development of internal-use software.

Cash used in investing activities in fiscal 2010 was $3.4 million, consisting primarily of capital expenditures of $2.7 million, primarily for equipment to support the business in addition to costs relating to the development of internal-use software, partially offset by lower restricted cash requirements.

Cash used in investing activities in fiscal 2009 was $1.9 million, consisting primarily of capital expenditures of $1.1 million, primarily for equipment to support the business in addition to costs relating to the development of internal-use software, and increased restricted cash due to higher collateral requirements in connection with additional lease commitments.

Cash provided by investing activities in 2008 was $17.0 million, consisting primarily of $20.0 million of proceeds from the sale of investments offset by $1.4 million in capital expenditures primarily related to equipment to support the business and $1.5 million of costs relating to the development of internal-use software.

Financing activities.

We raised approximately $11.8 million of net proceeds through sales of our series D convertible preferred stock in March 2010. All of the shares of preferred stock will convert into common stock upon completion of this offering. In addition, we received proceeds from the exercises of common stock options, net of the amount paid for the repurchase of common stock, in the amounts of $85,000 in 2008, $240,000 in 2009, $154,000 in 2010 and $110,000 during the six months ended June 30, 2011. We also received $4.8 million in 2008 from the minority shareholders for the purchase of 37% of the non-controlling interests in Brightcove KK.

Credit facility borrowings.

On March 30, 2011, we entered into a loan and security agreement with Silicon Valley Bank, or SVB, providing for an asset-based line of credit. Under such credit agreement, we can borrow up to the lesser of (i) $8.0 million or (ii) 80% of our eligible accounts receivable. We have a $2.4 million letter of credit outstanding under the credit agreement to secure the lease for our new corporate headquarters, which reduces the borrowing availability under the credit agreement. The amounts owed under the credit agreement are secured by substantially all of our assets, excluding our intellectual property. Outstanding amounts under the credit agreement accrue interest at a rate equal to the prime rate plus 1.5%. Amounts owed under the credit agreement are due on March 31, 2013, and interest and related finance charges are payable monthly. In June 2011, we borrowed $2.0 million under this line of credit.

On June 24, 2011, we amended our credit facility with SVB to provide us with the ability to borrow up to an additional $7.0 million in the form of a term loan. Outstanding amounts under the term loan accrue interest at a

rate equal to the prime rate plus 7%. We are required to pay only interest on the term loan for the first 12 months and then principal and interest thereafter over the next 36 months. There is a final payment due under the term loan of 2% of the original principal amount of such term loan. In June 2011, we borrowed $5.0 million under this credit facility.

The credit agreement contains no financial covenants; however, it contains certain non-financial covenants, including limitations on our ability to change the principal nature of our business, engage in any change of control transaction, incur additional indebtedness, pay dividends, make investments and engage in transactions with affiliates. Upon an event of default, SVB may declare the unpaid principal amount of all outstanding loans and interest accrued under the credit agreement to be immediately due and payable, and exercise its security interests and other rights under the credit agreement. As of June 30, 2011, we were in compliance with the covenants under our credit agreement.

We believe our existing cash and cash equivalents will be sufficient to meet our anticipated working capital and capital expenditures for at least the next 12 months. Our future working capital requirements will depend on many factors, including the rate of our revenue growth, our introduction of new products and enhancements, and our expansion of sales and marketing and product development activities. To the extent that our cash and cash equivalents, cash flow from operating activities, and net proceeds of this offering are insufficient to fund our future activities, we may need to raise additional funds through bank credit arrangements or public or private equity or debt financings. We also may need to raise additional funds in the event we determine in the future to acquire businesses, technologies and products that will complement our existing operations. In the event additional funding is required, we may not be able to obtain bank credit arrangements or equity or debt financing on terms acceptable to us or at all.

Net operating loss carryforwards.

As of December 31, 2010, we had federal and state net operating losses of approximately $56.7 million and $53.1 million, which are available to offset future taxable income, if any, through 2030. We had research and development tax credits of $1.2 million and $0.5 million which expire in various amounts through 2030. Our net operating loss and tax credit amounts are subject to annual limitations under Section 382 change of ownership rules of the U.S. Internal Revenue Code of 1986, as amended. We completed an assessment to determine whether there may have been a Section 382 ownership change and determined that it is more likely than not that our net operating and tax credit amounts as disclosed are not subject to any material Section 382 limitations.

In assessing our ability to utilize our net deferred tax assets, we considered whether it is more likely than not that some portion or all of our net deferred tax assets will not be realized. Based upon the level of our historical U.S. losses and future projections over the period in which the net deferred tax assets are deductible, at this time, we believe it is more likely than not that we will not realize the benefits of these deductible differences. Accordingly, we have provided a full valuation allowance against our net deferred tax assets as of December 31, 2009 and 2010.

Auction rate securities.

As of December 31, 2008, we held ARS totaling $4.0 million at par value. These ARS are debt instruments issued by the District of Columbia to finance construction of a facility, and have credit ratings of “A” or “Baa1” (or equivalent) from a recognized rating agency. Historically, the carrying value of ARS approximated fair value due to the frequent resetting of the interest rates. Beginning in February 2008, with the liquidity issues experienced in the global credit and capital markets, our ARS experienced multiple failed auctions. While we continued to earn and receive interest on these investments at the maximum contractual rate, the estimated fair value of these ARS no longer approximated par value.

We concluded that the fair value of these ARS at December 31, 2008 was $3.0 million, a decline of $1.0 million from par value. Fair value was determined using a DCF method that considered the following key inputs: (i) the underlying structure of each security; (ii) the present value of the future principal and interest payments discounted at rates considered to reflect current market conditions and the relevant risk associated with

each security; and (iii) consideration of the time horizon that the market value of each security could return to its cost. In making these assumptions, we considered relevant factors, including: the formula applicable to each security which defines the interest rate paid to investors in the event of a failed auction; forward projections of the interest rate benchmarks specified in such formulas; and the likely timing of principal repayments. Our estimate of the rate of return required by investors to own these securities also considered the current reduced liquidity for ARS. The decline in fair value was deemed other than temporary, and accordingly, we recorded an impairment charge of $1.0 million in the consolidated statement of operations for the year ended December 31, 2008.

During the year ended December 31, 2009, $75,000 of our ARS were called by the respective issuers at par value. As of December 31, 2009, we concluded that the fair value of these ARS increased by $62,000 and therefore, recorded the change in fair value of these securities from December 31, 2008 as an unrealized gain in accumulated other comprehensive income for the year ended December 31, 2009. Fair value was determined using a DCF method as discussed above.

During the year ended December 31, 2010, an additional $50,000 of our ARS were called by the respective issuers at par value. As these securities had previously been deemed impaired, and were ultimately settled at par value, we recorded other income of $16,000 to reflect the reversal of the portion of the other-than-temporary impairment associated with the securities that were settled. As of December 31, 2010, we concluded that the fair value of the remaining ARS decreased by $62,000 and therefore, recorded the change in fair value of these securities from December 31, 2009 as an unrealized loss in accumulated other comprehensive loss for the year ended December 31, 2010. Fair value was determined using a DCF method as discussed above.

We did not have any realized gains or losses from the sale of available-for-sale investments for the years ended December 31, 2008, 2009 and 2010.

During the six months ended June 30, 2011, we sold the remaining ARS for total proceeds of $2.7 million, and recorded a realized loss of $146,000 to other expense in the consolidated statement of operations for the six months ended June 30, 2011.

Contractual Obligations and Commitments

Our principal commitments consist of obligations under our outstanding debt facilities, leases for our office space, computer equipment, furniture and fixtures, and contractual commitments for hosting and other support services. The following table summarizes these contractual obligations at December 31, 2010:

	Payment Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 years
	(in thousands)				
Operating lease obligations	7,605	3,019	4,365	221	—
Less sublease arrangements	(258)	(170)	(88)	—	—
Outstanding purchase obligations	2,741	628	2,113	—	—
Total	$10,088	$ 3,477	$6,390	$221	$ —

On June 23, 2011, we entered into an arrangement to lease 82,184 square feet of additional office space over a 10-year period, with an estimated lease commencement date of April 1, 2012. The total lease commitment is $32.5 million and we have the option to renew the lease for two successive periods of five years each. In connection with the building lease, we entered into a letter of credit in the amount of $2.4 million, which is associated with both the new building lease and an existing building lease with the same landlord. The letter of credit reduces the borrowing availability under our line of credit.

Recently Issued Accounting Pronouncements

In May 2011, the FASB issued Accounting Standards Update, or ASU, No. 2011-04, *Fair Value Measurement (Topic 820)—Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards*

(IFRSs) (ASU No. 2011-04). The amendments in this update apply to all reporting entities that are required or permitted to measure or disclose the fair value of an asset, a liability, or an instrument classified in a reporting entity's stockholders' equity in the financial statements. ASU No. 2011-04 does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards within U.S. GAAP or IFRS. ASU No. 2011-04 changes the wording used to describe many requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. Additionally, ASU No. 2011-04 clarifies the FASB's intent about the application of existing fair value measurements. The amendments in this update are to be applied prospectively. For public entities, the amendments are effective during interim and annual periods beginning after December 15, 2011. Early application by public entities is not permitted. We do not expect the provisions of ASU No. 2011-04 to have a material effect on our financial position, results of operations or cash flows.

In June 2011, the FASB issued ASU No. 2011-05, *Comprehensive Income (Topic 220)—Presentation of Comprehensive Income*, which requires an entity to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of equity. The amendments in this update should be applied retrospectively. For public entities, the amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. For nonpublic entities, the amendments are effective for fiscal years ending after December 15, 2012, and interim and annual periods thereafter. Early adoption is permitted, because compliance with the amendments is already permitted. There will be no impact to our consolidated financial results as the amendments relate only to changes in financial statement presentation.

Off-Balance Sheet Arrangements

We do not have any special purpose entities or off-balance sheet arrangements.

Quantitative and Qualitative Disclosure About Market Risk

We have operations both within the United States and internationally, and we are exposed to market risks in the ordinary course of our business. These risks include primarily foreign exchange risks, interest rate and inflation.

Financial instruments

Financial instruments meeting fair value disclosure requirements consist of cash equivalents, accounts receivable and accounts payable. The fair value of these financial instruments approximates their carrying amount.

Foreign currency exchange risk

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the euro, British pound, Australian dollar and Japanese yen. Except for revenue transactions in Japan, we enter into transactions directly with substantially all of our foreign customers.

Percentage of revenues and expenses in foreign currency is as follows:

	Six Months Ended June 30,	
	2010	2011
Revenues generated in locations outside the United States	32%	34%
Revenues in currencies other than the United States dollar[1]	29%	29%
Expenses in currencies other than the United States dollar[1]	18%	19%

(1) Percentage of revenues and expenses denominated in foreign currency for the six months ended June 30, 2010 and 2011:

	Six Months Ended June 30, 2010	
	Revenues	Expenses
euros	11%	6%
British pound	13	5
Japanese yen	5	6
Other	—	1
Total	29%	18%

	Six Months Ended June 30, 2011	
	Revenues	Expenses
euros	10%	6%
British pound	11	5
Japanese yen	8	5
Other	—	3
Total	29%	19%

As of December 31, 2010 and June 30, 2011, we had $3.6 million and $4.7 million, respectively, of receivables denominated in currencies other than the U.S. dollar. We also maintain cash accounts denominated in currencies other than the local currency, which exposes us to foreign exchange rate movements.

In addition, although our foreign subsidiaries have intercompany accounts that are eliminated upon consolidation, these accounts expose us to foreign currency exchange rate fluctuations. Exchange rate fluctuations on short-term intercompany accounts are recorded in our consolidated statements of operations under "other income (expense), net", while exchange rate fluctuations on long-term intercompany accounts are recorded in our consolidated balance sheets under "accumulated other comprehensive income (loss)" in stockholders' equity, as they are considered part of our net investment and hence do not give rise to gains or losses.

Currently, our largest foreign currency exposures are the euro and British pound, primarily because our European operations have a higher proportion of our local currency denominated expenses. Relative to foreign currency exposures existing at December 31, 2010, a 10% unfavorable movement in foreign currency exchange rates would expose us to significant losses in earnings or cash flows or significantly diminish the fair value of our foreign currency financial instruments. For the year ended December 31, 2010, we estimated that a 10% unfavorable movement in foreign currency exchange rates would have decreased revenues by $1.3 million, decreased expenses by $1.2 million and decreased operating income by $133,000. For the six months ended June 30, 2011, we estimated that a 10% unfavorable movement in foreign currency exchange rates would have decreased revenues by $811,000, decreased expenses by $721,000 and decreased operating income by $90,000. The estimates used assume that all currencies move in the same direction at the same time and the ratio of non-U.S. dollar denominated revenue and expenses to U.S. dollar denominated revenue and expenses does not change from current levels. Since a portion of our revenue is deferred revenue that is recorded at different foreign currency exchange rates, the impact to revenue of a change in foreign currency exchange rates is recognized over time, and the impact to expenses is more immediate, as expenses are recognized at the current foreign currency exchange rate in effect at the time the expense is incurred. All of the potential changes noted above are based on sensitivity analyses performed on our financial results as of December 31, 2010 and June 30, 2011.

Interest rate risk

We had unrestricted cash and cash equivalents totaling $24.6 million at June 30, 2011. These amounts were invested primarily in money market funds and are held for working capital purposes. We do not use derivative financial instruments in our investment portfolio. We did not hold any short-term or long-term investments at June 30, 2011 and were not subject to significant interest rate risk.

We believe that our existing cash and cash equivalents will be sufficient to meet our anticipated working capital and capital expenditure needs over at least the next 12 months.

Inflation risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

BUSINESS

Overview

Brightcove is a leading global provider of cloud-based solutions for publishing and distributing professional digital media. Brightcove Video Cloud, or Video Cloud, our flagship product released in 2006, is the world's leading online video platform. As of June 30, 2011, we had 3,295 customers in over 50 countries, including many of the world's leading media, retail, technology and financial services companies, as well as governments, educational institutions and non-profit organizations. In 2011, our customers have used Brightcove Video Cloud to deliver an average of approximately 700 million video streams per month, which we believe is more video streams per month than any other professional solution.

Widespread and growing broadband adoption, rapid growth in online video viewership, the proliferation of new Internet-connected devices and the emergence of social media have radically changed the way in which people interact with and consume content online. Organizations now seek to manage growing libraries of content and media, create compelling branded user experiences and deliver those experiences across a wide range of Internet-connected devices such as PCs, smartphones, tablets and televisions. These processes can be complex, expensive and time-consuming.

Video Cloud enables our customers to publish and distribute video to Internet-connected devices quickly, easily and in a cost-effective and high-quality manner. Our innovative technology and intuitive user interface give customers control over a wide range of features and functionality needed to publish and deliver a compelling user experience, including content management, format conversion, video player styling, distributed caching, advertising insertion, content protection and distribution to diverse device types and multiple websites, including their own websites, partner websites and social media sites. Video Cloud also includes comprehensive analytics that allow customers to understand and refine their engagement with end users.

In May 2011, we announced the release of Brightcove App Cloud, or App Cloud, and expect its first commercial sale in the second half of 2011. App Cloud is a software application development and management platform designed to help customers publish and distribute video and other professional digital media through software applications across multiple Internet-connected devices. We refer to these applications as content apps. We believe App Cloud will serve the market for the development and management of content apps much like Video Cloud serves the market for publishing and distributing video content online.

We generate revenue by offering our products to customers on a subscription-based, software as a service, or SaaS, model. Our revenue grew from $24.5 million in the fiscal year ended December 31, 2008 to $43.7 million in the fiscal year ended December 31, 2010 and the number of customers using our products grew from 549 as of December 31, 2008 to 2,469 as of December 31, 2010. Our revenue was $20.3 million for the six months ended June 30, 2010, compared to $28.4 million for the six months ended June 30, 2011. To date, all of our revenue has been attributable to our Video Cloud product. Our consolidated net loss was $17.8 million in 2010 and $9.7 million for the six months ended June 30, 2011. We expect to continue to invest in the growth of our business and operations, and we expect to incur operating losses on an annual basis through at least the end of 2012.

Our Mission

Our mission is to publish and distribute the world's professional digital media. This has been our mission since our founding in 2004.

Our Market and Industry

Industry Trends

We believe there is a large and growing market opportunity for our on-demand software solutions. This market opportunity reflects several important trends:

- *Many consumers are now equipped with high-speed broadband connections.* Infonetics Research reported that there were 500 million fixed line broadband subscribers worldwide in 2010.(1) In the same report, Infonetics Research projected that the number of mobile broadband subscribers worldwide will grow from 558 million in 2010 to 2 billion by 2015.(2)
- *The cost of creating and producing professional video content has dropped dramatically.* HD video camera technology that once cost thousands of dollars is now a common feature in leading Apple iOS and Android smartphones. Prices for professional video editing systems have decreased by 70% to 80% in the past decade, according to a report by market research firm, Frost & Sullivan,(3) and video editing software is available for free to licensed users of Microsoft Windows and Apple OSX operating systems.
- *Video content consumption has become a mainstream online activity for consumers.* In 2011, Internet video is expected to represent 40% of all consumer Internet traffic worldwide and is forecasted to expand to 62% of all consumer Internet traffic by 2015 according to Cisco.(4) According to comScore, U.S. consumers viewed more than 5.6 billion online videos during May 2011, representing approximately 16 hours of online video viewing per viewer.(5)
- *Smartphones and tablets are rapidly becoming mainstream tools for consuming digital media.* Smartphone vendors were expected to ship more than 303 million smartphones in 2010 and are expected to ship more than 450 million units in 2011, according to market research firm, IDC.(6) Nearly 17 million tablet units shipped in 2010, and 44 million units and 71 million units are forecasted to be shipped in 2011 and 2012, respectively, according to IDC.(7) The current generation of smartphones and tablets are designed for high-speed Internet connectivity and digital media consumption. According to Cisco, video was estimated to account for over 49% of mobile data traffic in 2010 and is expected to grow to 66% by 2015.(8)
- *Increasingly, next-generation content experiences are being driven through new Internet-connected consumer electronics such as televisions, or Connected TVs, TV accessories and gaming consoles.* According to DisplaySearch, nearly 20% of all televisions shipped in 2010 featured Internet connection capabilities, and this number is expected to grow approximately 30% annually to reach 123 million units shipped by 2014.(9) We believe these emerging platforms will develop into distribution channels that enable online publishers to engage more directly with their audience.
- *The number of content apps is growing rapidly.* We believe that organizations are increasingly making content apps a core part of their content distribution strategy. The total number of apps is expected to

(1) Infonetics Research—Mobile broadband subscribers overtake fixed broadband, June 7, 2011
(2) Infonetics Research—Mobile broadband subscribers overtake fixed broadband, June 7, 2011
(3) Frost & Sullivan—World Video Nonlinear Editing Market N715-70
(4) Cisco Systems, Inc.—Cisco Visual Networking Index: Forecast and Methodology, 2010–2015
(5) comScore—comScore Releases May 2011 U.S. Online Video Rankings, June 17, 2011
(6) IDC—IDC Forecasts Worldwide Smartphone Market to Grow by Nearly 50% in 2011, March 29, 2011
(7) IDC—IDC's Worldwide Quarterly Media Tablet and eReader Makes Its Debut, Projects Nearly 17 Million Media Tablets Shipped Worldwide in 2010, January 18, 2011
(8) Cisco Systems, Inc.—Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2010–2015
(9) DisplaySearch—Connected TVs Forecast to Exceed 123M Units in 2014, April 25, 2011

grow rapidly in 2011, with 750,000 apps in the Apple iTunes App Store, doubling from 375,000 since 2010, and 550,000 apps in the Google Android Market, an increase of 400,000 apps over the 150,000 that were available in 2010, according to IDC.[10]

- *Social media destinations such as Facebook and Twitter are becoming important channels for discovering and distributing digital media.* In response to the rising reach and influence of social media destinations, organizations are increasingly bringing their content to popular social media platforms. There are now millions of Facebook pages, including over 2,800 Facebook pages with more than one million fans each as of July 2011. Similarly, an increasing number of organizations are actively sharing content through Twitter.

Expanding Challenges of Publishing and Distributing Professional Digital Content

Building and operating a solution to manage, publish and distribute professional digital content is hard and expensive. Organizations need to manage a multitude of tasks for disparate types of content and publish and distribute this content across multiple device types and through various distribution channels.

- The tasks include uploading, encoding, tagging with metadata, organizing libraries, scheduling content availability, customizing presentation of content to reflect an organization's brands, monetizing content and generating reports on the performance of content.
- The types of content include short-form, long-form, live, licensed and user-generated video content, each with different characteristics.
- The device types include PCs, smartphones, tablets, Connected TVs, game consoles and other Internet-connected devices, each of which receive, distribute and present content in different formats and configurations.
- The distribution channels include an organization's own websites, the websites of an organization's distribution partners, video-sharing sites and social media destinations.
- Larger organizations operate their digital content initiatives through multiple users, who may be located in distributed locations or teams.

Solving each of these challenges requires significant investments of time, resources and money. We believe the combination of the rapid development of the industry trends summarized above and each new technological innovation will further expand the complexity and cost of successfully managing, publishing and distributing digital content.

Existing Solutions are Inadequate

Video-sharing sites. Video-sharing sites, such as YouTube, do not meet many of the needs of content owners. These sites can serve as basic distribution channels for organizations, but have significant limitations. Video-sharing sites generally:

- keep some or all of the advertising revenue generated by their customer's content;
- aggregate content from multiple organizations on the same web page, which may result in presentation of content from competitors or content which otherwise detracts from an organization's brand;
- limit the presentation of long-form content and do not provide support for live broadcasts;
- do not enable digital rights management protections;
- do not offer automated or dynamic scheduling;
- disproportionately feature their own brand at the expense of the content owner's brand;

(10) IDC—IDC Predictions 2011: Welcome to the New Mainstream, December 2010

- do not offer service level agreements to their customers or provide customer support; and
- do not offer organizations a multi-user administrative environment.

In-house video solutions. Many professional content owners believe that video-sharing sites are insufficient as their only distribution channel because of the limitations described above. Some of these organizations instead develop their own in-house video solutions by integrating discrete technologies and custom software development. However, many of these organizations are discovering that in-house solutions have significant limitations. In-house solutions generally:

- lack technical functionality and are unable to scale as organizations grow or their video usage increases;
- are unable to manage and serve larger libraries of content stored across different systems within an organization; and
- are time-consuming and expensive to create.

In our experience, we have also found that organizations are unwilling or unable to make the sustained level of investment necessary to build and maintain a successful in-house solution. Additionally, we have found that organizations are unwilling or unable to address the growing diversity of technology and Internet-connected devices and the innovation required to keep pace with the evolving online world.

Market Opportunity

Publishing and distributing digital content in a high-quality manner is a critical strategy for many organizations worldwide. We believe there is a significant opportunity for a comprehensive SaaS solution designed to address the increasingly complex and expensive requirements of organizations seeking to publish professional digital media. Given the limitations of video-sharing sites and in-house solutions, we believe customers will increasingly adopt outsourced online video platforms. We estimate our total addressable market as follows: we separate the top 10 million websites into eight different tiers based on the number of unique visitors to those sites per month, we estimate the number of sites within each tier that we believe, based on our industry knowledge and experience, are candidates to outsource an online video platform, and we estimate the annual dollar spend of a potential customer within each tier based on our experience with our customers. We then apply third-party estimates of web traffic growth to forecast our total addressable market in future years. Using this methodology, we estimate our total addressable market for online video platforms to be approximately $2.3 billion in 2011, growing to approximately $5.8 billion in 2015.

Our Solution

Video Cloud provides our customers with the following key benefits:

- *Comprehensive, highly configurable and scalable solution*. Video Cloud includes all of the features and functionality necessary to publish and distribute video online to a broad range of Internet-connected devices in a high-quality manner. We provide organizations with control over uploading and encoding, content management, player styling, delivery, distribution, monetization, analytics and integration with third-party technologies. In addition, our multi-tenant architecture enables us to deliver our solution across our customer base with a single version of our software, making it easier to scale our solution as our customer and end user base expands.
- *Easy to use and low total cost of ownership*. We designed Video Cloud to be intuitive and easy-to-use, empowering anyone within an organization to publish and distribute video online. We provide a reliable, cost-effective, on-demand solution to our customers, relieving them of the cost, time and resources associated with in-house solutions and enabling them to be up and running within minutes of signing with us.

- *Open platform and extensive ecosystem*. Our open and extensible platform enables our customers to customize standard Video Cloud features and functionality and easily integrate third-party technology as necessary to meet their own specific requirements and business objectives. We have an extensive ecosystem of technology and solution partners, which we refer to as the Brightcove Alliance. More than 100 Brightcove Alliance members have built solutions that rely upon, or are already integrated with, our platform. This ecosystem includes large technology service providers such as Adobe and Google, many providers of niche technology services, creative agencies and digital development shops. These integrated technologies provide our customers with enhanced flexibility, functionality and ease of use.
- *Help customers grow their audience and generate revenue*. Our customers use our product to achieve key business objectives such as driving site traffic, increasing viewer engagement on their sites, increasing conversion rates for transactions, increasing brand awareness and expanding their audiences. We provide our customers with video advertising features such as tools for ad insertions and built-in ad server and network integrations, which help our customers generate advertising revenue from their audience. We believe our customers view us as a strategic partner in part because our business model is not dependent on building our own audience or generating our own advertising revenue. Our business interests align with our customers' interests as we each benefit from the success of our customers' online strategy.
- *Ongoing customer-driven development*. Through our account managers, customer support team, product managers and regular outreach from senior leadership, we solicit and capture feedback from our customer base for incorporation into ongoing enhancements to our platform. Since 2008, we have provided our customers with enhancements to our platform on average one to two times every month. Delivering cloud-based solutions allows us to serve additional customers with little incremental expense and to deploy innovations and best practices quickly and efficiently to our existing customers.

Our Business Strengths

We believe that the following business strengths differentiate us from our competitors and are key to our success:

- *We are the recognized online video platform market leader.* As of June 30, 2011, Video Cloud was used by 3,295 customers in over 50 countries. In 2011, our customers have used Video Cloud to deliver an average of approximately 700 million video streams per month, which we believe is more video streams per month than any other professional solution. In July 2011, our customers used Video Cloud to reach over 165 million unique viewers on over 85,000 websites. In its 2009 report on U.S. online video platforms, Forrester Research rated our product as the most comprehensive. Streaming Media awarded Brightcove a Readers' Choice Award for Best Premium Online Video Platform in both 2009 and 2010, and Frost & Sullivan awarded us the Global Market Share Leadership Award in Online Video Platforms in 2011.
- *We have a demonstrated track record of innovation and technology leadership*. We pioneered the commercialization of online video platforms beginning with our first customer deployment in 2006. We have consistently released new features and functionality that have added to and improved our core technology. For example, although we initially built Video Cloud with a focus on delivering video to PCs via Adobe Flash technology, with the emergence of smartphones, we quickly adapted our platform's capabilities to handle multi-device delivery using both Adobe Flash and HTML5 technologies. Also, in April 2011, we were issued a U.S. patent covering aspects of publishing and distributing digital media online. Our latest innovation is the development and introduction of App Cloud.
- *We have established a global presence*. We have established a global presence, beginning with our first non-U.S. customer in 2007, and continuing with the expansion of our operations into Europe, Japan

and Asia Pacific. We built our solutions to be localized into almost any language and currently offer 24/7 customer support worldwide. Today, we have employees in 9 countries. As of June 30, 2011, organizations throughout the world used Video Cloud to reach viewers in approximately 230 countries and territories. During the six months ended June 30, 2011, more than half of Video Cloud streams were delivered outside the United States.

- *We have high visibility and predictability in our business.* We sell our subscription and support services through monthly, quarterly or annual contracts and recognize revenue over the life of the committed term. The majority of our revenue comes from annual contracts. The predictable revenue recognition of our existing contracts provides us with visibility into revenue that has not yet been recognized. We have also achieved an overall recurring dollar retention rate of at least 86% in each of the last six fiscal quarters, including 94% and 93% for the three months ended March 31, 2011 and June 30, 2011, respectively. Our business model and customer loyalty provides greater levels of recurring revenues and predictability compared to traditional, perpetual-license business models.
- *We have customers of all sizes across multiple industries.* We offer different editions of Video Cloud tailored to meet the needs of organizations of various sizes, from large global enterprises to small and medium-sized businesses, across industries. Our Video Cloud offerings range from self-service, entry-level editions to enterprise-level editions used by multiple departments in a single organization.
- *Our management team has experience building and scaling successful software companies.* Our founders and senior leadership team have built innovative and successful software platform businesses. Our founders and senior leadership team have held senior product, business and technology roles at companies such as Adobe, Allaire, ATG, EMC, Lycos, Macromedia and Phase Forward.

Our Customers

As of June 30, 2011, we had 3,295 customers of all sizes in over 50 countries. We provide our solutions to many of the world's leading media, retail, technology and financial services companies, as well as governments, educational institutions and non-profit organizations. Our target markets are not confined to certain industries or geographies as we are focused on providing solutions that can benefit any organization with a website or digital content. We believe our business is not substantially dependent on any particular customer as no individual customer represented more than 4% of our revenue in 2008, 2009 or 2010, or in the six months ended June 30, 2011.

The following table sets forth a list of selected customers:

Media	Consumer / Retail	Technology
A&E Television Networks	Burberry	CareerBuilder
AOL	Hallmark Cards	Citrix
BBC Worldwide	Kohler	Cypress Semiconductor
Nikkei	Levi Strauss	Electronic Arts
Rainbow Media	LG Electronics	Epson
Sony Music Entertainment	Macy's	Intel
The Financial Times	Philips Electronics	Intuit
The New York Times Company	Reebok	Lenovo
The Weather Channel	Samsung	Oracle
Virgin Media	Sears	SanDisk

Financial Services	Government, Education and Non-Profits	Miscellaneous
Alliance Bernstein	AARP	Atlanta Falcons
A.M. Best	AFL-CIO	Bell Canada
Aon	Rhode Island School of Design	Carnival Cruise Lines
Bank of America	Tate Museum	Dentsu
Chubb Group	The Humane Society	General Motors
Eaton Vance	The U.S. Army	Genzyme
John Hancock Life Insurance	The U.S. Department of State	Honda
Putnam Investments	UN Development Programme	IDG
Société Générale	University of Massachusetts	Rakuten
TheStreet.com	Wharton Executive Education	World Wrestling Entertainment

Case Studies

By using Video Cloud, many Brightcove customers benefit from a significantly lower total cost of ownership for their video initiatives and from growth in the strength of their brands. Many of our customers also derive additional types of business value from Video Cloud that aligns with their specific business objectives. The case studies below illustrate additional business value our customers have achieved by using Video Cloud:

A premium cable television network more than doubled page views for its video content in the first two months after launching Video Cloud. One of the leading cable programmers implemented Video Cloud on its website to promote its content and create a new revenue stream through advertising. Using Video Cloud, the network also syndicated its Brightcove players to cable affiliates and websites without having to build custom applications. In the two months following its launch of Video Cloud, page views for its video content more than doubled, helping the network achieve its advertising objectives.

One of the largest makers of security software for computers increased conversion rates and decreased average cost-per-lead by implementing Video Cloud. This customer re-branded and re-launched a popular online video campaign on Video Cloud in 2010 and generated more than 10,000 video views in its first few months online. Our customer also reported that using video significantly decreased the company's average cost-per-lead.

An international retailer increased conversions and reduced customer returns by adopting Video Cloud. In 2010, an international retailer relied upon Video Cloud to integrate video into its online shopping experience. Our customer reports that visitors who watch video purchase 25% more inventory and stay twice as long on the company's website. This retailer also reports that having video content available on its website has helped reduce customer support calls and product returns by encouraging more informed purchasing decisions.

A leading media and marketing solutions organization reported significant growth in viewer engagement and time spent on its websites with Video Cloud. This customer owns hundreds of newspaper and broadcast properties, including one of the largest U.S. newspapers. The organization relies on Video Cloud to power ad-supported online video initiatives, share content across its vast network of media properties, and empower reporters in the field to shoot, edit and upload video for distribution. Since launching its video initiatives with Video Cloud, the customer has reported significant growth in online viewer engagement across its newspaper and television websites, including substantial increases in visitor time on its websites.

Although these case studies demonstrate Video Cloud's ability to help larger organizations, we have many smaller customers who derive many of the same benefits from Video Cloud.

A small manufacturer of specialty machinery increased its video views and website traffic. As a manufacturer and direct seller of specialty woodworking machinery, our customer relies on online product demonstrations to educate potential buyers and inform decision-making. Video Cloud enables the customer to maintain a large volume of product-focused video segments within the e-commerce shopping experience, which has helped it grow its market presence. Since implementing Video Cloud, the customer has steadily increased its video views and website traffic supporting growth across its e-commerce business.

Growth Strategy

Key elements of our growth strategy are:

- *Acquire new customers.* We believe that every organization with a website or digital content is a potential customer. We believe this market is underserved, and we intend to make significant investments across all areas of our business, including sales, marketing, lead-generation and product development to capitalize on this opportunity.
- *Expand our relationships with existing customers.* As our offerings become increasingly integral to our customers' success, we believe we have the following opportunities to grow our business:
  - *Increase Usage.* We will continue to invest in product development designed to increase website traffic and video viewership for our customers, including by improving the discoverability of our customers' video content through search engines and increasing the number and type of devices and formats to which they can deliver video. We also share with our customers industry best practices and how to implement these practices using Video Cloud.
  - *Expand Deployments with Existing Customers*. We believe a substantial opportunity exists to sell our premium level editions to our growing base of entry-level customers, which include separate divisions of large enterprises. This base has grown to over 2,000 customers since the initial launch of our entry-level edition in November 2009. We have also migrated new customers from single-project and departmental deployments to multi-department deployments by building on the satisfaction and benefits that our customers experience using our platform.
  - *Sell Additional Functionality*. We intend to sell additional functionality and features to our existing customers as their needs become more complex. We intend to expand our offers of heightened customer support and various product modules through internal development, technology partnerships or through technology acquisitions.
- *Continue to innovate*. We plan to continue innovating and bringing to market new solutions and new features on existing solutions. We believe App Cloud is a prime example of this strategy and represents a significant opportunity for growth, both through our existing Video Cloud customers and through new customers that may not focus on video publishing. As the market for online video consumption and content app usage continues to expand, this also represents a substantial opportunity to expand our customers' use of our service.

- *Increase our global market penetration.* We intend to expand our presence in targeted geographies by growing our direct sales force and international sales channels. We began our operations in the United States, have established a substantial presence in Europe, Japan, and the Asia Pacific region and continue to expand globally. We also seek to enter new international markets by establishing distribution partnerships to drive sales. We believe our existing international markets and new markets each represent significant opportunities for growth.
- *Continue to build our brand and drive category awareness.* Since our company was founded, we have invested significantly in building our brand and defining the category for our solutions. With the emergence of content apps, we plan to continue investing in marketing and promotion to enhance our brand and increase awareness of the online video and content app platform categories.
- *Pursue strategic acquisitions.* We plan to pursue acquisitions that complement our existing business, represent a strong strategic fit and are consistent with our overall growth strategy. We may also target future acquisitions to expand or add functionality and capabilities to our existing products.

Our Products and Services

Brightcove Video Cloud

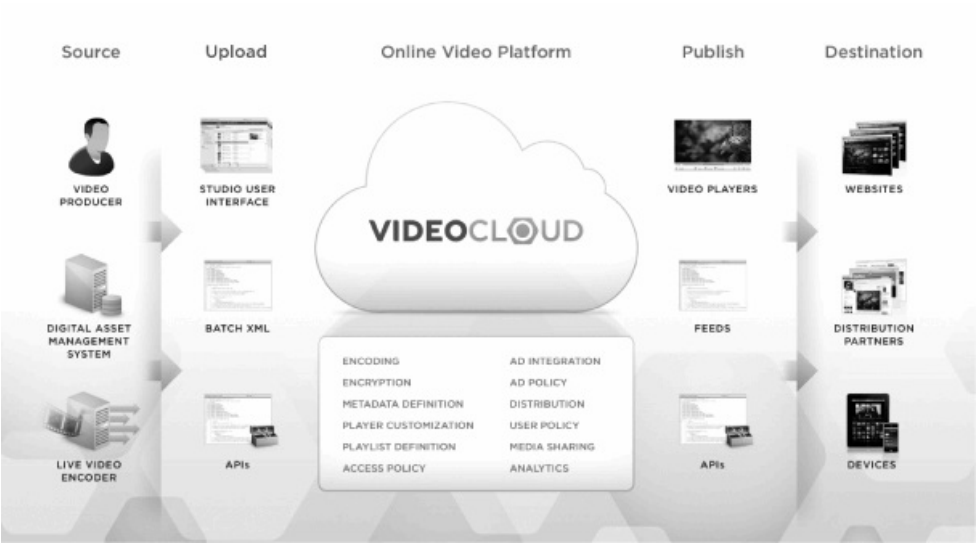
Principal Features and Functionality

- *Uploading and Encoding*. Using Video Cloud, customers may upload single videos, video libraries and related metadata with tools that align with their workflow. We accept video source files in many formats and encode them using adaptive video encoding technology to maximize quality and minimize file size. After videos are uploaded and encoded, we automatically enable the content to be delivered to end users across multiple devices via the delivery services of a third-party content delivery network, or CDN, such as Akamai or Limelight Networks.
- *Content Management*. Whether a customer has a few short video clips or thousands of full-length episodes, Video Cloud makes it easy to organize a media library. Videos can be grouped together with drag-and-drop controls for manual video playlists or smart playlists that automatically organize content. Customers can set rules for geographic access and schedules to define where and when their videos can be viewed.
- *Video Players*. Video Cloud allows for point-and-click styling and configuration of video players that can reflect the brand or design of the customer with tools for customizing colors and graphics. Our video players also include a set of standard features such as full-screen playback, sharing through social media and localized player controls. Developers can also take advantage of a set of tools to create completely custom video player experiences. Online publishers may enable smart player technology that includes device detection that can instruct the video player to render using Adobe Flash or HTML5 in an effort to optimize the experience for the end user.
- *Multi-platform video experiences*. We have built Video Cloud to support numerous operating systems, formats and devices. In addition to web-based experiences, Video Cloud provides publishing and delivery services for cross-platform devices including smartphones and Connected TVs. Our solution includes automated device detection for mobile web experiences that leverage HTML5 technology to allow video experiences to be delivered to devices that do not support Adobe Flash technology. Brightcove's Universal Delivery Service manages multiple renditions of the same video encoded in different forms with optimized delivery protocols for different target formats. This can include Adobe Flash Media Server delivery, progressive download via HTTP or Apple HTTP Live Streaming to iOS devices.
- *Live Video Streaming*. In addition to on-demand video distribution, Video Cloud includes support for live video broadcasts. This is managed in a form that provides consistency with on-demand delivery,

allowing video playlists or video players to include a mix of on-demand and live video assets. Video Cloud accepts multiple streams at different quality levels and delivers the rendition that attempts to best match each viewer's available bandwidth, processor utilization and player size.

- *Distribution and Syndication*. Video Cloud supports a blended distribution strategy across the Internet, allowing customers to distribute videos on their own website, partner websites or video-sharing sites such as YouTube. These tools help content owners to drive site traffic, increase brand awareness and expand their audience. Video Cloud also simplifies content sharing with distribution partners by supporting deep integrations with videos and metadata into their websites. Using our open application programming interfaces, developers can build custom feeds to make content accessible to external sites and applications.
- *Social Media*. Customers can expand their audience by leveraging the social network of their viewers. Through integrated Video Cloud capabilities, users can share videos through Facebook, Twitter and other social media destinations. For example, Brightcove works with Facebook to support embedded playback in the Facebook news feed.
- *Advertising and Monetization*. Video Cloud can help customers grow and monetize their audience. Our platform provides video advertising features with tools for ad insertions and built-in ad server and network integrations. Marketers can increase conversion and drive brand engagement with tools to support synchronized in-player advertising with embedded link functionality and overlays for persistent branding. Video Cloud supports established video ad formats, and accommodates pre-, mid- and post-roll ads with tools to easily define insertion points. For more customized implementations, our advertising software development kits offer more detailed control.
- *Analytics*. Video Cloud's integrated video analytics present information to optimize and support customers' online video publishing and distribution strategy. Reports include audience metrics such as unique viewers and geographic distribution of views. Technology profile reports share details about operating systems and devices. Engagement analytics include viewed minutes and drop-off rates for video viewership. Online publishers can also choose to integrate web analytics solutions such as Adobe Omniture or Google Analytics into their video experiences. They can also leverage a set of application program interfaces that can provide customized insight into user and content behavior.

The following diagram illustrates Video Cloud's principle features and functionality:



Editions

Video Cloud is offered to customers on a subscription-based SaaS model in different editions that include varying levels of functionality, usage entitlements and support. Our customers pay us a monthly, quarterly or annual subscription fee for access to Video Cloud. This model allows our customers to scale their level of investment and usage based on the size and complexity of their needs. We currently offer Video Cloud in the following editions:

- *Video Cloud Express*. Express is an entry-level edition of Video Cloud designed for small and medium-sized businesses or larger organizations looking to manage smaller projects. Customers may initiate a trial and license Express entirely online using a credit card. Most of our Express customers are on month-to-month subscriptions. The Express edition includes functionality for basic professional online video publishing but excludes advanced customization and integration capabilities and is not eligible for advanced add-on services. The Express edition limits the volume of video that can be published and the viewership capacity for the content, but customers have the option of purchasing additional capacity.
- *Video Cloud Pro*. Pro is a premium edition of Video Cloud designed with functionality needed to customize a customer's online video experience, advanced monetization features and more capacity for content libraries and viewership. Most of our Pro customers sign up for annual or longer subscriptions. These customers also have access to a broader range of add-on services as well as access to Brightcove Alliance member products and services.
- *Video Cloud Enterprise*. Enterprise is a premium edition of Video Cloud designed with all of the most advanced features of Video Cloud, including certain capabilities necessary for large organizations running many web properties, advanced security features and advanced reporting services. Most of our Enterprise customers sign up for annual or longer subscriptions. Enterprise also includes significantly more capacity for larger content libraries.

Account Management

A crucial component of our sales strategy is our account management organization. This organization is focused on ongoing customer success and engagement, as well as renewals of all of our customer contracts.

Professional Services

While Video Cloud is easy for customers to use and deploy without any additional specialized services, we offer a range of professional services for customers who seek customization or assistance with their implementations. These professional services are priced on a per project basis and include projects such as content migrations from other vendors or in-house solutions, video player enhancements and the creation of web pages optimized for video.

Support

All Video Cloud editions receive free basic online support for technical and operational issues. Our Pro and Enterprise editions include telephone support during normal business hours. We also offer 24/7 global telephone support to customers paying for premium support packages.

Training

We offer free basic online training to all registered users of Video Cloud. We also offer customized, onsite training for customers that is priced on a per engagement basis.

Brightcove App Cloud

App Cloud is designed to help organizations cost-effectively develop, deploy and manage content apps on smartphones, tablets and other Internet-connected devices.

- *Development*. App Cloud makes it possible for web development teams to create Apple iOS and Google Android apps using open standard technologies and processes instead of learning new platform-specific skills and processes. App Cloud also provides tools that streamline the process of testing apps.
- *Deployment*. App Cloud can generate Apple iOS and Google Android apps in the cloud instead of requiring specialized desktop tools. App Cloud also allows developers to make modifications to apps after they have already been deployed in the Apple iTunes App Store or the Google Android app store and installed by end users.
- *Management & Operations.* App Cloud enables customers to continuously feed installed apps with device-optimized content from web content management systems, online video platforms such as Video Cloud, image hosting platforms, and other content repositories. App Cloud also enables advertising directly within an app through third party ad systems and provides analytics that help app creators measure and improve the success of their apps and their content.

App Cloud is currently undergoing private beta testing and the first commercial sale is expected in the second half of 2011. We plan to offer App Cloud commercially on an annual subscription basis. We also plan to offer a free version of App Cloud that developers and prospective customers can use to develop and test apps and then upgrade to the commercial version in order to deploy the apps into a live environment.

Sales and Marketing

We sell our products primarily through our global direct sales organization. Our sales team is organized by the following geographic regions: North America, Europe, Japan, and Asia Pacific. We further organize our sales force into teams focused on selling to specific customer groups, based on the size of our prospective customers, such as small, medium-sized and enterprise, as well as vertical industry, to provide a higher level of service and understanding of our customers' specific needs. A small but growing amount of sales are also generated through referral partners, channel partners and resellers.

We generate customer leads, accelerate sales opportunities and build brand awareness through our marketing programs. Our marketing programs target executives, technology professionals and senior business leaders. Like our sales teams, our marketing team and programs are organized by geography, organization size and industry segment. Our principal marketing programs include:

- public relations and social media;
- online event marketing activities, direct email, search engine marketing and display advertising and blogs;
- field marketing events for customers and prospects;
- participation in, and sponsorship of, user conferences, trade shows and industry events;
- use of our website to provide product and organization information, as well as learning opportunities for potential customers;
- cooperative marketing efforts with partners, including joint press announcements, joint trade show activities, channel marketing campaigns and joint seminars;
- telemarketing and lead generation representatives who respond to incoming leads to convert them into new sales opportunities; and
- customer programs, including user meetings and our online customer community.

Operations

We operate two data center facilities in the greater Boston area, one data center facility in the greater Chicago area and also use third-party cloud computing platforms. Media delivery to the end user, including video, audio, images, JavaScript or Adobe Flash components, are served primarily through Brightcove's CDN partners. We operate our own servers for systems that manage meta-data, business rules and archival storage of media assets. We take advantage of geographically dispersed third-party cloud computing capacity to improve the responsiveness of our service and lower network latency for our customers.

Intellectual Property

We rely principally on a combination of trademark, patent, copyright and trade secret laws in the United States and other jurisdictions, as well as confidentiality procedures and contractual provisions to protect our proprietary technology, confidential information, business strategies and brands. We also believe that factors such as the technological and creative skills of our employees and personnel coupled with the creation of new features, functionality and products are essential to establishing and maintaining a technology leadership position. We enter into confidentiality and invention assignment agreements with our employees and consultants and confidentiality agreements with other third parties, and we rigorously control access to our proprietary technology.

We have one issued patent and four patent applications pending in the United States. Our issued patent expires in 2029 and covers aspects of publishing and distributing digital media online. We currently have patent applications pending in Europe, Hong Kong and Japan and we may seek coverage in additional jurisdictions to the extent we determine such coverage is appropriate and cost-effective.

Our registered trademarks in the United States include "BRIGHTCOVE", "BRIGHTCOVE.COM" and our logo. These trademarks are also registered in certain non-U.S. jurisdictions, including the European Union. We may apply for registrations for these and other marks in additional jurisdictions to the extent we determine such coverage is appropriate and cost-effective.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy or obtain and use our technology to develop products with the same functionality as our solutions. Policing unauthorized use of our technology is difficult and expensive. Our competitors could also independently develop technologies equivalent to ours, and our intellectual property rights may not be broad enough for us to prevent competitors from selling products incorporating those technologies.

Competition

We compete with video-sharing sites such as YouTube, in-house solutions and other online video platforms. Some of our actual and potential competitors may enjoy competitive advantages over us, such as larger marketing budgets, as well as greater financial, technical and other resources. The overall market for cloud-based solutions for publishing and distributing professional digital media is fragmented, rapidly evolving and highly competitive.

We expect that the competitive landscape will change as our market consolidates and matures. We believe the principal competitive factors in our industry include the following:

- total cost of ownership;
- breadth and depth of product functionality;
- ability to innovate and respond to customer needs rapidly;
- level of resources and investment in sales, marketing, product and technology;

- ease of deployment and use of solutions;
- level of integration into existing workflows, configurability, scalability and reliability;
- customer service;
- brand awareness and reputation;
- ability to integrate with third-party applications and technologies;
- size and scale of provider; and
- size of customer base and level of user adoption.

The mix of factors relevant in any given situation varies with regard to each prospective customer. We believe we compete favorably with respect to all of these factors.

Some of our competitors have made or may make acquisitions or enter into partnerships or other strategic relationships to offer a more comprehensive service than we do. These combinations may make it more difficult for us to compete effectively, including on the basis of price, sales and marketing programs, technology or service functionality. We expect these trends to continue as organizations attempt to strengthen or maintain their market positions.

Employees

As of June 30, 2011, we had 288 employees, of which 25 provided customer support services, 28 provided professional services, 91 were in research and development, 106 were in sales and marketing and 38 were in general administrative positions. Of these employees, 236 were located in the United States and 52 were located outside of the United States. None of our employees is represented by a labor union or covered by a collective bargaining agreement. We consider our relationship with our employees to be good.

Facilities

Our corporate headquarters are located in Cambridge, Massachusetts. We occupy 33,621 square feet pursuant to a lease that terminates April 1, 2012. We have a lease in place for over 80,000 square feet at our new corporate headquarters in Boston, Massachusetts starting April 1, 2012. We also lease office space in Seattle, Washington; New York, New York; London, England; Paris, France; Barcelona, Spain; Tokyo, Japan; Sydney, Australia; Seoul, South Korea; and Singapore. We believe our facilities are adequate for our current needs.

Legal

We are parties to various legal matters and claims arising in the ordinary course of business. We do not expect that the final resolution of any of these matters will have a material adverse impact on our financial statements.

MANAGEMENT

Executive Officers and Directors

The following table sets forth certain information about our executive officers and directors, including their respective ages and positions, as of August 1, 2011:

Name	Age	Position
Jeremy Allaire	40	Chief Executive Officer and Chairman
David Mendels	45	President and Chief Operating Officer, Director
Christopher Menard	37	Chief Financial Officer
Andrew Feinberg	46	Chief Legal Officer
Edward Godin	48	Chief People Officer
Deborah Besemer	57	Director
James Breyer	50	Director
Scott Kurnit	57	Director
Elizabeth Nelson	50	Director
David Orfao	52	Director

(1) Member of the compensation committee
(2) Member of the audit committee
(3) Member of the nominating and corporate governance committee

Jeremy Allaire has served as our Chief Executive Officer and Chairman since he co-founded Brightcove in 2004. Prior to founding Brightcove, Mr. Allaire served as a technologist and entrepreneur-in-residence for venture capital firm General Catalyst Partners from March 2003 to August 2004. Before joining General Catalyst, Mr. Allaire was Chief Technology Officer of Macromedia, Inc., a software company, from January 2001 to February 2003. Mr. Allaire joined Macromedia in January 2001 in connection with its merger with Allaire Corporation, a software company, where Mr. Allaire was a co-founder and Chief Technology Officer. Mr. Allaire holds a B.A. in philosophy and political science from Macalester College. Mr. Allaire was selected to serve on our board of directors due to the perspective and experience he brings as our Chief Executive Officer and his extensive background in the Internet and software industries.

David Mendels has served as our President and Chief Operating Officer since 2010 and has served as one of our directors since 2009. Prior to joining Brightcove, Mr. Mendels served as Senior Vice President and General Manager at Adobe Systems Incorporated, a software company, from December 2005 to August 2008. Mr. Mendels had no full time employment between leaving Adobe in 2008 and joining our board in 2009. He joined Adobe when it acquired Macromedia, where he was a member of the executive team and Executive Vice President and General Manager. Mr. Mendels joined Macromedia in 1992 and served in many roles, including leading Japan sales and establishing Macromedia K.K. in the 1990s, leading Worldwide Marketing, and as General Manager of Macromedia's web publishing business unit. Mr. Mendels holds a B.A. in East Asian Studies from Wesleyan University and an M.A. in Japanese from the University of California at Berkeley. Mr. Mendels was selected to serve on our board of directors due to his extensive background in the Internet and software industries.

Christopher Menard has served as our Chief Financial Officer since 2010. Prior to joining Brightcove, Mr. Menard was at Phase Forward Incorporated, a provider of enterprise software and services for clinical trials and drug safety, where he served as Chief Financial Officer from April 2009 to October 2010 and as Vice President of Finance from October 2006 to April 2009. Mr. Menard received an M.B.A. from Boston College and a B.S. in business administration from Babson College.

Andrew Feinberg has served as our Chief Legal Officer since 2005. Prior to joining Brightcove, Mr. Feinberg was at Lycos, a search engine provider, from 1999 to 2005, serving as Vice President and General Counsel from 2001 to 2005. Before joining Lycos, Mr. Feinberg was an attorney with Choate, Hall & Stewart, LLP in Boston, Massachusetts from 1997 to 1999 and with Shearman & Sterling LLP in New York, New York from 1991 to 1997. Before joining Shearman & Sterling, Mr. Feinberg served as a Law Clerk to United States District Judge T.F. Gilroy Daly in the District of Connecticut. Mr. Feinberg received his J.D. from Cornell Law School, where he was an Editor of the Cornell Law Review, and his B.A. from Tufts University.

Edward Godin has served as our Chief People Officer since May 2007. Prior to joining Brightcove, Mr. Godin was a founding Principal of MentisNetwork LLC, a strategic human resources consulting firm, from June 2002 to May 2007. Before MentisNetwork, Mr. Godin was Executive Vice President, Human Resources for Razorfish, Inc., an interactive marketing and technology company, from June 1998 to June 2002. Mr. Godin holds a B.A. from the College of the Holy Cross.

Deborah Besemer has served as one of our directors since 2008. Ms. Besemer currently serves on the board of Gemvara Inc., an e-commerce designer jewelry company. From May 2009 until March 2010, Ms. Besemer held the position of CEO of Gemvara Inc. From 1999 to 2006, Ms. Besemer served as President and CEO of BrassRing, a provider of talent management solutions. Ms. Besemer had no full time employment between leaving BrassRing in 2006 and joining Gemvara in 2009. From December 1997 to July 1998, Ms. Besemer held the position of President of Systemsoft Corporation, a software company, and from June 1986 to November 1997 she was at Lotus Development Corporation, a software company, most recently as Executive Vice-President of Worldwide Field Operations. She has served on the board of Double-Take Software, Inc., a provider of information availability software, and several private software companies, including My Perfect Gig, a human resources software company, Bullhorn, a recruiting software company, Kubisoft, Inc., a collaborative software company, Systemsoft Corporation and Eprise Corporation, a talent management solutions company. She is a former Chairperson of the Massachusetts Software Council (now known as the Massachusetts Technology Leadership Council) and served on their Board of Trustees for nine years. Ms. Besemer holds a B.A. in French from Cedar Crest College and an M.B.A. from Rutgers University. Ms. Besemer was selected to serve on our board of directors due to her extensive experience in leadership and sales positions in online service companies.

James Breyer has served as one of our directors since 2004. Mr. Breyer has been a partner of Accel Partners, a venture capital firm and one of our stockholders, since 1987. Mr. Breyer has served on the boards of Wal-Mart Stores, Inc., a worldwide operator of retail stores, since 2001 and is currently the lead independent director, Dell Inc., a worldwide merchant of technology products and services, since 2009 and is currently the chairman of the Finance Committee, and Prosper Marketplace Inc., a peer-to-peer lending platform, since 2005. Mr. Breyer served on the board of Marvel Entertainment, Inc., a character-based entertainment company, from 2006 to 2009. He also serves on the boards of numerous privately-held companies including Facebook, Inc., a worldwide social network. Mr. Breyer is a member of the Board of Associates of the Harvard Business School and is Chairman of the Stanford Engineering Venture Fund. Mr. Breyer holds a B.S. from Stanford University and an M.B.A. from Harvard University, where he was named a Baker Scholar. Mr. Breyer was selected to serve as a director on our board of directors due to his extensive background in the venture capital industry, his experience providing guidance and counsel to a wide variety of Internet and technology companies, and his service on the boards of directors of a range of public and private companies.

Scott Kurnit has served as one of our directors since 2005. Mr. Kurnit founded AdKeeper, Inc., an online advertising company, in 2010 and is currently its Chairman and Chief Executive Officer. Prior to founding AdKeeper, Mr. Kurnit founded and served as Chairman and Chief Executive Officer of About, Inc., an online resource company. Mr. Kurnit serves on the boards of AdKeeper, an online advertising services company, Appssavvy, a social media advertising company, OpenSky, a social network of shoppers, SendMe Mobile, a provider of games and content for mobile phones, and The Paley Center for Media, an organization dedicated to advancing the understanding of media. He is an advisor to About, Inc., BlackArrow, Inc., an advertising technology company, Mashery, Inc., a provider of API management services, and SmartBrief, a media company.

Mr. Kurnit holds a B.A. in sociology and communications from Hampshire College. Mr. Kurnit was selected to serve as a director on our board of directors due to his extensive background and leadership positions with Internet, media and technology companies.

Elizabeth Nelson has served as one of our directors since 2010. Ms. Nelson currently serves on the boards of Ancestry.com, an online family history website, SuccessFactors, Inc., a human resources software company, and Yodlee, Inc., an online banking solution provider. From 1996 to 2005, Ms. Nelson served as the Executive Vice President and Chief Financial Officer at Macromedia, Inc., where she also served as a director from January 2005 to December 2005. Prior to joining Macromedia, Ms. Nelson held various roles in finance and corporate development at Hewlett-Packard Company, an information technology company. Ms. Nelson served as a director of Autodesk Inc., a design software company, from 2007 to 2010, and of CNET Networks, Inc., an Internet media company, from 2003 to 2008. Ms. Nelson holds an M.B.A. in Finance with distinction from the Wharton School at the University of Pennsylvania and a B.S. from Georgetown University. Ms. Nelson was selected to serve as a director on our board of directors due to her financial and accounting expertise from her prior extensive experience in finance roles with both public and private corporations. Ms. Nelson qualifies as an "audit committee financial expert" under SEC guidelines. In addition, her current service on other public company boards of directors provides us with important perspectives on corporate governance matters.

David Orfao has served as one of our directors since 2004. Mr. Orfao co-founded General Catalyst Partners, one of our stockholders, in 2000 and currently is a Managing Director. Prior to joining General Catalyst, Mr. Orfao was the President, Chief Executive Officer and director of Allaire Corporation from 1997 to 2000. Currently, Mr. Orfao serves on the boards of Tudou Holdings Ltd., an internet video destination site in China, as well as numerous privately-held companies. Mr. Orfao holds a B.A. in Business and Accounting from Norwich University. Mr. Orfao was selected to serve as a director on our board of directors due to his experience providing guidance and counsel to a wide variety of Internet and technology companies, and his service on the boards of directors of a range of public and private companies.

Composition of our Board of Directors

Our board of directors currently consists of seven members, all of whom were elected pursuant to the board composition provisions of our voting agreement, which is described under "Certain Relationships and Related Party Transactions—Voting Agreement" in this prospectus. These board composition provisions will terminate immediately prior to the closing of this offering. Upon the termination of these provisions, there will be no further contractual obligations regarding the election of our directors. Our nominating and corporate governance committee and board of directors may therefore consider a broad range of factors relating to the qualifications and background of nominees, which may include diversity and is not limited to race, gender or national origin. We have no formal policy regarding board diversity. Our nominating and corporate governance committee's and board of directors' goal in selecting board members is to identify people who will further the interests of our stockholders through his or her established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, and professional and personal experiences and expertise relevant to our growth strategy.

Director Independence. Our board of directors has determined that all members of the board of directors, except Messrs. Allaire and Mendels, are independent, as determined in accordance with the rules of the NASDAQ Stock Market and the SEC. Upon the closing of this offering, we expect that the composition and functioning of our board of directors and each of our committees will comply with all applicable requirements of the NASDAQ Stock Market, the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC. There are no family relationships among any of our directors or executive officers.

Staggered Board. Immediately after the closing of this offering, our board of directors will be divided into three staggered classes of directors of the same or nearly the same number and each director will be assigned to one of the three classes. At each annual meeting of the stockholders, a class of directors will be elected for a

three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at the annual meeting of stockholders to be held during the years 2012 for Class I directors, 2013 for Class II directors and 2014 for Class III directors.

- Our Class I directors will be ;
- Our Class II directors will be ; and
- Our Class III directors will be .

Our amended and restated certificate of incorporation and amended and restated bylaws, which will be effective upon the completion of this offering, provide that the number of our directors shall be fixed from time to time by a resolution of the majority of our board of directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class shall consist of one third of the board of directors.

The division of our board of directors into three classes with staggered three-year terms may delay or prevent stockholder efforts to effect a change of our management or a change in control.

Board Committees

Our board of directors has established an audit committee, a compensation committee and a nominating and governance committee, each of which operates pursuant to a separate charter adopted by our board of directors. We believe that the composition and functioning of all of our committees will comply with all applicable requirements of the Sarbanes-Oxley Act of 2002, the NASDAQ Stock Market and SEC rules and regulations. Each committee has the composition and responsibilities described below.

Audit Committee. currently serve on the audit committee, which is chaired by . Our board of directors has determined that each member of the audit committee is "independent" for audit committee purposes as that term is defined under Rule 10A-3 of the Securities Exchange Act of 1934, as amended, and the applicable NASDAQ Stock Market rules. Each member of the audit committee will meet the requirements for financial literacy under the applicable rules and regulations of the SEC and NASDAQ Stock Market. Our board of directors has designated as an "audit committee financial expert," as defined under the applicable rules of the SEC. The audit committee's responsibilities include:

- appointing, approving the compensation of, and assessing the independence of our independent registered public accounting firm;
- approving auditing and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;
- reviewing the internal audit plan with the independent registered public accounting firm and members of management responsible for preparing our financial statements;
- reviewing and discussing with management and the independent registered public accounting firm our annual and quarterly financial statements and related disclosures as well as our critical accounting policies and practices;
- reviewing the adequacy of our internal control over financial reporting;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending, based upon the audit committee's review and discussions with management and the independent registered public accounting firm, whether our audited financial statements shall be included in our Annual Report on Form 10-K;

- monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;
- preparing the audit committee report required by SEC rules to be included in our annual proxy statement;
- reviewing all related party transactions for potential conflicts of interest and approving all such transactions; and
- reviewing quarterly earnings releases and scripts.

Compensation Committee. currently serve on the compensation committee, which is chaired by . Our board of directors has determined that each member of the compensation committee is "independent" as that term is defined in the applicable SEC and NASDAQ Stock Market rules. The compensation committee's responsibilities include:

- annually reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer;
- evaluating the performance of our Chief Executive Officer in light of such corporate goals and objectives and determining the compensation of our Chief Executive Officer;
- reviewing and approving the compensation of our other executive officers;
- reviewing and establishing our overall management compensation philosophy and policy;
- overseeing and administering our compensation and similar plans;
- reviewing and approving our policies and procedures for the grant of equity-based awards;
- reviewing and making recommendations to the board of directors with respect to director compensation;
- reviewing and discussing with management the compensation discussion and analysis to be included in our annual proxy statement or Annual Report on Form 10-K; and
- reviewing and discussing with the board of directors corporate succession plans for our Chief Executive Officer and other key officers.

Nominating and Corporate Governance Committee. currently serve on the nominating and corporate governance committee, which is chaired by . Our board of directors has determined that each member of the nominating and corporate governance committee is "independent" as that term is defined in the applicable SEC and NASDAQ Stock Market rules. The nominating and corporate governance committee's responsibilities include:

- developing and recommending to the board of directors criteria for board and committee membership;
- establishing procedures for identifying and evaluating board of director candidates, including nominees recommended by stockholders;
- identifying individuals qualified to become members of the board of directors;
- recommending to the board of directors the persons to be nominated for election as directors and for election to each of the board's committees;
- developing and recommending to the board of directors a set of corporate governance guidelines; and
- overseeing the evaluation of the board of directors and management.

Our board of directors may from time to time establish other committees.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee has at any time during the prior three years been one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Corporate Governance

We have adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. Upon the closing of this offering, our code of business conduct and ethics will be available on our website. We intend to disclose any amendments to the code, or any waivers of its requirements, on our website.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This section explains how our executive compensation programs are designed and operate with respect to our named executive officers listed in the Summary Compensation Table below. Our named executive officers in 2010 were Jeremy Allaire, Chairman and Chief Executive Officer; David Mendels, President and Chief Operating Officer; Christopher Menard, Chief Financial Officer, who joined us in October 2010; Andrew Feinberg, Chief Legal Officer; Edward Godin, Chief People Officer; and Ann Marie Strong, Vice President, Finance, who served as our principal financial officer in 2010 until Mr. Menard joined our company.

Executive Summary

Our compensation strategy is designed to attract and retain high-caliber executive officers and employees, and communicate and align employee contributions with our objectives and stockholder interests. We intend to provide a competitive total compensation package and will share our success with our named executive officers, as well as our other employees, when our objectives are met.

Compensation for our named executive officers consists of the elements identified in the following table.

Compensation Element	Objective
Base salary	To attract and retain employees and to recognize ongoing performance of job responsibilities.
Annual performance-based cash compensation	To re-emphasize corporate objectives and provide additional reward opportunities for our named executive officers (and employees generally) when key business objectives are met.
Long-term equity incentive compensation	To reward increases in stockholder value and to emphasize and reinforce our focus on team success.
Severance and change in control benefits	To provide income protection in the event of involuntary loss of employment and to focus named executive officers on stockholder interests when considering strategic alternatives.
Retirement savings (401(k)) plan	To provide retirement savings in a tax-efficient manner.
Health and welfare benefits	To provide a basic level of protection from health, dental, life and disability risks.

Each of the elements of our executive compensation program is discussed in more detail below. Our compensation elements are designed to be flexible, to complement each other and to serve the compensation objectives described above. We have not adopted any formal or informal policies or guidelines for allocating compensation between fixed and variable compensation, cash and equity incentive awards, or short-term and long-term compensation. Our mix of compensation elements is designed to reward recent results and motivate long-term performance through a combination of short-term cash and long-term equity incentive awards.

Determining Executive Compensation

Historically, Mr. Allaire, our Chairman and Chief Executive Officer, has reviewed the performance of each named executive officer other than himself, and based on this review and the factors described below, made the final determination with regard to the total compensation package for our named executive officers other than himself. Any adjustments to named executive officers' compensation levels were based primarily on the experience of the members of our board of directors in our industry and their review of private company

compensation surveys, the individual's performance and internal pay equity considerations. Prior to this offering, we had not formally benchmarked compensation (either on an aggregate or element-by-element basis) to specific levels relative to peer companies or external market compensation data.

In connection with this offering, our board of directors engaged Pearl Meyer & Partners, LLC, or Pearl Meyer, a compensation consultant, to help evaluate the total compensation packages for our named executive officers. As part of this engagement, Pearl Meyer analyzed compensation data relating to the following 18 publicly-traded U.S.-based software companies:

Autobytel	Envestnet	MediaMind
BroadSoft	Innodata Isogen	Motricity
Convio	Keynote Systems	Responsys
Cornerstone OnDemand	Local.com	SPS Commerce
EasyLink Services International	LogMeIn	Support.com
Ellie Mae	LoopNet	TechTarget

Certain of these companies were determined to be appropriate peer companies based on the size of their businesses. Certain of these companies were selected for executive compensation analysis purposes because they had recently completed initial public offerings. These companies are also representative of the types of companies with which we compete for executive talent. We may replace some or all of these companies with others from time to time as changes in market positions and company size, including our own, may suggest more representative peer group companies.

Mr. Allaire made recommendations to the board of directors for new compensation packages for our named executive officers in August 2011, and the board of directors made the final determination with regard to the new compensation packages for these named executive officers. Our board of directors based its decision on Pearl Meyer's review of compensation practices at the companies listed above and the experience of the members of our board of directors within our industry. We entered into new employment agreements with each of our named executive officers which include the terms of their new compensation packages, as described in more detail below under "—Elements of Compensation," and "—Employment Agreements; Potential Payments upon Termination or Change in Control".

Following consummation of this offering, we anticipate that Mr. Allaire will review the performance of each named executive officer other than himself, and based on this review and the factors described above, will make recommendations to the compensation committee with respect to each named executive officer's total compensation package. We expect the compensation committee to then make the final determination with regard to the total compensation package for our named executive officers, including Mr. Allaire.

Elements of Compensation

Base Salaries

Prior to 2011, base salaries for our named executive officers were established initially through arm's-length negotiations at the time the individual was hired, taking into account private company compensation surveys and internal pay equity considerations, as well as the individual's qualifications and experience. Base salaries of our named executive officers were reviewed by our Chief Executive Officer, Mr. Allaire, and our Chief People Officer, Mr. Godin, and approved annually by our board of directors during the first quarter of each year. Adjustments to base salaries were based on an individual's performance, as well as private company compensation surveys and internal pay equity considerations. In making decisions regarding salary adjustments, we also draw upon the experience that members of our board of directors have within our industry. We do not assign a specific weight to any single factor in making decisions regarding base salary adjustments. As a result of a review of the foregoing factors, in 2010 the base salary of Mr. Godin was increased by $10,000. No other named executive officers received an increase in base salary in 2010, primarily due to economic conditions.

For 2011, our board of directors sought to set base salaries for our named executive officers at levels that are generally at or near the median levels of our peer group. In 2011, the board of directors approved base salary increases for each of our named executive officers, other than Ms. Strong, to make their salaries more competitive with those of similarly situated executives in our peer group. These increases were also based on the individual's overall performance and the growth of our company. The compensation committee determined that Mr. Allaire's base salary for 2010 was significantly further below the median level of the peer group than the base salaries for our other named executive officers and, therefore, the board of directors increased Mr. Allaire's base salary in 2011 by a greater amount.

The following table sets forth the base salary for our named executive officers for fiscal 2010 and 2011:

Named Executive Officer	2010 Base Salary	2011 Base Salary	% Change
Jeremy Allaire	$225,000	$300,000	33%
David Mendels	$225,000	$250,000	11%
Christopher Menard	$230,000	$240,000	4%
Andrew Feinberg	$200,000	$225,000	13%
Edward Godin	$200,000	$215,000	8%
Ann Marie Strong	$190,000	$190,000	—

Annual Performance-Based Cash Compensation

The named executive officers, as well as other executives and employees, participate in our annual Performance Incentive Program, which provides an opportunity to earn a cash bonus upon achievement of performance objectives approved by our board of directors. In addition, Mr. Feinberg, as well as certain other executives and employees, participates in our Sales Incentive Program, which provides an opportunity to earn a cash bonus upon achievement of sales objectives approved by management. These programs were established to further align individual goals with corporate and department goals and to increase focus on executing key business deliverables.

Target Bonuses. As with base salaries, prior to 2011, the target annual incentive compensation opportunities for our named executive officers were established initially through arm's-length negotiations at the time the individual was hired, taking into account private company compensation surveys and internal pay equity considerations, as well as the individual's qualifications and experience. Adjustments to annual incentive compensation targets were based on an individual's performance, as well as private company compensation surveys and internal pay equity considerations. Along with base salaries, annual incentive compensation targets are reviewed and approved annually by the board of directors. In making decisions regarding adjustments to annual incentive compensation targets, we also draw upon the experience that members of our board of directors have within our industry. We do not assign a specific weight to any single factor in making decisions regarding adjustments to annual incentive compensation targets.

In 2010, Mr. Menard received a signing bonus of $25,000 in connection with his commencement of employment with our company. Mr. Menard negotiated this bonus with our Chief Executive Officer and our board of directors at the time of his hiring.

For 2011, our board of directors sought to set annual incentive compensation targets for our named executive officers at levels that are generally at or near the median levels of our peer group. In 2011, the board of directors approved annual incentive compensation target increases for each of our named executive officers, other than Ms. Strong, to make their cash incentive compensation more competitive with those of similarly situated executives in our peer group. These increases were also based on the individual's overall performance and the growth of our company. The compensation committee determined that Messrs. Allaire's, Feinberg's and Godin's annual incentive targets for 2010 were significantly further below the median level of the peer group than the targets for our other named executive officers and, therefore, the board of directors increased Messrs. Allaire's, Feinberg's and Godin's annual incentive compensation targets in 2011 by a greater amount.

The following table sets forth the annual incentive compensation targets for our named executive officers under our Performance Incentive Program for fiscal 2010 and 2011:

Named Executive Officer	2010 Target Bonus	2011 Target Bonus	% Change
Jeremy Allaire	$ 75,000	$135,000	80%
David Mendels	$ 75,000	$ 87,500	17%
Christopher Menard	$ 75,000	$ 84,000	12%
Andrew Feinberg	$ 50,000	$ 78,750	58%
Edward Godin	$ 50,000	$ 75,250	51%
Ann Marie Strong	$ 47,500	$ 47,500	—

The following table sets forth the annual incentive compensation target for Mr. Feinberg under the Sales Incentive Program for fiscal 2010 and 2011:

Named Executive Officer	2010 Target Bonus	2011 Target Bonus	% Change
Andrew Feinberg	$ 55,000	$ 55,000	—

Bonus Determinations—Performance Incentive Program. Under the Performance Incentive Program, each year (generally during the first quarter) the board of directors establishes company-wide financial performance objectives, which serve as the basis for determining the eligibility for and amount of bonuses to be paid under the program. For 2010, the board of directors used our revenue and cash burn for the performance objectives. We define cash burn as the absolute value of net decrease in cash, cash equivalents and long term investments. The board of directors determines the goals for each of these objectives in consultation with management and taking into account our performance for the immediately preceding year. The board of directors establishes goals it believes are necessary to provide a competitive overall compensation package in light of each named executive officer's base salary and to motivate our executives to achieve an aggressive level of growth. Our 2010 revenue goal was $47.1 million, compared with $43.7 million in actual revenue for the fiscal year ended December 31, 2010. Our 2010 cash burn goal was $(12.7) million, compared with $(14.0) million in actual cash burn for the fiscal year ended December 31, 2010.

The above-referenced performance objectives should not be interpreted as a prediction of how we will perform in future periods. As described above, the purpose of these objectives was to establish a method for determining the payment of performance-based cash compensation. You are cautioned not to rely on these performance goals as a prediction of our future performance.

After the end of each year, the board of directors reviews our actual achievement against the performance objectives and determines the amount of bonuses to be paid under the program as a whole. We must achieve at least 90% of the goal for each objective for bonuses to be paid under the program. Performance at the 90% level with respect to each objective would result in bonus payouts to the named executive officers at 100% of the named executive officers' individual target bonus opportunity.

In 2010, bonuses were assessed and paid out in two tranches, with 35% of the full-year target bonus assessed and paid out for the first half of the year and 65% of the full-year target bonus assessed and paid out for the full-year. For the first half of 2010, we achieved 98% of the goal for revenue and 96% of the goal for cash burn. As such, and given the individual contributions of each of our named executive officers, the board of directors awarded the named executive officers the full 35% of their respective full-year target bonuses. For the full year in 2010, we achieved 93% of the goal for revenue and 89% of the goal for cash burn. Accordingly, no performance bonuses were earned for the full year under the terms of the Performance Incentive Program. However, our board of directors took into account various factors, including retention and motivation of our executive officers, our strong overall performance in 2010 and the individual contributions of each of our named executive officers, in exercising its discretion to award each of our named executive officers approximately half of the remaining 65% of their respective full-year target bonuses.

Bonus Determinations—Sales Incentive Program. Under the Sales Incentive Program for 2010, each quarter management established sales objectives for individuals, by region, which served as the basis for determining the amount of bonuses to be paid to the individual under the program. The sales objectives took into account our performance for the immediately preceding quarter and the corresponding quarter for the immediately preceding year. The sales objectives for 2010 each represented a significant increase over our actual performance in 2009. After the end of each quarter, management reviewed an individual's performance with respect to their individual sales objectives and determined the amount of the bonus to be paid under the program to the individual.

For 2010, the quarterly sales performance bonuses for Mr. Feinberg were based predominantly on new customer bookings and sales to existing customers. The execution of multi-year customer contracts and professional services bookings were the remaining factors in the determination of his sales performance bonuses. For 2010, Mr. Feinberg's territory in which such objectives were measured was comprised of Japan and the Asia Pacific region. Mr. Feinberg's annual incentive compensation target of $55,000 in 2010 consisted of quarterly targets of $13,750. In 2010, Mr. Feinberg earned $16,907 of incentive compensation for the first quarter, $12,117 for the second quarter, $10,847 for the third quarter and $12,507 for the fourth quarter, resulting in annual incentive compensation of $52,378. New customer bookings translate into incentive compensation by comparing the quarterly bookings goal set by management for the region against the dollar amount in bookings actually achieved. Sales to existing customers translate into incentive compensation by comparing the percentage goal for monthly recurring revenue set by management for the region against the percentage actually achieved. Such resulting percentages are then multiplied by the quarterly sales performance bonus target to determine the amount of bonus earned in such quarter. Certain factors may decrease the amount of bonus earned, such as non-standard contract terms, and certain other factors may increase the amount of bonus earned, such as large single bookings of over $1 million.

Mr. Feinberg's new customer bookings goal increased each quarter of 2010; however, since the bookings growth metric is highly sensitive data, we do not disclose the specific performance goal for this metric because we believe that such disclosure would result in serious competitive harm. We set the goals for bookings at a high level because we are a growth-oriented company and rely on bookings to help drive our growth. Additionally, the value associated with customers at the time of booking is an estimate of the revenue we expect to receive from new customers which, in turn, is based on an estimate of what the customer's total collections will be using our services. Since the number is an estimate based on an estimate, it is inherently volatile and cannot be used to predict actual revenue.

Please refer to the "Summary Compensation Table For Year Ended December 31, 2010" for the actual amounts paid to each of our named executive officers pursuant to our annual Performance Incentive Program and Sales Incentive Program for 2010.

Long-Term Equity Incentive Compensation

Our named executive officers are eligible to receive long-term equity-based incentive awards, which are intended to align the interests of our named executive officers with the interests of our stockholders and to emphasize and reinforce our focus on team success. Historically, our long-term equity-based incentive compensation awards have been made in the form of stock options and restricted stock subject to vesting based on continued employment. We believe that stock options and restricted stock are effective tools for meeting our compensation goal of increasing long-term stockholder value by tying the value of the stock options and restricted stock to our future performance. Because employees are able to profit from stock options and restricted stock only if our stock price increases relative to the stock option's exercise price or restricted stock's purchase price, we believe stock options and restricted stock provide meaningful incentives to employees to achieve increases in the value of our stock over time.

All stock option and restricted stock awards are approved by the board of directors. In determining the size of a stock option grant or restricted stock award, the board of directors takes into account individual performance (generally consisting of financial performance for the year as well as a subjective, qualitative review of each

named executive officer's contribution to the success of the business), internal pay equity considerations and the value of existing long-term incentive awards. Each named executive officer received an initial grant of stock options and/or restricted stock in connection with the commencement of his or her employment. Our named executive officers and other employees are also eligible to receive additional grants or awards from time to time. We do not have a set program for the award of these additional grants or awards, and our board of directors retains discretion to make stock option or restricted stock awards to employees at any time.

Stock option and restricted stock awards to our named executive officers typically vest over four years, with 25% vesting on the first anniversary of the vesting start date, which is a date fixed by our board of directors when making equity awards, and the remainder vesting in 36 equal monthly installments thereafter. We believe this vesting schedule encourages long-term employment with our company, while allowing our executives to realize compensation in line with the value they have created for our stockholders.

In January 2010, Mr. Mendels was granted an option to purchase 812,721 shares at an exercise price equal to the then-current fair market value of $0.66 per share, and awarded 406,361 shares of restricted stock at a purchase price equal to the then-current fair market value of $0.66 per share. These equity awards each vest over three years, with 25% vesting on the first anniversary of the vesting start date, which is a date fixed by our board of directors when making equity awards, and the remainder vesting in 24 equal monthly installments thereafter. In May 2010, Mr. Mendels was granted an option to purchase 182,862 shares at an exercise price equal to the then-current fair market value of $3.58 per share, to vest in full if we met the financial objectives set forth in our operating plan for 2010. Since these objectives were not met during the prescribed term, the option did not vest and was terminated in accordance with its terms. These three equity awards were granted in connection with his appointment as our President and Chief Operating Officer and were the result of a negotiation between Mr. Mendels, our Chief Executive Officer and our board of directors.

Severance and Change in Control Benefits

Pursuant to employment agreements entered into with each of our named executive officers in August 2011, upon a change in control of our company, each executive's then-outstanding stock options and restricted stock awards will fully vest.

If an executive's employment is terminated by us without cause or if the executive resigns for good reason prior to a change in control of the company, the executive is eligible for severance benefits in 12 equal monthly installments consisting of an amount equal to the sum of one times the executive's base salary and one times the executive's target bonus, plus an amount equal to 12 months of COBRA coverage. In such case, the vesting of each executive's then-outstanding stock options and restricted stock awards shall also accelerate by 25%. The severance benefits described in this paragraph are contingent upon the executive agreeing to a general release of claims in favor of us following termination of employment.

If an executive's employment is terminated by us without cause or if the executive resigns for good reason following a change in control of our company, the executive is eligible for severance benefits in a lump sum consisting of an amount equal to the sum of one times the executive's base salary and one times the executive's target bonus, plus an amount equal to 12 months of COBRA coverage. If such termination occurs more than 12 months after a change in control of our company, such severance benefits will be provided in 12 equal monthly installments. The severance benefits described in this paragraph are contingent upon the executive agreeing to a general release of claims in favor of us following termination of employment.

The employment agreements entered into with each of our named executive officers in August 2011, as described above, contain a different set of provisions regarding severance and change in control benefits than were applicable prior to our initial public offering; however, those provisions will no longer be operative after this offering.

We provide these benefits to promote retention and ease the consequences to the executive of an unexpected termination of employment. These arrangements are also intended to preserve morale and productivity in the face of the potentially disruptive impact of a change in control. These benefits also allow our named executive officers to focus on the value of strategic alternatives to stockholders without concern for the impact on their own continued employment, as each of their offices is at heightened risk of turnover in the event of a change in control.

Please refer to the discussion below under "—Employment Agreements; Potential Payments upon Termination or Change in Control" for a more detailed discussion of our severance and change in control benefits.

Employee Benefits

Our named executive officers are eligible for the same benefits available to our employees generally. These include participation in a tax-qualified 401(k) plan and group health, dental, life and disability insurance plans. The type and extent of benefits offered are intended to be competitive within our industry.

Other Compensation Practices and Policies

Perquisites and Personal Benefits. As noted above, our named executive officers are eligible to participate in the same benefits as those offered to all full-time employees. We do not have any programs for providing material personal benefits or executive perquisites to our named executive officers.

Stock Ownership Guidelines. There are currently no equity ownership requirements or guidelines that any of our named executive officers or other employees must meet or maintain.

Policy Regarding the Timing of Equity Awards. As a privately owned company, there has been no market for our common stock. Accordingly, in 2010, we had no program, plan or practice pertaining to the timing of stock option or restricted stock awards to executive officers coinciding with the release of material non-public information. We do not, as of yet, have any plans to implement such a program, plan or practice after becoming a public company.

Tax Deductibility. Our board of directors has considered the potential future effects of Section 162(m) of the Internal Revenue Code, or the Code, on the compensation paid to our named executive officers. Section 162(m) places a limit of $1 million on the amount of compensation that a publicly-held corporation may deduct in any one year with respect to its chief executive officer and each of the next three most highly compensated executive officers (other than its chief financial officer). In general, certain performance-based compensation approved by stockholders is not subject to this deduction limit. As we are not currently publicly-traded, our board of directors has not previously taken the deductibility limit imposed by Section 162(m) into consideration in making compensation decisions. We expect that following this offering, the compensation committee of our board of directors will adopt a policy that, where reasonably practicable, we will seek to qualify the variable compensation paid to our named executive officers for an exemption from the deductibility limitations of Section 162(m). However, we may authorize compensation payments that do not comply with the exemptions in Section 162(m) when we believe that such payments are appropriate to attract and retain executive talent.

Accounting for Stock-Based Compensation. We follow Financial Accounting Standard Board, or FASB, Accounting Standards Codification Topic, or ASC, 718, *Compensation—Stock Compensation*, for our stock-based compensation awards to employees. FASB ASC Topic 718 requires companies to measure the compensation expense for all share-based payment awards made to employees and directors, including stock options and restricted stock awards, based on the grant date "fair value" of these awards. This calculation is performed for accounting purposes and reported in the compensation tables below, even though our executive officers may never realize any value from their awards. FASB ASC Topic 718 also requires companies to recognize the compensation cost of their stock-based compensation awards in their statements of operations over the period that an executive officer is required to render service in exchange for the option or other award. After the completion of this offering, our compensation committee may consider the impact of FASB ASC Topic 718 when making equity-based awards.

Compensation Risk Assessment

When determining our compensation policies and practices, our board of directors considers various matters relevant to the development of a reasonable and prudent compensation program, including whether the policies and practices are reasonably likely to have a material adverse effect on our company. We believe that the mix and design of our executive compensation plans and policies do not encourage management to assume excessive risks and are not reasonably likely to have a material adverse effect on our company for the following reasons: we offer an appropriate balance of short and long-term incentives and fixed and variable amounts; our variable compensation is based on a balanced mix of criteria; and our board of directors and compensation committee have the authority to adjust variable compensation as appropriate.

Tabular Disclosure Regarding Executive Compensation

The following tables provide information regarding the compensation awarded to or earned during our fiscal year ended December 31, 2010 by our chief executive officer, chief financial officer and the three other most highly compensated executive officers (collectively referred to herein as the named executive officers).

Summary Compensation Table For Year Ended December 31, 2010

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Jeremy Allaire *Chairman and Chief Executive Officer*	2010	225,000	50,250	—	—	—	142,776(2)	418,026
David Mendels *President and Chief Operating Officer*	2010	225,000	50,250	1,186,574	2,896,614	—	—	4,358,438
Christopher Menard *Chief Financial Officer*	2010	53,224(3)	25,000(4)	—	—	—	—	78,224
Andrew Feinberg *Chief Legal Officer*	2010	200,000	33,500	—	—	52,378(5)	—	285,878
Edward Godin *Chief People Officer*	2010	196,250(6)	33,500	—	—	—	—	229,750
Ann Marie Strong *Vice President, Finance; former Principal Financial Officer*(7)	2010	190,000	31,825	—	—	—	—	221,825

(1) The valuation of stock and option awards is based on the grant date fair value computed in accordance with FASB ASC Topic 718. The assumptions used to calculate the value of stock and option awards are set forth in the section entitled "Summary of Significant Accounting Policies" under Note 2 to our consolidated financial statements for the year ended December 31, 2010 included elsewhere in this prospectus.

(2) This amount consists of the proceeds received by Mr. Allaire from a private sale of shares of our common stock that exceeded the estimated fair value of the common stock at the time of the transaction. For more information, see "Certain Relationships and Related Party Transactions."

(3) Mr. Menard joined us as our Chief Financial Officer in October 2010 and received a prorated base salary based on an annual base salary of $230,000.

(4) Mr. Menard received a signing bonus of $25,000 in connection with his commencement of employment with us.
(5) Cash bonus was paid pursuant to our Sales Incentive Program for 2010, as described in "Annual Performance-Based Cash Compensation" above. For more information, see "Grants of Plan-Based Awards—2010" below.
(6) Mr. Godin's base salary was increased from $190,000 to $200,000 in May 2010.
(7) Ms. Strong served as our principal financial officer until October 2010.

Grants of Plan-Based Awards—2010

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All other Stock Awards: Number of Shares of Stock or units (#)	All other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards[1]
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)				
Jeremy Allaire	—	—	—	—	—	—	—	—	—	—	—
David Mendels	1/26/2010	—	—	—	—	—	—	406,361	—	0.66	1,186,574
	1/26/2010	—	—	—	—	—	—	—	812,721	0.66	2,538,697
	5/14/2010	—	—	—	—	182,862	—	—	—	3.58	357,917
Christopher Menard	—	—	—	—	—	—	—	—	—	—	—
Andrew Feinberg	—	—	55,000[2]	—	—	—	—	—	—	—	—
Edward Godin	—	—	—	—	—	—	—	—	—	—	—
Ann Marie Strong	—	—	—	—	—	—	—	—	—	—	—

(1) The valuation of stock and option awards is based on the grant date fair value computed in accordance with FASB ASC Topic 718. The assumptions used to calculate the value of stock and option awards are set forth in the section entitled "Summary of Significant Accounting Policies" under Note 2 to our consolidated financial statements for the year ended December 31, 2010 included elsewhere in this prospectus.
(2) Amount represents the potential performance-based incentive cash payment Mr. Feinberg could earn pursuant to the Sales Incentive Program for 2010, as described in "Annual Performance-Based Cash Compensation" above. The actual amounts earned for 2010 are set forth in the "Non-Equity Incentive Plan Compensation" column in the Summary Compensation Table above.

Outstanding Equity Awards at Fiscal Year-End 2010

	Option Awards[1]						Stock Awards	
Name	Vesting Start Date[2]	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Jeremy Allaire	8/24/2008	636,315	454,522	—	0.37	4/15/2018	—	—
David Mendels	10/23/2008	137,720[3]	52,973	—	0.48	2/12/2019	—	—
	10/1/2009	18,750[4]	—	—	0.66	12/15/2019	—	—
	1/1/2010	—	812,721[5]	—	0.66	1/26/2020	—	—
	1/1/2010	—	—	—	—	—	406,361[6]	[7]
	—	—	—	182,862[8]	3.58	5/14/2020	—	—
Christopher Menard[9]	—	—	—	—	—	—	—	—
Andrew Feinberg	9/15/2007	81,249	18,751	—	0.31	11/12/2017	—	—
	7/31/2008	151,040	98,960	—	0.37	7/31/2018	—	—
Edward Godin	5/14/2007	223,955	26,045	—	0.31	11/12/2017	—	—
	7/31/2008	45,312	29,688	—	0.37	7/31/2018	—	—
	5/8/2009	39,583	60,417	—	0.48	5/8/2019	—	—
Ann Marie Strong	5/13/2009	39,583	60,417	—	0.48	8/4/2019	—	—
	12/16/2009	25,000	75,000	—	0.66	12/15/2019	—	—

(1) Unless otherwise indicated, these stock options were granted on the date ten years prior to the expiration date and vest over four years, with 25% vesting on the first anniversary of the vesting start date and the remainder vesting in 36 equal monthly installments thereafter.
(2) The vesting start date is a date fixed by our board of directors when making equity awards.
(3) This stock option vests over three years, with 33.3% vesting on the first anniversary of the vesting start date and the remainder vesting in 24 equal monthly installments thereafter.
(4) This stock option is fully vested.
(5) This stock option vests over three years, with 25% vesting on the first anniversary of the vesting start date and the remainder vesting in 24 equal monthly installments thereafter.
(6) This restricted stock award was made on January 26, 2010 and vests over three years, with 25% vesting on the first anniversary of the vesting start date and the remainder vesting in 24 equal monthly installments thereafter.
(7) Represents the fair market value of Mr. Mendels' 406,361 unvested shares as of December 31, 2010. The fair market value assumes an initial public offering price of $ per share, the mid-point of the price range set forth on the cover of this prospectus.
(8) Mr. Mendels was granted an option to purchase 182,862 shares at an exercise price of $3.58 per share, to vest in full if we met the financial objectives set forth in our operating plan for 2010. Since these objectives were not met during the prescribed term, the option did not vest and was terminated in accordance with its terms.
(9) Mr. Menard did not receive his initial equity award grant until March 2011.

Option Exercises and Stock Vested Table—2010

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Jeremy Allaire	—	—	—	—
David Mendels	—	—	—	—
Christopher Menard	—	—	—	—
Andrew Feinberg	—	—	10,460	(1)
Edward Godin	—	—	—	—
Ann Marie Strong	—	—	—	—

(1) There was no public market for our common stock on any of the applicable vesting dates. Accordingly, the value realized on vesting assumes an initial public offering price of $ per share, the mid-point of the price range set forth on the cover of this prospectus.

Pension Benefits

We do not offer any defined benefit pension plans.

Nonqualified Deferred Compensation

We do not offer any nonqualified deferred compensation plans.

Director Compensation

We reimburse each member of our board of directors who is not an employee for reasonable travel and other expenses in connection with attending meetings of the board of directors or committees thereof. In addition, as part of our efforts to attract and retain highly qualified individuals to our board of directors, we grant equity awards to our non-employee directors, who are not affiliated with 5% or greater stockholders, upon their election to our board of directors. The following table provides information regarding the compensation awarded to or earned during our fiscal year ended December 31, 2010 for our directors.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	All other Compensation ($)	Total ($)
Elizabeth Nelson	—	—	448,193(2)	—	—	448,193

(1) The valuation of stock and option awards is based on the grant date fair value computed in accordance with FASB ASC Topic 718. The assumptions used to calculate the value of stock and option awards are set forth in the section entitled "Summary of Significant Accounting Policies" under Note 2 to our consolidated financial statements for the year ended December 31, 2010 included elsewhere in this prospectus.

(2) Consists of an option to purchase 215,602 shares of our common stock, which was granted on July 27, 2010 and vests over four years, with 25% vesting on the first anniversary of the vesting start date and the remainder vesting in 36 equal monthly installments thereafter. These options are subject to full acceleration upon a change in control of our company.

We have adopted a new non-employee director compensation policy that will be effective upon the effectiveness of the registration statement of which this prospectus is a part. Pursuant to this policy, upon election to our board, each of our non-employee directors will be granted options to purchase shares of our common stock, subject to quarterly vesting over a one-year period from the vesting start date. In addition, each of these

directors will be granted, annually, options to purchase shares of our common stock, subject to quarterly vesting over a one-year period from the vesting start date. The exercise price of the options will be greater than or equal to the fair market value of a share of our common stock at the time of grant. In addition, our non-employee directors who are not affiliated with any 5% or greater stockholder will receive $ per board meeting attended in person and $ per board meeting attended telephonically, $ per committee meeting attended and $ for chairing a committee.

Employment Agreements; Potential Payments upon Termination or Change in Control

In August 2011, we entered into employment agreements with the individuals listed below.

Jeremy Allaire. Mr. Allaire's agreement provides for a base salary of $300,000 per year, and for his participation in our annual Performance Incentive Program at an annual target bonus of $135,000.

David Mendels. Mr. Mendels' agreement provides for a base salary of $250,000 per year, and for his participation in our annual Performance Incentive Program at an annual target bonus of $87,500.

Christopher Menard. Mr. Menard's agreement provides for a base salary of $240,000 per year, and for his participation in our annual Performance Incentive Program at an annual target bonus of $84,000.

Andrew Feinberg Mr. Feinberg's agreement provides for a base salary of $225,000 per year, for his participation in our annual Performance Incentive Program at an annual target bonus of $78,750 and for his participation in our Sales Incentive Program at an annual target bonus of $55,000.

Edward Godin. Mr. Godin's agreement provides for a base salary of $215,000 per year, and for his participation in our annual Performance Incentive Program at an annual target bonus of $75,250.

The information below describes certain compensation that would have become payable under existing plans and contractual arrangements assuming a termination of employment and/or change in control had occurred on December 31, 2010, based upon an estimated fair value of our common stock of $4.02, which was the estimated fair value of our common stock as of June 30, 2011. There can be no assurance that an actual triggering event would produce the same or similar results as those estimated if such event occurs on any other date or at any other price, or if any other assumption used to estimate potential payments and benefits is not correct. Due to the number of factors that affect the nature and amount of any potential payments or benefits, any actual payments and benefits may be different.

The following table sets forth the estimated value of the potential payments to each of the named executive officers, assuming the executive's employment had terminated on December 31, 2010 and/or that a change in control had also occurred on that date. These figures are based on the option agreements and restricted stock agreements in effect on December 31, 2010, and assume that the employment agreements with each of our named executive officers that were put into place in August 2011 described above were in effect as of December 31, 2010.

Name	Benefit	Voluntary Resignation or Termination for Cause($)	Termination without Cause, or Resignation for Good Reason, prior to Change in Control($)	Termination without Cause, or Resignation for Good Reason, within 12 months after Change in Control($)
Jeremy Allaire	Severance[1]	—	435,000	435,000
	Option / Restricted Stock Acceleration[2]	—	414,751	1,659,005
	COBRA Premiums[3]	—	14,193	14,193
	Vacation Payout	5,769	5,769	5,769
	Total Value	5,769	869,713	2,113,967
David Mendels	Severance[1]	—	337,500	337,500
	Option / Restricted Stock Acceleration[2]	—	749,359	2,997,437
	COBRA Premiums[3]	—	—	—
	Vacation Payout	4,808	4,808	4,808
	Total Value	4,808	1,091,667	3,339,745
Christopher Menard				
	Severance[1]	—	324,000	324,000
	Option / Restricted Stock Acceleration[2]	—	123,628	494,512
	COBRA Premiums[3]	—	14,193	14,193
	Vacation Payout	2,885	2,885	2,885
	Total Value	2,885	464,706	835,590
Andrew Feinberg				
	Severance[1]	—	358,750	358,750
	Option / Restricted Stock Acceleration[2]	—	151,193	604,770
	COBRA Premiums[3]	—	14,193	14,193
	Vacation Payout	13,161	13,161	13,161
	Total Value	13,161	537,297	990,874
Edward Godin	Severance[1]	—	290,250	290,250
	Option / Restricted Stock Acceleration[2]	—	148,216	592,864
	COBRA Premiums[3]	—	7,034	7,034
	Vacation Payout	4,135	4,135	4,135
	Total Value	4,135	449,635	894,283

(1) Based on 2011 salaries and annual incentive compensation targets for our named executive officers under the Performance Incentive Program and Sales Incentive Program, as applicable.

(2) Accelerated vesting of stock options and restricted stock awards for the applicable named executive officers is based on the difference between (x) $4.02, the estimated fair value of our common stock as of June 30, 2011, and (y) the per share exercise price or purchase price of the award.

(3) Estimated based on the cost for such coverage during 2010.

Definitions. For the purposes of the employment agreements, the following terms have the following definitions:

- "Cause" means (i) misconduct in connection with the performance of duties, including misappropriation of funds or property of our company, (ii) the commission of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct that would reasonably be expected to result in injury or reputational harm to our company, (iii) continued non-performance of duties for more than 30 days following written notice, (iv) a breach of confidentiality or noncompetition obligations in favor of our company, (v) a violation of our written employment policies, or (vi) failure to cooperate with an internal or external investigation.

- "Good Reason" means (i) a material diminution in responsibilities, authority or duties, (ii) a material diminution in base salary, (iii) a material change in the principal geographic location at which the executive is required to provide services to our company, or (iv) a material breach of the employment agreement by our company.
- "Change of Control" means (i) the date any person becomes the beneficial owner of securities of our company representing 50% or more of the combined voting power of our then-outstanding securities having the right to vote in an election of our board of directors, (ii) the date a majority of the members of our board of directors is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the board before the date of the appointment or election, or (iii) the consummation of (a) any consolidation or merger of our company where our stockholders, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own shares representing more than 50% of the voting shares of the company issuing cash or securities in the consolidation or merger, or (b) any sale or other transfer of all or substantially all of our assets.

Stock Option and Other Compensation Plans

The two equity incentive plans described in this section are the Amended and Restated 2004 Stock Option and Incentive Plan, or the 2004 Plan, and the 2011 Stock Option and Incentive Plan, or the 2011 Plan. Prior to this offering, we granted awards to eligible participants under the 2004 Plan. Following the closing of this offering, we expect to grant awards to eligible participants under the 2011 Plan.

2004 Plan

Our 2004 Plan was adopted by our board of directors and approved by our stockholders in December 2004, and has most recently been amended in July 2011. We have reserved 19,234,393 shares of our common stock for issuance under our 2004 Plan. This number is subject to adjustment in the event of a stock split, stock dividend or other changes in our capitalization.

Our 2004 Plan is administered by our board of directors. Our board of directors has the authority to delegate full power and authority to one or more committees of the board, to select the individuals to whom awards will be granted, to make any combination of awards to participants, to accelerate the exercisability or vesting of any award, to provide substitute awards and to determine the specific terms and conditions of each award.

The 2004 Plan permits us to make grants of incentive stock options and non-qualified stock options and the direct award or sale of shares of restricted common stock to officers, employees, directors, advisors and consultants. We have also established a UK Sub-Plan of the 2004 Plan under which we are permitted to make grants of options to employees subject to tax in the United Kingdom.

Upon a sale event in which all awards are not assumed, substituted with awards issued by the successor entity, or substituted with cash consideration, the 2004 Plan and awards issued thereunder will be subject to accelerated vesting and, in the case of stock options, full exercisability, followed by the cancellation of such awards.

All stock option awards that are granted to employees are covered by a stock option agreement. Generally, under the stock option agreements, the shares subject to such stock options vest over four years, with 25% vesting on the first anniversary of the vesting start date, which is a date fixed by our board of directors when granting options, and the remainder vesting in 36 equal monthly installments thereafter. Our board of directors may accelerate the vesting schedule in its discretion, and some employees are entitled to acceleration upon a change of control.

Our board of directors has determined not to grant any further awards under the 2004 Plan after the completion of the offering. We intend to adopt the 2011 Stock Option and Incentive Plan to be effective upon the consummation of our initial public offering, under which we expect to make all future awards.

2011 Plan

In 2011, our board of directors, upon the recommendation of our compensation committee, adopted our 2011 Plan, which was subsequently approved by our stockholders. The 2011 Plan will replace the 2004 Plan. Our 2011 Plan provides flexibility to our compensation committee to use various equity-based incentive awards as compensation tools to motivate our workforce.

We have initially reserved shares of our common stock for the issuance of awards under the 2011 Plan. The 2011 Plan provides that the number of shares reserved and available for issuance under the plan will automatically increase each January 1, beginning in 2012, by 5% of the outstanding number of shares of our common stock on the immediately preceding December 31 or such lesser number of shares as determined by our compensation committee. This number is subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

The shares we issue under the 2011 Plan will be authorized but unissued shares or shares that we reacquire. The shares of common stock underlying any awards that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without any issuance of stock, expire or are otherwise terminated (other than by exercise) under the 2011 Plan are added back to the shares of common stock available for issuance under the 2011 Plan.

The 2011 Plan is administered by our compensation committee. Our compensation committee has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to make any combination of awards to participants, and to determine the specific terms and conditions of each award, subject to the provisions of the 2011 Plan. Persons eligible to participate in the 2011 Plan will be those full or part-time officers, employees, non-employee directors and other key persons (including consultants and prospective employees) as selected from time to time by our compensation committee in its discretion.

The 2011 Plan permits the granting of both options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Code and options that do not so qualify. The option exercise price of each option will be determined by our compensation committee but may not be less than 100% of the fair market value of our common stock on the date of grant. The term of each option will be fixed by our compensation committee and may not exceed ten years from the date of grant. Our compensation committee will determine at what time or times each option may be exercised.

Our compensation committee may award stock appreciation rights subject to such conditions and restrictions as we may determine. Stock appreciation rights entitle the recipient to shares of common stock, or cash, equal to the value of the appreciation in our stock price over the exercise price. The exercise price is the fair market value of the common stock on the date of grant.

Our compensation committee may award restricted shares of common stock and restricted stock units to participants subject to such conditions and restrictions as we may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment with us through a specified vesting period. Our compensation committee may also grant shares of common stock that are free from any restrictions under the 2011 Plan. Unrestricted stock may be granted to participants in recognition of past services or for other valid consideration and may be issued in lieu of cash compensation due to such participant.

Our compensation committee may grant performance share awards to participants which entitle the recipient to receive shares of common stock upon the achievement of certain performance goals and such other conditions

as our compensation committee shall determine. Our compensation committee may grant dividend equivalent rights to participants which entitle the recipient to receive credits for dividends that would be paid if the recipient had held a specified number of shares of common stock.

Our compensation committee may grant cash bonuses under the 2011 Plan to participants, subject to the achievement of certain performance goals.

Our compensation committee may grant awards of restricted stock, restricted stock units, performance shares or cash-based awards under the 2011 Plan that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code. Those awards would only vest or become payable upon the attainment of performance goals that are established by our compensation committee and related to one or more performance criteria. The performance criteria that would be used with respect to any such awards include: earnings before interest, taxes, depreciation and amortization, net income (loss) (either before or after interest, taxes, depreciation and/or amortization), changes in the market price of our common stock, economic value-added, funds from operations or similar measure, sales or revenue, acquisitions or strategic transactions, operating income (loss), cash flow (including, but not limited to, operating cash flow and free cash flow), return on capital, assets, equity, or investment, stockholder returns, return on sales, gross or net profit levels, productivity, expense, margins, operating efficiency, customer satisfaction, working capital, earnings (loss) per share of stock, sales or market shares and number of customers, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group. From and after the time that we become subject to Section 162(m) of the Code, the maximum award that is intended to qualify as "performance-based compensation" under Section 162(m) of the Code that may be made to any one employee during any one calendar year period is shares of common stock with respect to a stock-based award and with respect to a cash-based award.

The 2011 Plan provides that upon the effectiveness of a "sale event" as defined in the 2011 Plan, all awards will be assumed or continued by the successor entity. If the employment of a holder of an award is terminated without cause on or within 12 months after the sale event, then all awards held by such holder will become fully exercisable and/or vested at that time. In addition, in connection with a sale event, we may make or provide for a cash payment to participants holding options and stock appreciation rights equal to the difference between the per share cash consideration payable to stockholders in the sale event and the exercise price of the options or stock appreciation rights.

Our board of directors may amend or discontinue the 2011 Plan and our compensation committee may amend or cancel outstanding awards for purposes of satisfying changes in law or any other lawful purpose, but no such action may adversely affect rights under an award without the holder's consent. Certain amendments to the 2011 Plan require the approval of our stockholders.

No awards may be granted under the 2011 Plan after the date that is 10 years from the date of stockholder approval of the 2011 Plan. No awards under the 2011 Plan have been made prior to the date hereof.

Limitation of Liability and Indemnification Arrangements

As permitted by the Delaware General Corporation Law, we intend to adopt provisions in our amended and restated certificate of incorporation and amended and restated bylaws, which will be effective upon the completion of this offering, that limit or eliminate the personal liability of our directors. Consequently, a director will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;

- any unlawful payments related to dividends or unlawful stock repurchases, redemptions or other distributions; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not alter director liability under the federal securities laws and do not affect the availability of equitable remedies such as an injunction or rescission.

In addition, our amended and restated bylaws, which will be effective upon the completion of this offering, provide that:

- we will indemnify our directors, officers and, at the discretion of our board of directors, certain employees to the fullest extent permitted by the Delaware General Corporation Law; and
- advance expenses, including attorneys' fees, to our directors and, at the discretion of our board of directors, to our officers and certain employees, in connection with legal proceedings, subject to limited exceptions.

We also intend to enter into indemnification agreements with each of our executive officers and directors. These agreements will provide that we will indemnify each of our directors to the fullest extent permitted by the Delaware General Corporation Law and advance expenses to each indemnitee in connection with any proceeding in which indemnification is available.

We also maintain management liability insurance to provide insurance coverage to our directors and officers for losses arising out of claims based on acts or omissions in their capacities as directors or officers, including liabilities under the Securities Act. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, or persons controlling the registrant pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

These provisions may discourage stockholders from bringing a lawsuit against our directors in the future for any breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. Furthermore, a stockholder's investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors, officers and certain employees pursuant to these indemnification provisions. We believe that these provisions, the indemnification agreements and the insurance are necessary to attract and retain talented and experienced directors and officers.

At present, there is no pending litigation or proceeding involving any of our directors, officers or employees in which indemnification will be required or permitted. We are not aware of any threatened litigation or proceeding that might result in a claim for such indemnification.

Rule 10b5-1 Sales Plans

Our directors and executive officers may adopt written plans, known as Rule 10b5-1 plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis. Under a Rule 10b5-1 plan and subject to the lock-up agreements described under "Underwriting", a broker executes trades pursuant to parameters established by the director or officer when entering into the plan, without further direction from them. The director or officer may amend or terminate the plan in some circumstances. Our directors and executive officers may also buy or sell additional shares outside of a Rule 10b5-1 plan when they are not in possession of material, nonpublic information.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements, we describe below transactions during our last three fiscal years, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or holders of more than 5% of our capital stock, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest.

Compensation arrangements for our directors and named executive officers are described elsewhere in this prospectus.

Series D Financing

The following table summarizes purchases of shares of our preferred stock by our executive officers, directors and holders of more than 5% of our capital stock during our last three fiscal years.

Name of Stockholder	Series D Preferred Stock
Entities affiliated with General Catalyst Partners(1)	894,034 shares
Entities affiliated with Accel Partners(2)	894,034 shares
Original Price per Share	$5.1817
Date of Issuance	March 2010

(1) Consists of (i) 862,817 shares of series D preferred stock issued and sold to General Catalyst Group III, L.P., or GCG III and (ii) 31,217 shares of series D preferred stock issued and sold to GC Entrepreneurs Fund III, L.P., or GCEF III. David Orfao, a partner at General Catalyst Partners, is a member of our board of directors.

(2) Consists of (i) 685,545 shares of series D preferred stock issued and sold to Accel IX L.P., (ii) 73,043 shares of series D preferred stock issued and sold to Accel IX Strategic Partners L.P., (iii) 63,923 shares of series D preferred stock issued and sold to Accel Investors 2005 L.L.C., and (iv) 71,523 shares of series D preferred stock issued and sold to Breyer Capital L.L.C. James Breyer, a partner at Accel Partners and managing member of Breyer Capital L.L.C., is a member of our board of directors.

Sales of Securities by Employees

In March 2010, certain of our investors purchased 1,678,134 shares of our common stock from eight employees, including 1,024,527 shares held by Jeremy Allaire, our Chief Executive Officer, at a per share price of $3.5754, for aggregate consideration of approximately $6.0 million. In November 2010, certain of our investors purchased 335,628 shares of our common stock from Mr. Allaire at a per share price of $3.5754, for aggregate consideration of approximately $1.2 million. Certain of these purchasers were holders of more than 5% of our outstanding capital stock and were affiliated with members of our board of directors. Our participation in these transactions was limited to the approval of these transactions by our board of directors after full disclosure of the financial interests of certain directors therein and waivers of our rights of first refusal with respect to the shares being sold.

The following table summarizes the shares of our common stock purchased by holders of more than 5% of our capital stock, certain of which are affiliated with members of our board of directors, in connection with the sales of securities by our employees. The terms of these purchases were the same as those made available to unaffiliated purchasers.

Purchasers	Common Stock	Aggregate Purchase Price
Entities affiliated with General Catalyst Partners(1)(2)	858,088	$ 3,068,007.84
Entities affiliated with Accel Partners(1)(3)	858,088	$ 3,068,007.84
AOL Inc.(4)	175,567	$ 627,722.25

(1) Consists of shares purchased in the March 2010 and November 2010 transactions.
(2) Consists of (i) 666,171 shares of common stock purchased by General Catalyst Group III, L.P., or GCG III, (ii) 24,103 shares of common stock purchased by GC Entrepreneurs Fund III, L.P., or GCEF III, (iii) 163,477 shares of common stock purchased by General Catalyst Group IV, L.P., or GCG IV, and (iv) 4,337 shares of common stock purchased by GC Entrepreneurs Fund IV, L.P., or GCEF IV. David Orfao, a partner at General Catalyst Partners, is a member of our board of directors.
(3) Consists of (i) 61,354 shares of common stock purchased by Accel Investors 2005 L.L.C., (ii) 657,982 shares of common stock purchased by Accel IX L.P., (iii) 70,105 shares of common stock purchased by Accel IX Strategic Partners L.P. and (iv) 68,647 shares of common stock purchased by Breyer Capital L.L.C. James Breyer, a partner at Accel Partners and managing member of Breyer Capital L.L.C., is a member of our board of directors.
(4) Consists of shares purchased in the March 2010 transaction.

Investor Rights Agreement

We are party to an investor rights agreement which provides that holders of our preferred stock, including certain holders of 5% of our capital stock and entities affiliated with certain of our directors, have certain registration rights, including the right to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing. For a more detailed description of these registration rights, see "Description of Capital Stock—Registration Rights."

Voting Agreement

We are party to a voting agreement under which holders of our preferred stock, including entities with which certain of our directors are affiliated, have agreed to vote in a certain way on certain matters, including with respect to the election of directors. Pursuant to the voting agreement, the holders of our series A preferred stock, voting as a separate class, have designated David Orfao and James Breyer for election to our board of directors. The holders of our common stock have designated Jeremy Allaire for election to our board of directors. The other directors on our board have unanimously designated David Mendels, Scott Kurnit, Deborah Besemer and Elizabeth Nelson for election to our board of directors. Upon the closing of this offering, the board election voting provisions contained in the voting agreement will terminate and none of our stockholders will have any special rights regarding the election or designation of members of our board of directors.

Board Compensation

Certain of our non-employee directors have received restricted stock awards or options to purchase shares of our common stock. For more information regarding these arrangements, see "Executive Compensation—Director Compensation."

Employment Agreements

We have entered into employment agreements with each of Messrs. Allaire, Mendels, Menard, Feinberg and Godin. For more information regarding these arrangements, see "Executive Compensation—Employment Agreements; Potential Payments Upon Termination or Change in Control."

Indemnification Agreements

We intend to enter into indemnification agreements with each of our directors and executive officers in connection with this offering. These agreements will, among other things, require us to indemnify each director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's service as a director or executive officer.

Equity Awards

We have awarded restricted stock or granted options to purchase shares of our common stock to our directors and executive officers. See "Executive Compensation."

Other Transactions

In September 2008, we entered into a commercial agreement, which remains in effect, with AOL Inc., a previous holder of more than 5% of our capital stock, for the use of our Video Cloud product and other professional services. We have recognized approximately $3.7 million of revenue from AOL under this agreement from September 2008 through June 30, 2011. AOL sold all of its shares of our capital stock to certain of our existing investors in November 2010 and no longer owns any of our capital stock.

Policies for Approval of Related Party Transactions

Our board of directors reviews and approves transactions with directors, officers and holders of 5% or more of our capital stock and their affiliates, each of whom we refer to as a related party. Prior to this offering, before our board of directors' consideration of a transaction with a related party, the material facts as to the related party's relationship or interest in the transaction are disclosed to our board of directors, and the transaction is not considered approved by our board of directors unless a majority of the directors who are not interested in the transaction approve the transaction. Our policy with respect to approval of related party transactions prior to this offering is not in writing. We have adopted a written related party transaction approval policy that will govern the review of related party transactions following the closing of this offering. Pursuant to this policy, our audit committee or another independent body of our board of directors shall review the material facts of all related party transactions. The audit committee or independent body of our board of directors, as applicable, shall take into account, among other factors that it deems appropriate, whether the related party transaction is on terms no less favorable to us than terms generally available in a transaction with an unrelated third party under the same or similar circumstances and the extent of the related party's interest in the related party transaction. Further, when stockholders are entitled to vote on a transaction with a related party, the material facts of the related party's relationship or interest in the transaction are disclosed to the stockholders, who must approve the transaction in good faith.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information known to us regarding beneficial ownership of our common stock as of July 31, 2011, as adjusted to reflect the sale of shares of common stock offered by us in this offering, for:

- each person known by us to be the beneficial owner of more than 5% of our common stock;
- our named executive officers;
- each of our directors; and
- all executive officers and directors as a group.

To the extent that the underwriters sell more than shares of common stock in this offering, the underwriters have the option to purchase up to an additional shares, at the initial public offering price less the underwriting discount.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Except as noted by footnote, and subject to community property laws where applicable, we believe, based on the information provided to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

The table lists applicable percentage ownership based on 55,032,291 shares of common stock outstanding as of July 31, 2011, assuming the conversion of all shares of our preferred stock as of July 31, 2011 into common stock. Options to purchase shares of our common stock that are exercisable within 60 days of July 31, 2011, are deemed to be beneficially owned by the persons holding these options for the purpose of computing percentage ownership of that person, but are not treated as outstanding for the purpose of computing any other person's ownership percentage. Unless otherwise indicated, the address for each beneficial owner is c/o Brightcove Inc., One Cambridge Center, Cambridge, MA 02142.

	Shares Beneficially Owned Prior to Offering		Shares Beneficially Owned After Offering	
Name of Beneficial Owner	Number	Percentage	Number	Percentage
5% Stockholders				
Entities affiliated with General Catalyst Partners(1)	14,649,303	26.6%	14,649,303	
Entities affiliated with Accel Partners(2)	13,477,355	24.5%	13,477,355	
Executive Officers and Directors				
Jeremy Allaire(3)	2,523,810	4.5%	2,523,810	
David Mendels(4)	1,016,862	1.8%	1,016,862	
Christopher Menard(5)	—	—	—	
Andrew Feinberg(6)	587,705	1.1%	587,705	
Edward Godin(7)	367,706	*	367,706	
Deborah Besemer(8)	212,298	*	212,298	
James Breyer(9)	14,649,302	26.6%	14,649,302	
Scott Kurnit(10)	546,020	1.0%	546,020	
Elizabeth Nelson(11)	58,392	*	58,392	
David Orfao(1)	14,649,303	26.6%	14,649,303	
All executive officers and directors as a group (10 persons)(12)	34,611,398	60.3%	34,611,398	

* Represents beneficial ownership of less than 1% of our outstanding common stock.

(1) Consists of (a) 415,876 shares held by GC Entrepreneurs Fund III, L.P., or GCEF III, (b) 11,494,318 shares held by General Catalyst Group III, L.P., or GCG III, (c) 70,795 shares held by GC Entrepreneurs Fund IV,

L.P., or GCEF IV, and (d) 2,668,314 shares held by General Catalyst Group IV, L.P., or GCG IV. Each of David Fialkow, John Simon, Joel Cutler and David Orfao, our director, is a Managing Director of General Catalyst GP III, LLC and General Catalyst GP IV, LLC and may be deemed to share voting and investment power over the shares held of record by GCEF III, GCG III, GCEF IV and GCG IV. Each of Messrs. Fialkow, Simon, Cutler and Orfao disclaims beneficial ownership of any such shares except to the extent of his proportionate pecuniary interest therein. The address for Mr. Orfao and General Catalyst Partners is 20 Cambridge Road, 4th Floor, Cambridge, MA 02138.

(2) Consists of (a) 1,047,340 shares held by Accel Investors 2005 L.L.C., or AI2005, (b) 11,233,189 shares held by Accel IX L.P., or A9, and (c) 1,196,826 shares held by Accel IX Strategic Partners L.P., or A9SP. This number excludes 355,063 shares held by Breyer Capital L.L.C., of which Mr. Breyer, our director, is a managing member and 816,884 shares held by The James W Breyer 2005 Trust, of which Mr. Breyer is a trustee. Mr. Breyer is deemed to indirectly own or control the shares held of record by AI2005, A9 and A9SP. Accel IX Associates L.L.C., or A9A, is the general partner of A9 and A9SP and has sole voting and investment power over the shares held by those limited partnerships. Each of Mr. Breyer, Kevin J. Efrusy, Ping Li, Arthur C. Patterson and Theresia Gouw Ranzetta is a managing member of A9A and AI2005 and may be deemed to share voting and investment power over the shares held of record by AI2005, A9 and A9SP. Mr. Breyer disclaims beneficial ownership of the shares held by AI2005, A9, A9SP, Breyer Capital L.L.C. and The James W Breyer 2005 Trust except to the extent of his pecuniary interest in such shares.

(3) Consists of (a) 1,682,966 shares held directly by Mr. Allaire and (b) 840,844 shares issuable to Mr. Allaire upon exercise of stock options exercisable within 60 days after July 31, 2011.

(4) Consists of (a) 406,361 shares held directly by Mr. Mendels and (b) 610,501 shares issuable to Mr. Mendels upon exercise of stock options exercisable within 60 days after July 31, 2011.

(5) Mr. Menard's stock options do not vest until October, 2011.

(6) Consists of (a) 289,791 shares held directly by Mr. Feinberg and (b) 297,914 shares issuable to Mr. Feinberg upon exercise of stock options exercisable within 60 days after July 31, 2011.

(7) Consists of 367,706 shares issuable to Mr. Godin upon exercise of stock options exercisable within 60 days after July 31, 2011.

(8) Consists of 212,298 shares issuable to Ms. Besemer upon exercise of stock options exercisable within 60 days after July 31, 2011.

(9) Consists of (a) 1,047,340 shares held by Accel Investors 2005 L.L.C., or AI2005, (b) 11,233,189 shares held by Accel IX L.P., or A9, (c) 1,196,826 shares held by Accel IX Strategic Partners L.P., or A9SP, (d) 355,063 shares held by Breyer Capital L.L.C., of which Mr. Breyer, our director, is a managing member and (e) 816,884 shares held by The James W Breyer 2005 Trust, of which Mr. Breyer is a trustee. Mr. Breyer is deemed to indirectly own or control the shares held of record by AI2005, A9 and A9SP. Accel IX Associates L.L.C., or A9A, is the general partner of A9 and A9SP and has sole voting and investment power over the shares held by those limited partnerships. Each of Mr. Breyer, Kevin J. Efrusy, Ping Li, Arthur C. Patterson and Theresia Gouw Ranzetta is a managing member of A9A and AI2005 and may be deemed to share voting and investment power over the shares held of record by AI2005, A9 and A9SP. Mr. Breyer disclaims beneficial ownership of the shares held by AI2005, A9, A9SP, Breyer Capital L.L.C. and The James W Breyer 2005 Trust except to the extent of his pecuniary interest in such shares.

(10) Consists of 546,020 shares held directly by Mr. Kurnit.

(11) Consists of 58,392 shares issuable to Ms. Nelson upon exercise of stock options exercisable within 60 days after July 31, 2011.

(12) See footnotes 1 through 11 above. Includes 2,387,655 shares issuable upon exercise of stock options exercisable within 60 days after July 31, 2011.

DESCRIPTION OF CAPITAL STOCK

General

The following is a summary of the rights of our common stock and preferred stock and related provisions of our amended and restated certificate of incorporation and amended and restated bylaws as they will be in effect upon the closing of this offering. For more detailed information, please see our amended and restated certificate of incorporation, amended and restated bylaws and investor rights agreement, filed as exhibits to the registration statement of which this prospectus forms a part.

Upon completion of this offering, our authorized capital stock will consist of shares, par value of $0.001 per share, of which shares will be designated as common stock and shares will be designated as preferred stock.

At June 30, 2011, we had outstanding 54,965,387 shares of common stock held of record by 160 stockholders, assuming the automatic conversion into common stock of each outstanding share of preferred stock immediately prior to the completion of the offering. Upon completion of this offering, there will be shares of our common stock outstanding.

Common Stock

On all matters submitted to our stockholders for vote, our common stockholders are entitled to one vote per share, voting together as a single class, and do not have cumulative voting rights. Accordingly, the holders of a majority of the shares of common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they so choose. Subject to preferences that may apply to any shares of preferred stock outstanding, the holders of common stock are entitled to share equally in any dividends that our board of directors may determine to issue from time to time. Upon our liquidation, dissolution or winding-up, the holders of common stock shall be entitled to share equally all assets remaining after the payment of any liabilities and the liquidation preferences on any outstanding preferred stock. Holders of common stock have no preemptive or conversion rights or other subscription rights and there are no redemption or sinking fund provisions applicable to the common stock.

Preferred Stock

The board of directors will have the authority, without any action by the stockholders, to issue from time to time the preferred stock in one or more series and to fix the number of shares, designations, preferences, powers, and rights and the qualification, limitations or restrictions thereof. The preferences, powers, rights and restrictions of different series of preferred stock may differ with respect to dividend rates, amounts payable on liquidation, voting rights, conversion rights, redemption provisions, sinking fund provisions and other matters. The issuance of preferred stock could decrease the amount of earnings and assets available for distribution to holders of common stock or adversely affect the rights and powers, including voting rights, of the holders of common stock, and may have the effect of delaying, deferring or preventing a change in control of our company. The existence of authorized but unissued preferred stock may enable the board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, the board of directors were to determine that a takeover proposal was not in the best interests of our stockholders, the board of directors could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer, stockholder or stockholder group.

Registration Rights

We are party to an agreement with the founders, holders of convertible preferred stock and holders of warrants to purchase common stock or convertible preferred stock providing for rights to register under the Securities Act the shares of our common stock held, issuable upon the conversion of preferred stock held by them

or issuable upon the conversion of preferred stock issuable under warrants held by them. Under this agreement, holders of shares having registration rights can request that their shares be covered by a registration statement that we are otherwise filing.

Piggyback Registration Rights. If we decide to register any of our securities under the Securities Act, either for our own account or for the account of a security holder or holders, the holders of registration rights are entitled to written notice of the registration and are entitled to include their shares of our common stock in the registration.

Demand Registration Rights. In addition, the holders of 50% or more in interest of the common stock issued or issuable upon conversion of the preferred stock held by the parties that have such registration rights may demand us to use our best efforts to effect the expeditious registration of their shares of our common stock on up to two occasions.

S-3 Registration. If we qualify for registration on Form S-3, certain holders of registration rights may also request a registration on Form S-3 and we are required to use our best efforts to effect the expeditious registration of their shares of our common stock. We may defer the filing of a registration statement on Form S-3 for up to 90 days if our board of directors determines in its good faith judgment that such registration would be materially detrimental to us and our stockholders. We may delay a registration on Form S-3 in this manner no more than twice in any twelve-month period.

Expenses of Registration. We are required to pay all registration expenses except any underwriting discounts and applicable selling commissions.

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

Our amended and restated certificate of incorporation and bylaws include a number of provisions that may have the effect of encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts. These provisions include the items described below.

Board Composition and Filling Vacancies. Our certificate of incorporation provides that directors may be removed only for cause and then only by the affirmative vote of the holders of 75% or more of the shares then entitled to vote at an election of directors. Furthermore, any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of our board, may only be filled by the affirmative vote of a majority of our directors then in office even if less than a quorum.

No Written Consent of Stockholders. Our certificate of incorporation provides that all stockholder actions are required to be taken by a vote of the stockholders at an annual or special meeting, and that stockholders may not take any action by written consent in lieu of a meeting.

Meetings of Stockholders. Our bylaws provide that only a majority of the members of our board of directors then in office may call special meetings of stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. Our bylaws limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

Advance Notice Requirements. Our bylaws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days or more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. The notice must contain certain information specified in the bylaws.

Amendment to Bylaws and Certificate of Incorporation. As required by the Delaware General Corporation Law, any amendment of our certificate of incorporation must first be approved by a majority of our board of directors and, if required by law or our certificate of incorporation, thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment, and a majority of the outstanding shares of each class entitled to vote thereon as a class, except that the amendment of the provisions relating to stockholder action, directors, limitation of liability and the amendment of our bylaws and certificate of incorporation must be approved by not less than 75% of the outstanding shares entitled to vote on the amendment, and not less than 75% of the outstanding shares of each class entitled to vote thereon as a class. Our bylaws may be amended by the affirmative vote of a majority of the directors then in office, subject to any limitations set forth in the bylaws; and may also be amended by the affirmative vote of at least 75% of the outstanding shares entitled to vote on the amendment, or, if the board of directors recommends that the stockholders approve the amendment, by the affirmative vote of the majority of the outstanding shares entitled to vote on the amendment, in each case voting together as a single class.

Blank Check Preferred Stock. Our certificate of incorporation provides for 5,000,000 authorized shares of preferred stock. The existence of authorized but unissued shares of preferred stock may enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, our board of directors were to determine that a takeover proposal is not in the best interests of us or our stockholders, our board of directors could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer, stockholder or stockholder group. In this regard, our certificate of incorporation grants our board of directors broad power to establish the rights and preferences of authorized and unissued shares of preferred stock. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of these holders and may have the effect of delaying, deterring or preventing a change in control of us.

Section 203 of the Delaware General Corporation Law. We are subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested stockholder status, 15% or more of the corporation's voting stock.

Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, the board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances; or
- at or after the time the stockholder became interested, the business combination was approved by the board of directors of the corporation and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

NASDAQ Global Market Listing

We have applied to have our common stock approved for listing on the NASDAQ Global Market under the symbol "BCOV."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is .

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our capital stock. Future sales of our common stock, including shares issued upon the exercise of outstanding options or warrants, in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale as described below. Nevertheless, sales of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Based on the number of shares outstanding as of June 30, 2011, upon the completion of this offering, shares of common stock will be outstanding, assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding options or warrants and the conversion of all outstanding shares of preferred stock. Of the outstanding shares, all of the shares sold in this offering will be freely tradable, except that any shares held by our affiliates, as that term is defined in Rule 144 under the Securities Act, may only be sold in compliance with the limitations described below.

Rule 144

In general, under Rule 144 of the Securities Act, as currently in effect on the date of this prospectus, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Securities Exchange Act of 1934, as amended, periodic reporting requirements for at least 90 days before the sale. The six-month holding period increases to one year if we have not been a reporting company for at least 90 days. However, a non-affiliate who has beneficially owned the restricted shares proposed to be sold for at least one year will not be subject to any restrictions under Rule 144 regardless of how long we have been a reporting company. Persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering assuming no exercise of the underwriters' over-allotment option, based on the number of shares of common stock outstanding as of June 30, 2011; or
- the average weekly trading volume of our common stock on NASDAQ during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144.

We are unable to estimate the number of shares that will be sold under Rule 144 since this will depend on the market price for our common stock, the personal circumstances of the stockholder and other factors.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers or directors who purchased shares under a written compensatory plan or contract before this offering may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the date of this prospectus before selling

their shares. However, substantially all Rule 701 shares are subject to lock-up agreements as described below and under "Underwriting" included elsewhere in this prospectus and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Lock-up Agreements

All of our directors and officers and certain holders of our capital stock, who collectively hold approximately % of our outstanding stock and stock options as of June 30, 2011, have signed a lock-up agreement, subject to certain exceptions, which prevents them from selling any shares of our common stock or any securities convertible into or exercisable or exchangeable for shares of our common stock for a period of not less than 180 days from the date of this prospectus without the prior written consent of Morgan Stanley. This 180-day period may be extended if (i) during the last 17 days of the 180-day period we issue an earnings release or announce material news or a material event relating to us occurs; or (ii) prior to the expiration of the 180-day period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 180-day period, or we provide notification to Morgan Stanley of any earnings release, or material news or a material event that may give rise to an extension of the initial 180-day restricted period. The period of such extension will be 18 days, beginning on the issuance of the earnings release or the announcement of the material news or material event. Morgan Stanley may in its sole discretion and at any time without notice release some or all of the shares subject to lock-up agreements prior to the expiration of the 180-day period. When determining whether or not to release shares from the lock-up agreements, Morgan Stanley will consider, among other factors, the stockholder's reasons for requesting the release, the number of shares for which the release is being requested and market conditions at the time.

Registration Rights

We are party to a registration rights agreement which provides that holders of our preferred stock and our founding stockholders have the right to demand that we file a registration statement or request that their shares of our common stock be covered by a registration statement that we are otherwise filing. See "Description of Capital Stock—Registration Rights" in this prospectus. Except for shares purchased by affiliates, registration of their shares under the Securities Act would result in these shares becoming freely tradable without restriction under the Securities Act immediately upon effectiveness of the registration, subject to the expiration of the lock-up period described above and under "Underwriting" in this prospectus, and to the extent such shares have been released from any repurchase option that we may hold.

Stock Plans

As of June 30, 2011, options to purchase a total of 11,127,023 shares of common stock were outstanding. All of the shares subject to options are subject to lock-up agreements. An additional 620,032 shares of common stock were available for future option grants under our equity incentive plans as of June 30, 2011.

We intend to file one or more registration statements on Form S-8 under the Securities Act to register shares of our common stock issued or reserved for issuance under our stock option plans. The first such registration statement is expected to be filed soon after the date of this prospectus and will automatically become effective upon filing with the SEC. Accordingly, shares registered under such registration statement will be available for sale in the open market, unless such shares are subject to vesting restrictions with us or the lock-up restrictions described above.

Warrants

In connection with a debt facility we entered into in September 2006 with General Electric Capital Corporation and TriplePoint Capital, which has since been repaid, we issued warrants which upon completion of this offering, will be exercisable for 121,456 shares of our common stock at $1.235 per share. The warrants expire in August 2016.

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

The following is a general discussion of material U.S. federal income and estate tax considerations relating to ownership and disposition of our common stock by a non-U.S. holder. For purposes of this discussion, the term "non-U.S. holder" means a beneficial owner of our common stock that is not, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of source; or
- a trust, if (1) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust, or (2) the trust has a valid election to be treated as a U.S. person under applicable U.S. Treasury regulations.

This discussion is based on current provisions of the U.S. Internal Revenue Code of 1986, as amended, or the Code, existing and proposed U.S. Treasury regulations promulgated thereunder and current administrative rulings and judicial decisions. These authorities are subject to change at any time, possibly with retroactive effect, or the U.S. Internal Revenue Service, or IRS, might interpret the existing authorities differently. In either case, the tax considerations of owning or disposing of common stock could differ from those described herein.

We assume in this discussion that each non-U.S. holder holds shares of our common stock as a capital asset. This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances nor does it address any aspects of U.S. state, local or non-U.S. taxes. This discussion also does not consider any specific facts or circumstances that may apply to a non-U.S. holder and does not address the special tax rules applicable to particular non-U.S. holders such as:

- insurance companies;
- tax-exempt organizations;
- financial institutions;
- brokers or dealers in securities;
- regulated investment companies;
- pension plans;
- controlled foreign corporations;
- passive foreign investment companies;
- persons liable for alternative minimum tax;
- traders in securities that elect to use a mark-to-market method of accounting;
- owners that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment; and
- certain U.S. expatriates.

In addition, this discussion does not address the tax treatment of partnerships or persons who hold their common stock through partnerships or other entities which are pass-through entities for U.S. federal income tax purposes. A partner in a partnership or other pass-through entity that will hold our common stock should consult his, her or its own tax advisor regarding the tax consequences of the ownership and disposition of our common stock through a partnership or other pass-through entity, as applicable.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSIDERATIONS OF HOLDING AND DISPOSING OF OUR COMMON STOCK.

Dividends

We do not expect to declare or pay any dividends on our common stock in the foreseeable future. If we pay distributions on our common stock, those distributions generally will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will be treated as a tax-free return of the non-U.S. holder's investment, up to such holder's tax basis in the common stock. Any remaining excess will be treated as capital gain, subject to the tax treatment described below under the heading "Gain on Disposition of Common Stock."

Dividends paid to a non-U.S. holder generally will be subject to withholding of U.S. federal income tax at a 30% rate. The withholding tax might not apply, however, or might apply at a reduced rate, under the terms of an applicable income tax treaty between the United States and the non-U.S. holder's country of residence. Non-U.S holders are urged to consult their own tax advisors regarding their entitlement to benefits under a relevant income tax treaty. A non-U.S. holder of our common stock who claims the benefit of an applicable income tax treaty between the United States and such holder's country of residence generally will be required to certify its entitlement to treaty benefits. A non-U.S. holder generally can meet this certification obligation by providing a properly executed original and unexpired IRS Form W-8BEN (or successor form) and satisfying applicable certification and other requirements. For payments made to a foreign partnership or other pass-through entity, the certification requirements generally apply to the partners or other owners rather than to the partnership or other entity, and the partnership or other entity must provide the partners' or other owners' documentation to us or our paying agent. A non-U.S. holder that is eligible for a reduced rate of U.S. withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim with the IRS.

Dividends that are treated as effectively connected with a trade or business conducted by a non-U.S. holder within the United States, and, if an applicable income tax treaty so provides, that are attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder within the United States, are generally exempt from the 30% withholding tax if the non-U.S. holder satisfies applicable certification and disclosure requirements. To obtain this exemption, a non-U.S. holder must provide us with a properly executed original and unexpired IRS Form W-8ECI properly certifying such exemption. However, such U.S. effectively connected income, net of specified deductions and credits, is taxed at the same graduated U.S. federal income tax rates applicable to U.S. persons (as defined in the Code). Any U.S. effectively connected income received by a non-U.S. holder that is a corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder's country of residence.

Gain on Disposition of Common Stock

A non-U.S. holder generally will not be subject to U.S. federal income tax on gain recognized on a disposition of our common stock unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States, and, if an applicable income tax treaty so provides, the gain is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States; in these cases, the non-U.S. holder will be taxed on a net income basis at the regular graduated rates and in the manner applicable to U.S. persons, and if the non-U.S. holder is a foreign corporation, an additional branch profits tax at a rate of 30%, or a lower rate as may be specified by an applicable income tax treaty, may also apply;

- the non-U.S. holder is a non-resident alien present in the United States for 183 days or more in the taxable year of the disposition and certain other requirements are met, in which case the non-U.S. holder will be subject to a 30% tax (or such lower rate as may be specified by an applicable income tax treaty) on the net gain derived from the disposition, which may be offset by U.S.-source capital losses of the non-U.S. holder, if any; or
- we are or have been, at any time during the five-year period preceding such disposition (or the non-U.S. holder's holding period, if shorter) a U.S. real property holding corporation, or USRPHC. Generally, a corporation is a USRPHC if the fair market value of its "U.S. real property interests" equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. We do not believe that we are a USRPHC and we do not anticipate becoming one. Even if we become a USRPHC, as long as our common stock is regularly traded on an established securities market, such common stock will be treated as subject to these rules only in the case of a non-U.S. holder that holds more than 5% of our outstanding common stock, directly or indirectly, during the shorter of the 5-year period ending on the date of the disposition or the period that the non-U.S. holder held our common stock.

Information Reporting and Backup Withholding Tax

We must report annually to the IRS and to each non-U.S. holder the gross amount of the distributions on our common stock paid to such holder and the tax withheld, if any, with respect to such distributions. Non-U.S. holders may have to comply with specific certification procedures to establish that the holder is not a U.S. person (as defined in the Code) in order to avoid backup withholding at the applicable rate, currently 28% through December 31, 2012, and thereafter set to increase to 31%, with respect to dividends on our common stock. Generally, a holder will comply with such procedures if it provides a properly executed original and unexpired IRS Form W-8BEN (or other applicable Form W-8). Dividends paid to non-U.S. holders subject to withholding of U.S. federal income tax, as described above under "Dividends," will generally be exempt from U.S. backup withholding.

Information reporting and backup withholding generally will apply to the proceeds of a disposition of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or foreign, unless the holder certifies its status as a non-U.S. holder and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker. Non-U.S. holders should consult their own tax advisors regarding the application of the information reporting and backup withholding rules to them.

Copies of information returns may be made available to the tax authorities of the country in which the non-U.S. holder resides or is incorporated under the provisions of a specific treaty or agreement.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder can be refunded or credited against the non-U.S. holder's U.S. federal income tax liability, if any, provided that an appropriate claim is timely filed with the IRS.

Recently-Enacted Legislation

Recently-enacted legislation, that is effective with respect to amounts paid after December 31, 2012, generally imposes a U.S. federal withholding tax at a rate of 30% on dividends and the gross proceeds from a disposition of our common stock paid to certain foreign entities (including foreign financial institutions and certain non-financial foreign entities), unless such foreign entity satisfies various U.S. information reporting and

due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with the entity) including in the case of a foreign financial institution, entering into an agreement with the U.S. Treasury regarding such requirement. Non-U.S. holders should consult their own tax advisors regarding the possible implications of this legislation on their investment in our common stock. Under applicable IRS guidance, the legislation's implementation has been delayed and any withholding obligation on payments to noncompliant foreign entities is currently set to apply (1) to dividends paid by us starting on January 1, 2014, and (2) to gain from the disposition of our common stock starting on January 1, 2015.

Federal Estate Tax

Common stock owned or treated as owned by an individual who is a non-U.S. holder (as specially defined for U.S. federal estate tax purposes) at the time of death will be included in the individual's gross estate for U.S. federal estate tax purposes and, therefore, may be subject to U.S. federal estate tax, unless an applicable estate tax or other treaty provides otherwise.

THE PRECEDING DISCUSSION OF MATERIAL U.S. FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY. IT IS NOT TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGES IN APPLICABLE LAWS.

UNDERWRITING

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. LLC and Stifel, Nicolaus & Company, Incorporated are acting as representatives, have severally agreed to purchase the number of shares indicated below:

Name	Number of Shares
Morgan Stanley & Co. LLC	
Stifel, Nicolaus & Company, Incorporated	
RBC Capital Markets, LLC	
Pacific Crest Securities LLC	
Raymond James & Associates, Inc.	
Total	

The underwriters and the representatives are collectively referred to as the "underwriters" and the "representatives," respectively. The underwriters are offering the shares of common stock subject to their acceptance of the shares from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' over-allotment option, described below. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased, or, in the case of a default with respect to the shares covered by the underwriters' over-allotment described below, the underwriting agreement may be terminated.

The underwriters initially propose to offer part of the shares of common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of $ a share under the public offering price. Any underwriter may allow, and such dealers may reallow, a concession not in excess of $ a share to other underwriters or to certain dealers. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representatives.

The company has granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional shares of common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of common stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase the same percentage of the additional shares of common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of common stock listed next to the names of all underwriters in the preceding table.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional shares of common stock from us.

	Per Share	Total No Exercise	Full Exercise
Public offering price			
Underwriting discounts and commissions			
Proceeds, before expenses, to us			

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $ million.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of common stock offered by them.

We have applied to have our common stock approved for listing on the NASDAQ Global Market under the symbol "BCOV."

We and all directors and officers and the holders of approximately % of our outstanding stock and stock options have agreed that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the underwriters, and subject to certain exceptions, we and they will not, during the period ending 180 days after the date of this prospectus:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock;
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock; or
- make any demand for, or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock.

In addition, we agree that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the underwriters, and subject to certain exceptions, we and they will not, during the period ending 180 days after the date of this prospectus, file any registration statement with the SEC relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock. The restrictions described in this paragraph do not apply to:

- the sale of shares to the underwriters;
- the issuance by us of shares of common stock upon the exercise of an option or a warrant or the conversion of a security outstanding on the date of this prospectus and disclosed in the prospectus;
- the issuance by us of shares or options to purchase shares of common stock pursuant to our equity plans outstanding on the date of this prospectus and disclosed in the prospectus; provided that the recipients enter into lock-up agreements;
- the filing by us of a registration statement with the SEC on Form S-8 relating to the offering of securities in accordance with the terms of a plan in effect on the date of this prospectus and described in the prospectus;
- the entry by us into an agreement providing for the issuance by us of shares of common stock or any security convertible into or exercisable for shares of common stock in connection with the acquisition by us or our subsidiaries of the securities, business, property or other assets of another person or entity or pursuant to an employee benefit plan assumed by us in connection with such acquisition, and the issuance of any such securities pursuant to any such agreement; provided, that the aggregate number of shares of common stock that we may sell or issue or agree to sell or issue as described in this bullet point shall not exceed 5% of the total number of our shares of common stock issued and outstanding (on an as-converted or as-exercised basis, as the case may be) immediately following the completion of the offering; and provided further, that each recipient of such shares of common stock or securities convertible into or exercisable for common stock shall execute a lock-up agreement;
- transactions by a security holder relating to shares of common stock or other securities acquired in open market transactions after the completion of the offering, provided that no filing under

Section 16(a) of the Exchange Act shall be required or shall be voluntarily made in connection with subsequent sales of common stock or other securities acquired in such open market transactions;

- the transfer by a security holder of shares of common stock or any securities convertible into or exercisable or exchangeable for common stock (1) by bona fide gift, (2) by will or intestacy or to any trust for the benefit of such security holder or an immediate family member; (3) as distributions by a trust to its beneficiaries or (4) if the security holder is a corporation, partnership, trust or other business entity (a) to another corporation, partnership, trust or other business entity that is an affiliate of such security holder or (b) distributions of such shares or common stock into any security convertible or exercisable for common stock to limited partners, limited liability company members or stockholders of such security holder; provided that in each case, each transferee, trustee, donee or distributee shall sign and deliver a lock-up agreement and no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of common stock, shall be required or shall be voluntarily made during the lock-up period;
- the transfer by a security holder in connection with the exercise of an option to purchase shares of common stock granted under an employee benefit plan described in this prospectus and outstanding on the date hereof; provided that no filing under Section 16(a) of the Exchange Act reporting a reduction in beneficial ownership of shares of common stock, shall be required or shall be voluntarily made during the lock-up period; or
- the establishment by a security holder of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, provided that such plan does not provide for the transfer of common stock during the lock-up period and no public announcement or filing under the Exchange Act regarding the establishment of such plan shall be required of or voluntarily made by or on behalf of the security holder or us.

The 180-day restricted period described in the preceding paragraphs will be extended if:

- during the last 17 days of the 180-day restricted period we issue an earnings release or material news event relating to us occurs, or
- prior to the expiration of the 180-day restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 180-day period,

in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

In order to facilitate the offering of our common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase, creating a short position in the common stock for their own account. In addition, to cover over-allotments, the underwriters may bid for, and purchase, shares of common stock in the open market to stabilize the price of the common stock. Finally, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing the common stock in the offering, if the syndicate repurchases previously distributed common stock in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the common stock above independent market levels or prevent or delay a decline in the market price of the common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make because of any of these liabilities.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to allocate a number of shares of common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

The underwriters may from time to time in the future provide us with investment banking, financial advisory or other services for which they may receive customary compensation.

Pricing of the Offering

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives. Among the factors to be considered in determining the initial public offering price will be the future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours. The estimated initial public offering price range set forth on the cover page of this preliminary prospectus is subject to change as a result of market conditions and other factors. We cannot assure you that the prices at which the shares will sell in the public market after this offering will not be lower than the initial public offering price or that an active trading market in our common stock will develop and continue after this offering.

European Economic Area

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

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

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

United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

Hong Kong, Singapore and Japan

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571 Laws of Hong Kong) and any rules made thereunder.

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, or the Financial Instruments and Exchange Law, and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the company, or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, or FINMA, and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the shares.

LEGAL MATTERS

Goodwin Procter LLP, Boston, Massachusetts, will pass upon the validity of the common stock offered by this prospectus. Wilmer Cutler Pickering Hale and Dorr LLP, Boston, Massachusetts, will pass upon legal matters relating to this offering for the underwriters.

EXPERTS

The consolidated financial statements of Brightcove Inc. at December 31, 2010, and for the year then ended, appearing in this prospectus and registration statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm, as experts in accounting and auditing.

The consolidated financial statements of Brightcove Inc. and subsidiaries as of December 31, 2009 and for each of the two years in the period ended December 31, 2009 included in this prospectus and registration statement have been so included in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

CHANGE IN INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

On November 30, 2010, with the approval of our board of directors, we dismissed PricewaterhouseCoopers, LLP as our independent registered public accounting firm.

The reports of PricewaterhouseCoopers LLP on the financial statements for the years ended December 31, 2009 and 2008 contained no adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the years ended December 31, 2008, 2009, and the subsequent period from January 1, 2010 through November 30, 2010, there were no disagreements with PricewaterhouseCoopers LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PricewaterhouseCoopers, LLP would have caused them to make reference to the subject matter of the disagreements in its reports on our financial statements for such years.

During the years ended December 31, 2008, 2009, and the subsequent period from January 1, 2010 through November 30, 2010, there were no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K.

PricewaterhouseCoopers LLP was provided with a copy of the above statements and we requested that it furnish us a letter addressed to the SEC stating whether or not it agrees with the above statements. A copy of PricewaterhouseCoopers LLP's letter is included as an exhibit to this registration statement.

On November 30, 2010, with the approval of our board of directors, we engaged Ernst & Young LLP as our new independent registered public accounting firm. During the years ended December 31, 2008, 2009, and the subsequent period from January 1, 2010 through November 30, 2010, neither we nor anyone on our behalf consulted Ernst & Young LLP regarding either (1) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on our consolidated financial statements, or (2) any matter that was a disagreement, as that term is defined in Item 304(a)(1)(iv) of Regulation S-K, or a reportable event, as that term is defined in Item 304(a)(1)(v) of Regulation S-K. Ernst & Young LLP has reported on our consolidated financial statements for the fiscal year ended December 31, 2010.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 (File Number 333-) under the Securities Act with respect to the shares of common stock we are offering by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information included in the registration statement, some items of which are contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information pertaining to us and our common stock, you should refer to the registration statement, including the exhibits and the financial statements and notes filed as a part of the registration statement. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document.

Upon the closing of the offering, we will be subject to the informational requirements of the Exchange Act and will file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read our SEC filings, including the registration statement, over the Internet at the SEC's website at *www.sec.gov*. You may also read and copy any document we file with the SEC at its public reference facility at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. We also maintain a website at *www.brightcove.com*. Upon completion of this offering, you may access our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information on, or that can be accessed through, our website does not constitute part of this prospectus.

You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities.

MARKET AND INDUSTRY DATA AND FORECASTS

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market share, is based on information from independent industry analysts and third party sources (including those generated by Cisco Systems, Inc., DisplaySearch LLC, Frost & Sullivan and International Data Corporation (IDC)), and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third party sources, as well as data from our internal research, and are based on assumptions made by us based on such data and our knowledge of such industry and markets, which we believe to be reasonable. None of the sources cited in this prospectus has consented to the inclusion of any data from its reports, nor have we sought their consent. Our internal research has not been verified by any independent source, and we have not independently verified any third party information. While we believe the market position, market opportunity and market share information included in this prospectus is generally reliable, such information is inherently imprecise. Forecasts are particularly likely to be inaccurate, especially over long periods of time. In addition, we do not know what assumptions regarding general economic growth were used in preparing the forecasts we cite. Projections, assumptions and estimates of our future performance and the future performance of the industries in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

Brightcove Inc.

Index to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of
Brightcove Inc.

We have audited the accompanying consolidated balance sheet of Brightcove Inc. (the Company) as of December 31, 2010, and the related consolidated statements of operations, redeemable convertible preferred stock, stockholders' deficit, and comprehensive loss, and cash flows for the year then ended. 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 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 the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides 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 Brightcove Inc. at December 31, 2010, and the consolidated results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Boston, Massachusetts
August 23, 2011

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Brightcove Inc.

In our opinion, the consolidated balance sheet as of December 31, 2009 and the related consolidated statements of operations, redeemable convertible preferred stock, stockholders' deficit and comprehensive loss and cash flows for each of the two years in the period ended December 31, 2009 present fairly, in all material respects, the financial position of Brightcove Inc. and its subsidiaries at December 31, 2009, and the results of their operations and their cash flows for each of the two years in the period ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America. 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 of these statements 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Boston, Massachusetts
June 10, 2010, except for the net loss per share information included in Note 2 and the consolidated statements of operations and Note 12 to the consolidated financial statements, as to which the date is August 23, 2011

Brightcove Inc.

Consolidated Balance Sheets

(in thousands, except share and per share data)

	December 31,		June 30, 2011	
	2009	2010	Actual	Pro Forma
			(unaudited)	
Assets				
Current assets:				
Cash and cash equivalents	$ 22,554	$ 20,341	$ 24,565	$ 24,565
Accounts receivable, net of allowance of $400, $298, and $239, at December 31, 2009 and 2010 and June 30, 2011, respectively (includes related party amounts of $587, $902 and $1,369 at December 31, 2009 and 2010 and June 30, 2011, respectively)	7,315	9,272	13,159	13,159
Prepaid expenses and other current assets	962	1,448	3,081	3,081
Total current assets	30,831	31,061	40,805	40,805
Long-term investments	2,974	2,878	—	—
Property and equipment, net	3,355	4,706	5,582	5,582
Goodwill	2,372	2,372	2,372	2,372
Restricted cash	621	554	276	276
Other assets	102	413	895	895
Total assets	$ 40,255	$ 41,984	$ 49,930	$ 49,930
Liabilities, redeemable convertible preferred stock and stockholders' (deficit) equity				
Current liabilities:				
Accounts payable	$ 1,053	$ 1,061	$ 2,821	$ 2,821
Accrued expenses	5,036	7,327	9,525	9,525
Line of credit	—	—	2,000	2,000
Deferred revenue	3,688	5,410	9,497	9,497
Total current liabilities	9,777	13,798	23,843	23,843
Deferred revenue, net of current portion	509	332	540	540
Long-term debt	—	—	5,000	5,000
Other liabilities	—	102	137	137
Redeemable convertible preferred stock warrants	99	285	429	—
Total liabilities	10,385	14,517	29,949	29,520
Commitments and contingencies (*Note 4*)				
Redeemable convertible preferred stock (*Note 5*)	96,725	114,404	117,377	—
Stockholders' (deficit) equity:				
Common stock, $0.001 par value; 68,000,000 shares authorized; 11,802,869, 12,677,792 and 12,974,006 shares issued and outstanding at December 31, 2009 and 2010, and June 30, 2011 (actual), respectively, and 54,965,387 shares at June 30, 2011 (pro forma)	12	13	13	55
Additional-paid-in-capital	—	—	—	103,386
Accumulated other comprehensive income	684	814	806	806
Accumulated deficit	(68,578)	(88,511)	(99,107)	(84,729)
Total stockholders' (deficit) equity attributable to Brightcove Inc.	(67,882)	(87,684)	(98,288)	19,518
Non-controlling interest in consolidated subsidiary	1,027	747	892	892
Total stockholders' (deficit) equity	(66,855)	(86,937)	(97,396)	20,410
Total liabilities, redeemable convertible preferred stock and stockholders' (deficit) equity	$ 40,255	$ 41,984	$ 49,930	$ 49,930

See accompanying notes.

Brightcove Inc.

Consolidated Statements of Operations

(in thousands, except per share data)

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
				(unaudited)	
Revenue:					
Subscription and support revenue	$ 22,432	$32,240	$ 40,521	$ 18,798	$ 26,970
Professional services and other revenue	2,068	3,947	3,195	1,507	1,384
Total revenue[1]	24,500	36,187	43,716	20,305	28,354
Cost of revenue:[2]					
Cost of subscription and support revenue	6,070	6,986	11,060	5,187	7,039
Cost of professional services and other revenue	2,916	3,463	4,065	1,865	2,273
Total cost of revenue	8,986	10,449	15,125	7,052	9,312
Gross profit	15,514	25,738	28,591	13,253	19,042
Operating expenses:[2]					
Research and development	7,756	8,927	12,257	5,502	7,198
Sales and marketing	11,542	13,218	24,124	11,384	15,372
General and administrative	5,970	6,696	9,617	4,432	5,978
Total operating expenses	25,268	28,841	45,998	21,318	28,548
Loss from operations	(9,754)	(3,103)	(17,407)	(8,065)	(9,506)
Other income (expense):					
Interest income	918	313	185	139	18
Other (expense) income, net	(1,388)	22	(503)	(594)	(157)
Total other (expense) income, net	(470)	335	(318)	(455)	(139)
Loss before income taxes and non-controlling interest in consolidated subsidiary	(10,224)	(2,768)	(17,725)	(8,520)	(9,645)
Provision for income taxes	11	55	56	38	83
Consolidated net loss	(10,235)	(2,823)	(17,781)	(8,558)	(9,728)
Net loss (income) attributable to non-controlling interest in consolidated subsidiary	305	478	280	211	(145)
Net loss attributable to Brightcove Inc.	(9,930)	(2,345)	(17,501)	(8,347)	(9,873)
Accretion of dividends on redeemable convertible preferred stock	(4,919)	(4,918)	(5,470)	(2,651)	(2,819)
Net loss attributable to common stockholders	$(14,849)	$ (7,263)	$(22,971)	$(10,998)	$(12,692)
Net loss per share attributable to common stockholders—basic and diluted	$ (1.53)	$ (0.65)	$ (1.92)	$ (0.96)	$ (1.02)
Weighted-average number of common shares used in computing net loss per share attributable to common stockholders—basic and diluted	9,694	11,117	11,992	11,485	12,468
Pro forma net loss per share attributable to common stockholders—basic and diluted (unaudited)			$ (0.33)		$ (0.18)
Pro forma weighted-average number of common shares used in computing net loss per share attributable to common stockholders—basic and diluted (unaudited)			53,382		54,459
[1] Includes related party revenue (*Note 8*)	$ 839	$ 2,756	$ 4,116	$ 1,887	$ 1,900
[2] Stock-based compensation included in above line items:					
Cost of subscription and support revenue	$ 21	$ 21	$ 26	$ 15	$ 23
Cost of professional services and other revenue	22	36	99	49	59
Research and development	99	125	369	178	177
Sales and marketing	82	102	1,459	847	555
General and administrative	114	224	1,362	581	1,217

See accompanying notes.

Brightcove Inc.

Consolidated Statements of Redeemable Convertible Preferred Stock, Stockholders' (Deficit) Equity and Comprehensive Loss

(in thousands, except share data)

	Series A Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Common Stock		Additional	Accumulated Other Compre-hensive		Total Stock-holders' Deficit Attributable to	Non-Controlling	Total Stockholders' (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Par Value	Paid-In Capital	Income	Accumulated Deficit	Brightcove Inc.	Interest	Equity
Balance at December 31, 2007	5,375,000	$ 6,207	6,921,854	$19,092	7,392,163	$60,001	—	$ —	10,537,067	$ 11	$ —	$ 1	$ (49,016)	$ (49,004)	$ —	$ (49,004)
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	—	—	642,956	—	85	—	—	85	—	85
Repurchase of common stock	—	—	—	—	—	—	—	—	(156,272)	—	—	—	—	—	—	—
Accretion of redeemable convertible preferred stock to redemption value	—	12	—	34	—	748	—	—	—	—	—	—	(794)	(794)	—	(794)
Accretion of cumulative dividends on redeemable convertible preferred stock	—	323	—	1,026	—	3,570	—	—	—	—	(3,391)	—	(1,528)	(4,919)	—	(4,919)
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	338	—	—	338	—	338
Net gain from investment in joint venture	—	—	—	—	—	—	—	—	—	—	2,968	—	—	2,968	—	2,968
Contributed capital of non-controlling interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,810	1,810
Components of comprehensive loss:																
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	—	—	731	—	731	—	731
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	(9,930)	(9,930)	(305)	(10,235)
Net comprehensive loss														(9,199)		(9,504)

Brightcove Inc.

Consolidated Statements of Redeemable Convertible Preferred Stock, Stockholders' (Deficit) Equity and Comprehensive Loss (continued)

(in thousands, except share data)

	Series A Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Compre-hensive Income	Accumulated Deficit	Total Stock-holders' Deficit Attributable to Brightcove Inc.	Non-Controlling Interest	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Par Value						
Balance at December 31, 2008	5,375,000	6,542	6,921,854	20,152	7,392,163	64,319	—	—	11,023,751	11	—	732	(61,268)	(60,525)	1,505	(59,020)
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	—	—	893,762	1	239	—	—	240	—	240
Repurchase of common stock	—	—	—	—	—	—	—	—	(114,644)	—	—	—	—	—	—	—
Accretion of redeemable convertible preferred stock to redemption value	—	12	—	33	—	748	—	—	—	—	—	—	(794)	(794)	—	(794)
Accretion of cumulative dividends on redeemable convertible preferred stock	—	323	—	1,026	—	3,570	—	—	—	—	(747)	—	(4,171)	(4,918)	—	(4,918)
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	508	—	—	508	—	508
Components of comprehensive loss:																
Change in market value of investments									—	—	—	62	—	62	—	62
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	—	—	(110)	—	(110)	—	(110)
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	(2,345)	(2,345)	(478)	(2,823)
Net comprehensive loss														(2,393)		(2,871)

Brightcove Inc.

Consolidated Statements of Redeemable Convertible Preferred Stock, Stockholders' (Deficit) Equity and Comprehensive Loss (continued)

(in thousands, except share data)

	Series A Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Compre-hensive Income	Accumulated Deficit	Total Stock-holders' Deficit Attributable to Brightcove Inc.	Non-Controlling Interest	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Par Value						
Balance at December 31, 2009	5,375,000	6,877	6,921,854	21,211	7,392,163	68,637	—	—	11,802,869	12	—	684	(68,578)	(67,882)	1,027	(66,855)
Issuance of Series D redeemable convertible preferred stock, net of issuance costs of $222	—	—	—	—	—	—	2,315,842	11,778	—	—	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	—	—	476,122	1	153	—	—	154	—	154
Issuance of restricted common stock	—	—	—	—	—	—	—	—	406,361	—	—	—	—	—	—	—
Repurchase of common stock	—	—	—	—	—	—	—	—	(7,560)	—	—	—	—	—	—	—
Accretion of redeemable convertible preferred stock to redemption value	—	6	—	17	—	374	—	33	—	—	—	—	(430)	(430)	—	(430)
Accretion of cumulative dividends on redeemable convertible preferred stock	—	323	—	1,026	—	3,570	—	552	—	—	(3,468)	—	(2,002)	(5,470)	—	(5,470)
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	3,315	—	—	3,315	—	3,315
Components of comprehensive loss:																
Change in market value of investments	—	—	—	—	—	—	—	—	—	—	—	(62)	—	(62)	—	(62)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	—	—	192	—	192	—	192
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	(17,501)	(17,501)	(280)	(17,781)
Net comprehensive loss														(17,371)		(17,651)

Brightcove Inc.

Consolidated Statements of Redeemable Convertible Preferred Stock, Stockholders' (Deficit) Equity and Comprehensive Loss (continued)

(in thousands, except share data)

	Series A Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Compre-hensive Income	Accumulated Deficit	Total Stock-holders' Deficit Attributable to Brightcove Inc.	Non-Controlling Interest	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Par Value						
Balance at December 31, 2010	5,375,000	7,206	6,921,854	22,254	7,392,163	72,581	2,315,842	12,363	12,677,792	13	—	814	(88,511)	(87,684)	747	(86,937)
Issuance of common stock upon exercise of stock options (unaudited)	—	—	—	—	—	—	—	—	296,214	—	110	—	—	110	—	110
Vesting of restricted stock (unaudited)	—	—	—	—	—	—	—	—	—	—	109	—	—	109	—	109
Accretion of redeemable convertible preferred stock to redemption value (unaudited)	—	2	—	6	—	124	—	22	—	—	—	—	(154)	(154)	—	(154)
Accretion of cumulative dividends on redeemable convertible preferred stock (unaudited)	—	161	—	513	—	1,785	—	360	—	—	(2,250)	—	(569)	(2,819)	—	(2,819)
Stock-based compensation expense (unaudited)	—	—	—	—	—	—	—	—	—	—	2,031	—	—	2,031	—	2,031
Components of comprehensive loss:																
Foreign currency translation adjustment (unaudited)	—	—	—	—	—	—	—	—	—	—	—	(8)	—	(8)	—	(8)
Net (loss) income (unaudited)	—	—	—	—	—	—	—	—	—	—	—	—	(9,873)	(9,873)	145	(9,728)
Net comprehensive loss (unaudited)	—	—	—	—	—	—	—	—	—	—	—	—	—	(9,881)		(9,736)

Brightcove Inc.

Consolidated Statements of Redeemable Convertible Preferred Stock, Stockholders' (Deficit) Equity and Comprehensive Loss (continued)

(in thousands, except share data)

	Series A Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Compre-hensive Income	Accumulated Deficit	Total Stock-holders' Deficit Attributable to Brightcove Inc.	Non-Controlling Interest	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Par Value						
Balance at June 30, 2011 (unaudited)	5,375,000	7,369	6,921,854	22,773	7,392,163	74,490	2,315,842	12,745	12,974,006	13	—	806	(99,107)	(98,288)	892	(97,396)
Conversion of redeemable convertible preferred stock into common stock (unaudited)	(5,375,000)	(7,369)	(6,921,854)	(22,773)	(7,392,163)	(74,490)	(2,315,842)	(12,745)	41,991,381	42	102,957	—	14,378	117,377	—	117,377
Reclassification of warrants to purchase shares of redeemable convertible preferred stock into warrants to purchase common stock (unaudited)	—	—	—	—	—	—	—	—	—	—	429	—	—	429	—	429
Pro forma, June 30, 2011 (unaudited)	—	$ —	—	$ —	—	$ —	—	$ —	54,965,387	$ 55	$ 103,386	$ 806	$ (84,729)	$ 19,518	$ 892	$ 20,410

See accompanying notes.

Brightcove Inc.

Consolidated Statements of Cash Flows

(in thousands)

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
				(unaudited)	
Operating activities					
Net loss	$(10,235)	$ (2,823)	$(17,781)	$ (8,558)	$ (9,728)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:					
Depreciation and amortization	1,129	1,778	2,199	958	1,438
Stock-based compensation	338	508	3,315	1,670	2,031
Change in fair value of warrants	10	14	186	250	143
Provision for (reduction of) reserves on accounts receivable	36	119	133	(53)	(10)
Other-than-temporary impairment of investments	1,013	—	—	—	—
Unrealized gain on investments	—	—	(16)	—	—
Loss on disposal of equipment	63	—	—	—	40
Loss on sale of investments	—	—	—	—	146
Changes in assets and liabilities:					
Accounts receivable	(2,953)	(1,043)	(2,037)	(356)	(3,874)
Prepaid expenses and other current assets	(85)	(271)	(364)	(475)	(1,694)
Other assets	11	(70)	(299)	(303)	(483)
Accounts payable	(311)	505	2	(466)	1,758
Accrued expenses	(543)	2,062	2,361	1,914	2,330
Deferred revenue	2,184	(628)	1,539	(252)	4,288
Net cash (used in) provided by operating activities	(9,343)	151	(10,762)	(5,671)	(3,615)
Investing activities					
Sales of investments	20,000	75	50	—	2,732
Purchases of property and equipment	(1,439)	(1,075)	(2,720)	(913)	(2,133)
Capitalization of internal-use software costs	(1,533)	(694)	(829)	(404)	(216)
(Increase) decrease in restricted cash	(32)	(209)	67	108	278
Net cash provided by (used in) investing activities	16,996	(1,903)	(3,432)	(1,209)	661
Financing activities					
Proceeds from issuance of redeemable convertible preferred stock, net of issuance costs	—	—	11,778	11,778	—
Proceeds from issuance of common stock, net of repurchases	85	240	154	70	110
Borrowings under line of credit	—	—	—	—	2,000
Borrowings under term loan	—	—	—	—	5,000
Capital contribution by minority shareholders to consolidated joint venture	4,778	—	—	—	—
Net cash provided by financing activities	4,863	240	11,932	11,848	7,110
Effect of exchange rate changes on cash	732	(110)	49	3	68
Net increase (decrease) in cash and cash equivalents	13,248	(1,622)	(2,213)	4,971	4,224
Cash and cash equivalents at beginning of period	10,928	24,176	22,554	22,554	20,341
Cash and cash equivalents at end of period	$ 24,176	$22,554	$ 20,341	$27,525	$24,565
Supplemental disclosure of cash flow information					
Cash paid for income taxes	$ 11	$ 55	$ 19	$ 7	$ 3
Supplemental disclosure of non-cash financing activities					
Accretion of Series A, B, C and D redeemable convertible preferred stock issuance costs and dividends	$ 5,713	$ 5,712	$ 5,900	$ 2,927	$ 2,973

See accompanying notes.

Brightcove Inc.

Notes to Consolidated Financial Statements

Years Ended December 31, 2008, 2009 and 2010
and Six Months Ended June 30, 2010 and 2011 (unaudited)

(in thousands, except share and per share data, unless otherwise noted)

1. Organization and Operations

Brightcove Inc. (the Company) is a provider of cloud-based solutions for publishing and distributing professional digital media which enable its customers to publish and distribute video to Internet-connected devices quickly, easily and in a cost-effective manner.

The Company is headquartered in Cambridge, Massachusetts. The Company was incorporated in the state of Delaware on August 24, 2004. At December 31, 2010, the Company had six wholly-owned subsidiaries: Brightcove UK Ltd, Brightcove Singapore Pte. Ltd., Brightcove Korea, Brightcove Australia Pty Ltd, Brightcove Holdings, Inc. and Bright Bay Co. Ltd. as well as one majority-owned subsidiary, Brightcove Kabushiki Kaisha (Brightcove KK).

At this time, management believes that the Company has sufficient resources to fund operations through at least January 1, 2012, based upon its available capital, its current operating plan, and management's ability and commitment to reduce operating expenses if the Company does not achieve the revenue anticipated in its current operating plan. The Company may need to raise additional capital to fund future operations, develop new, and enhance existing, products and services, or acquire complementary products, businesses or technologies.

2. Summary of Significant Accounting Policies

The accompanying consolidated financial statements reflect the application of certain significant accounting policies as described below and elsewhere in these notes to the consolidated financial statements.

The Company believes that a significant accounting policy is one that is both important to the portrayal of the Company's financial condition and results, and requires management's most difficult, subjective, or complex judgments, often as the result of the need to make estimates about the effect of matters that are inherently uncertain.

Unaudited Interim Financial Information

The accompanying interim consolidated balance sheet as of June 30, 2011, the consolidated statements of operations and cash flows for the six months ended June 30, 2010 and 2011, and the consolidated statement of redeemable convertible preferred stock, stockholders' deficit and comprehensive loss for the six months ended June 30, 2011 are unaudited. The unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. In the opinion of the Company's management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments consisting of normal recurring adjustments and accruals necessary for the fair presentation of the Company's financial position at June 30, 2011 and its results of operations and its cash flows for the six months ended June 30, 2010 and 2011. The results for the six months ended June 30, 2011 are not necessarily indicative of the results expected for the year ending December 31, 2011 or any future period.

Unaudited Pro Forma Presentation

The unaudited pro forma balance sheet and the unaudited pro forma statement of redeemable convertible preferred stock, stockholders' equity and comprehensive loss as of June 30, 2011 reflect the automatic conversion, at the closing of an initial public offering of the Company's common stock, of all outstanding shares

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

of redeemable convertible preferred stock into 41,991,381 shares of common stock based on the shares of redeemable convertible preferred stock outstanding at June 30, 2011, and the automatic conversion of warrants to purchase 60,728 shares of redeemable convertible preferred stock into warrants to purchase 121,456 shares of common stock based on the warrants outstanding at June 30, 2011. Unaudited pro forma net loss per share is computed using the weighted average number of common shares outstanding after giving pro forma effect to the conversion of all redeemable convertible preferred stock during the year ended December 31, 2010 and the six months ended June 30, 2011 into shares of the Company's common stock as if such conversion had occurred at the date of original issuance. Upon conversion of the redeemable convertible preferred stock into shares of the Company's common stock in the event of an initial public offering, the holders of the redeemable convertible preferred stock are not entitled to receive undeclared dividends. Accordingly, the impact of the accretion of unpaid and undeclared dividends has been excluded from the determination of net loss attributable to common stockholders used to compute pro forma net loss per share. Additionally, the cumulative accretion of unpaid and undeclared dividends has been reflected as an increase to additional-paid-in-capital and accumulated deficit in the accompanying unaudited pro forma statement of redeemable convertible preferred stock, stockholders' equity and comprehensive loss as of June 30, 2011.

Use of Estimates and Uncertainties

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts expensed during the reporting period. Actual results could differ from those estimates.

Significant estimates relied upon in preparing these consolidated financial statements include revenue recognition and revenue reserves, allowances for doubtful accounts, expected future cash flows used to evaluate the recoverability of long-lived assets, contingent liabilities, expensing and capitalization of research and development costs for internal-use software, the determination of the fair value of stock awards issued, stock-based compensation expense, and the recoverability of the Company's net deferred tax assets and related valuation allowance.

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 these results differ from historical experience, or other assumptions do not turn out to be substantially accurate, even if such assumptions are reasonable when made.

The Company is subject to a number of risks and uncertainties common to companies in similar industries and stages of development including, but not limited to, rapid technological changes, competition from substitute products and services from larger companies, customer concentration, management of international activities, protection of proprietary rights, patent litigation, and dependence on key individuals.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries and other non-controlling interests. All significant intercompany balances and transactions have been eliminated in consolidation.

Non-controlling interests represent the minority stockholders' proportionate share (37%) of the Company's majority-owned subsidiary, Brightcove KK, a Japanese joint venture, which was formed on July 18, 2008. The

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

non-controlling interest in Brightcove KK is reported as a separate component of stockholders' (deficit) equity in the accompanying consolidated financial statements. The portion of net (loss) income attributable to non-controlling interests is presented as net loss attributable to non-controlling interests in consolidated subsidiary in the consolidated statements of operations, and the portion of other comprehensive loss of this subsidiary is presented in the consolidated statements of redeemable convertible preferred stock, stockholders' (deficit) equity and comprehensive loss. Net (loss) income attributable to non-controlling interests for the years ended December 31, 2008, 2009 and 2010 and for the six months ended June 30, 2010 and 2011 was $(305), $(478), $(280), $(211) and $145, respectively. There were no non-controlling interests prior to July 2008. See Note 6 for further discussion.

Subsequent Events Considerations

The Company has evaluated subsequent events after the audited balance sheet date of December 31, 2010 through August 23, 2011, the date these financial statements were filed with the SEC.

Foreign Currency Translation

The reporting currency of the Company is the U.S. dollar. The functional currency of the Company's foreign subsidiaries is the local currency of each subsidiary. All assets and liabilities in the balance sheets of entities whose functional currency is a currency other than the U.S. dollar are translated into U.S. dollar equivalents at exchange rates as follows: (1) asset and liability accounts at period-end rates, (2) income statement accounts at weighted-average exchange rates for the period, and (3) stockholders' equity accounts at historical exchange rates. The resulting translation adjustments are excluded from income (loss) and reflected as a separate component of stockholders' deficit. Foreign currency transaction gains and losses are included in net loss for the period. The Company may periodically have certain intercompany foreign currency transactions that are deemed to be of a long-term investment nature; exchange adjustments related to those transactions are made directly to a separate component of stockholders' deficit.

Cash, Cash Equivalents, and Investments

The Company considers all highly liquid investments with an original maturity of three months or less at the date of purchase to be cash equivalents. Investments not classified as cash equivalents with maturities less than one year from the balance sheet date, are classified as short-term investments, while investments with maturities in excess of one year from the balance sheet date are classified as long-term investments. Management determines the appropriate classification of investments at the time of purchase, and re-evaluates such determination at each balance sheet date.

Cash and cash equivalents primarily consist of cash on deposit with banks, and amounts held in interest-bearing money market accounts. Cash equivalents are carried at cost, which approximates their fair market value.

The Company's investments consisted of auction rate securities (ARS), which were classified as available-for-sale because it is the Company's intent not to hold them to maturity. Auction rate securities are debt instruments issued by various municipalities throughout the United States. Available-for-sale securities are reported at fair value, with temporary unrealized gains (losses) excluded from earnings and reported in a separate component of stockholders' deficit, while other-than-temporary unrealized losses are included in earnings as a component of other income (expense) in the period identified.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

Cash, cash equivalents, and long-term investments as of December 31, 2009 and 2010 and June 30, 2011 consist of the following:

		December 31, 2009		
Description	Contracted Maturity	Amortized Cost	Fair Market Value	Balance Per Balance Sheet
Cash	Demand	$ 3,604	$ 3,604	$ 3,604
Money market funds	Demand	18,950	18,950	18,950
Total cash and cash equivalents		$22,554	$ 22,554	$ 22,554
Auction rate securities	29 years	$ 3,925	$ 2,974	$ 2,974
Total long-term investments		$ 3,925	$ 2,974	$ 2,974

		December 31, 2010		
Description	Contracted Maturity	Amortized Cost	Fair Market Value	Balance Per Balance Sheet
Cash	Demand	$ 5,630	$ 5,630	$ 5,630
Money market funds	Demand	14,711	14,711	14,711
Total cash and cash equivalents		$20,341	$ 20,341	$ 20,341
Auction rate securities	28 years	$ 3,875	$ 2,878	$ 2,878
Total long-term investments		$ 3,875	$ 2,878	$ 2,878

		June 30, 2011 (unaudited)		
Description	Contracted Maturity	Amortized Cost	Fair Market Value	Balance Per Balance Sheet
Cash	Demand	$11,110	$ 11,110	$ 11,110
Money market funds	Demand	13,455	13,455	13,455
Total cash and cash equivalents		$24,565	$ 24,565	$ 24,565

As of December 31, 2008, the Company held ARS totaling $4,000 at par value. These ARS are debt instruments issued by the District of Columbia to finance construction of a facility, and have credit ratings of "A" or "Baa1" (or equivalent) from a recognized rating agency. Historically, the carrying value of ARS approximated fair value due to the frequent resetting of the interest rates. Beginning in February 2008, with the liquidity issues experienced in the global credit and capital markets, the Company's ARS experienced multiple failed auctions. While the Company continued to earn and receive interest on these investments at the maximum contractual rate, the estimated fair value of these ARS no longer approximated par value.

The Company concluded that the fair value of these ARS at December 31, 2008 was $2,987 a decline of $1,013 from par value. Fair value was determined using a discounted cash flow model that considered the following key inputs: (i) the underlying structure of each security; (ii) the present value of the future principal and interest payments discounted at rates considered to reflect current market conditions and the relevant risk associated with each security; and (iii) consideration of the time horizon that the market value of each security could return to its cost. In making these assumptions, the Company considered relevant factors, including: the formula applicable to each security which defines the interest rate in the event of a failed auction; forward projections of the interest rate benchmarks specified in such formulas; and the likely timing of principal repayments. The Company's estimate of the rate of return required by investors to own these securities also

considered the current reduced liquidity for ARS. The decline in fair value was deemed other than temporary, and accordingly, the Company recorded an impairment charge of $1,013 in the consolidated statement of operations for the year ended December 31, 2008.

During the year ended December 31, 2009, $75 of the Company's ARS were called by the respective issuers at par value, reducing the total par value of ARS held to $3,925. As of December 31, 2009, the Company concluded that the fair value of these ARS increased to $2,974 and therefore, recorded the change in fair value of these securities from December 31, 2008 of $62 as an unrealized gain in accumulated other comprehensive income for the year ended December 31, 2009. Fair value was determined using a discounted cash flow model as discussed above.

During the year ended December 31, 2010, an additional $50 of the Company's ARS were called by the respective issuers at par value, reducing the total par value of ARS held to $3,875. As these securities had previously been deemed impaired, and were ultimately settled at par value, the Company recorded other income of $16 to reflect the reversal of the portion of the other-than-temporary impairment associated with the securities that were settled. As of December 31, 2010, the Company concluded that the fair value of the remaining ARS was $2,878 and therefore, recorded the change in fair value of these securities from December 31, 2009 of $62 as an unrealized loss in accumulated other comprehensive loss for the year ended December 31, 2010. Fair value was determined using a discounted cash flow model as discussed above.

The Company did not have any realized gains or losses from the sale of available-for-sale investments for the years ended December 31, 2008, 2009 and 2010.

As of December 31, 2009 and 2010, the ARS have been classified as long-term investments in the accompanying consolidated balance sheets due to the uncertainty associated with these securities as the funds associated with the ARS that failed auction may not have been accessible until a successful auction occurs, a buyer is found outside of the auction process, the security is called, or the underlying securities have matured.

During the six months ended June 30, 2011, the Company sold its remaining ARS for total proceeds of $2,732, and recorded a realized loss of $146 to other expense in the consolidated statement of operations for the six months ended June 30, 2011.

Restricted Cash

As of December 31, 2009 and 2010 and June 30, 2011, the Company had restricted cash in the amount of $621, $554 and $276, respectively, used to collateralize stand by letters of credit outstanding, $421, $354 and $76 of which, respectively, is substantially in favor of its landlords for office space in Seattle, Washington; Cambridge, Massachusetts; and New York, New York. These letters of credit renew annually, and mature in August 2013, July 2012, and August 2012, respectively. The remaining $200 is associated with the contractual provisions of the Company's corporate credit card.

Disclosure of Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include cash, cash equivalents, accounts receivable, accounts payable, accrued expenses, borrowings under the Company's line of credit and long-term debt, approximated their fair values at December 31, 2009 and 2010 and June 30, 2011, due to the short-term nature of these instruments, and for the line of credit and long-term debt, the interest rates the Company believes it could obtain for borrowings with similar terms. See discussion elsewhere in Note 2 for discussion on the determination of the fair value of the Company's long-term investments.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

The Company has evaluated the estimated fair value of financial instruments using available market information and management's estimates. The use of different market assumptions and/or estimation methodologies could have a significant effect on the estimated fair value amounts. See Note 3 for further discussion.

Revenue Recognition

The Company primarily derives revenue from the sale of its on-demand application service to the Company's internet video platform, which provides customers the right to access the Company's hosted software applications for uploading, managing, distributing, and monetizing their video assets. Revenue is derived from three primary sources: (1) the subscription of its technology and related support; (2) hosting and bandwidth services; and (3) professional services, which include initiation, set-up and customization services.

The Company recognizes revenues when all of the following conditions are satisfied: (1) there is persuasive evidence of an arrangement; (2) the service has been provided to the customer; (3) the collection of fees is probable; and (4) the amount of fees to be paid by the customer is fixed or determinable.

The Company's subscription arrangements provide customers the right to access its hosted software applications. Customers do not have the right to take possession of the Company's software during the hosting arrangement. Accordingly, the Company recognizes revenue in accordance with Accounting Standards Codification (ASC) 605, *Revenue Recognition*. Contracts for premium customers generally have a term of one year and are non-cancelable. These contracts generally provide the customer with a maximum annual level of usage, and provide the rate at which the customer must pay for actual usage above the annual allowable usage. For these services, the Company recognizes the annual fee ratably as revenue each month. Should a customer's usage of the Company's services exceed the annual allowable level, revenue is recognized for such excess in the period of the usage. Contracts for Express customers are generally month-to-month arrangements, have a maximum monthly level of usage and provide the rate at which the customer must pay for actual usage above the monthly allowable usage. The monthly Express subscription and support and usage fees are recognized as revenue during the period in which the related cash is collected.

Revenue recognition commences upon the later of when the application is placed in a production environment, or when all revenue recognition criteria have been met.

Professional services and other revenue sold on a stand-alone basis are recognized upon final delivery.

Deferred revenue includes amounts billed to customers for which revenue has not been recognized, and primarily consists of the unearned portion of annual software subscription and maintenance and support fees, and deferred initiation and professional service fees.

Revenue is presented net of any taxes collected from customers.

Multiple-Element Arrangements

The Company periodically enters into multi-element service arrangements that include platform subscription fees, support fees, initiation fees, and, in certain cases, other professional services. Prior to January 1, 2011, when the Company entered into such arrangements, each element was accounted for separately over its respective service period, provided that each element had value to the customer on a stand-alone basis, and there was objective and reliable evidence of fair value for the separate elements. If these criteria could not be objectively met or determined, the total value of the arrangement was generally recognized ratably as a single unit of accounting over the entire service period to the extent that all services had begun to be provided at the outset of the period. For multi-element service arrangements entered into through December 31, 2010, the Company was unable to separately account for the different elements because the Company did not have objective and reliable evidence of fair value for certain of its deliverables. Therefore, all revenue under these arrangements has been recognized ratably over the contract term.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

Initiation fees and other professional services charged when services are first activated were recorded as deferred revenue, and recognized as revenue ratably over a term beginning upon go-live of the software application and extending through the contract term.

In October 2009, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2009-13, *Revenue Recognition (Topic 605), Multiple-Deliverable Revenue Arrangements—a Consensus of the FASB Emerging Issues Task Force,* which amended the previous multiple-element arrangements accounting guidance. Pursuant to the new guidance, objective and reliable evidence of fair value of the undelivered elements is no longer required in order to account for deliverables in a multiple-deliverable arrangement separately. Instead, arrangement consideration is allocated to deliverables based on their relative selling price. The new guidance also eliminates the use of the residual method.

Effective January 1, 2011, the Company adopted this new accounting guidance on a prospective basis. The Company applied the new accounting guidance to those multiple-element arrangements entered into, or materially modified, on or after January 1, 2011, which is the beginning of the Company's fiscal year. The adoption of this new accounting guidance did not have a material impact on the Company's financial condition, results of operations or cash flows.

Under the new accounting guidance, in order to treat deliverables in a multiple-deliverable arrangement as separate units of accounting, the deliverables must have standalone value upon delivery. If the deliverables have standalone value upon delivery, the Company accounts for each deliverable separately. Subscription services have standalone value as such services are often sold separately. In determining whether professional services have standalone value, the Company considers the following factors for each professional services agreement: availability of the services from other vendors, the nature of the professional services, the timing of when the professional services contract was signed in comparison to the subscription service start date, and the contractual dependence of the subscription service on the customer's satisfaction with the professional services work. To date, the Company has concluded that all of the professional services included in multiple-deliverable arrangements executed have standalone value, with the exception of initiation and activation fees.

Under the new accounting guidance, when multiple deliverables included in an arrangement are separated into different units of accounting, the arrangement consideration is allocated to the identified separate units based on a relative selling price hierarchy. The Company determines the relative selling price for a deliverable based on its vendor-specific objective evidence of fair value (VSOE), if available, or its best estimate of selling price (BESP), if VSOE is not available. The Company has determined that third-party evidence of selling price (TPE) is not a practical alternative due to differences in its service offerings compared to other parties and the availability of relevant third party pricing information. The amount of revenue allocated to delivered items is limited by contingent revenue, if any.

The Company has not established VSOE for its offerings due to lack of pricing consistency, the introduction of new services and other factors. Accordingly, the Company uses its BESP to determine the relative selling price. The Company determines BESP by considering its overall pricing objectives and market conditions. Significant pricing practices taken into consideration include the Company's discounting practices, the size and volume of the Company's transactions, the geographic area where services are sold, price lists, its go to market strategy, historic contractually stated prices and prior relationships and future subscription service sales with certain classes of customers.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

The determination of BESP is made through consultation with and approval by the Company's management, taking into consideration the go-to market strategy. As the Company's go-to-market strategies evolve, the Company may modify its pricing practices in the future, which could result in changes in selling prices, including both VSOE and BESP. The Company plans to analyze the selling prices used in its allocation of arrangement consideration, at a minimum, on an annual basis. Selling prices will be analyzed on a more frequent basis if a significant change in the Company's business necessitates a more timely analysis or if the Company experiences significant variances in its selling prices.

Cost of Revenue

Cost of revenue primarily consists of costs related to supporting and hosting the Company's product offerings and delivering professional services. These costs include salaries, benefits, incentive compensation and stock-based compensation expense related to the management of the Company's data center, customer support team and the Company's professional services staff, in addition to third-party service provider costs such as data center and networking expenses, allocated overhead, amortization of capitalized internal-use software development costs and depreciation expense.

Allowance for Doubtful Accounts

The Company offsets gross trade accounts receivable with an allowance for doubtful accounts. 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 and is based upon historical loss patterns, the number of days that billings are past due, and an evaluation of the potential risk of loss associated with specific accounts. Provisions for allowances for doubtful accounts are recorded in general and administrative expense.

Below is a summary of the changes in the Company's allowance for doubtful accounts for the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011:

	Balance at Beginning of Period	Provision (Reduction)	Write-offs	Balance at End of Period
Year ended December 31, 2008	$ 278	$ 36	$ (33)	$ 281
Year ended December 31, 2009	281	119	—	400
Year ended December 31, 2010	400	133	(235)	298
Six months ended June 30, 2011 (unaudited)	298	(10)	(49)	239

Off-Balance Sheet Risk and Concentration of Credit Risk

The Company has no significant off-balance sheet risk, such as foreign exchange contracts, option contracts, or other foreign hedging arrangements. Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash, cash equivalents, investments, and trade accounts receivable. The Company maintains its cash and cash equivalents principally with accredited financial institutions of high credit standing. Although the Company deposits its cash with multiple financial institutions, its deposits, at times, may exceed federally insured limits. The Company routinely assesses the creditworthiness of its customers.

The Company generally has not experienced any material losses related to receivables from individual customers, or groups of customers. The Company does not require collateral. 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.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

For the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, no individual customer accounted for more than 10% of total revenue.

As of December 31, 2009 and 2010 and June 30, 2011, no individual customer accounted for more than 10% of net accounts receivable.

Concentration of Other Risks

The Company is dependent on certain content delivery network providers who provide digital media delivery functionality enabling the Company's on-demand application service to function as intended for the Company's customers and ultimate end-users. The disruption of these services could have a material adverse effect on the Company's business, financial position, and results of operations.

Software Development Costs

Costs incurred to develop software applications used in the Company's on-demand application services consist of (a) certain external direct costs of materials and services incurred in developing or obtaining internal-use computer software, and (b) payroll and payroll-related costs for employees who are directly associated with, and who devote time to, the project. These costs generally consist of internal labor during configuration, coding, and testing activities. Research and development costs incurred during the preliminary project stage or costs incurred for data conversion activities, training, maintenance and general and administrative or overhead costs are expensed as incurred. Capitalization begins when the preliminary project stage is complete, management, with the relevant authority, authorizes and commits to the funding of the software project, it is probable the project will be completed, the software will be used to perform the functions intended and certain functional and quality standards have been met. Qualified costs incurred during the operating stage of the Company's software applications relating to upgrades and enhancements are capitalized to the extent it is probable that they will result in added functionality, while costs that cannot be separated between maintenance of, and minor upgrades and enhancements to, internal-use software are expensed as incurred. These capitalized costs are amortized on a straight-line basis over the expected useful life of the software, which is estimated to be three years. Capitalized internal-use software development costs are classified as "Software" within "Property and Equipment, net" in the accompanying consolidated balance sheets.

During the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, the Company capitalized $1,533, $694, $829, $404 and $216, respectively, of internal-use software development costs. The Company recorded amortization expense associated with its capitalized internal-use software development costs of $183, $601, $845, $388 and $490 for the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, respectively.

In addition to the software development costs described above, the Company incurs costs to develop computer software to be licensed or otherwise marketed to customers. Costs incurred in the research, design and development of software for sale to others are charged to expense until technological feasibility is established. The Company capitalizes eligible computer software development costs upon achievement of technological feasibility subject to net realizable value considerations. Thereafter, software development costs are capitalized until the product is released and amortized to product cost of sales on a straight-line basis over the lesser of three years or the estimated economic lives of the respective products. The Company has determined that technological feasibility is established at the time a working model of software is completed. Because the Company believes its current process for developing software will be essentially completed concurrently with the establishment of technological feasibility, no costs have been capitalized to date.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

Property and Equipment

Property and equipment are recorded at cost and depreciated over their estimated useful lives using the straight-line method. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the related asset. Upon retirement or sale, the cost of assets disposed of, and the related accumulated depreciation, are removed from the accounts, and any resulting gain or loss is included in the determination of net income or loss in the period of retirement.

Property and equipment consists of the following:

	Estimated Useful Life (in Years)	December 31, 2009	December 31, 2010	June 30, 2011 (unaudited)
Computer equipment	3	$3,425	$ 5,541	$ 7,073
Software	3	2,962	4,136	4,846
Furniture and fixtures	5	240	343	351
Leasehold improvements	Shorter of lease term or the estimated useful life	291	447	488
		6,918	10,467	12,758
Less accumulated depreciation and amortization		3,563	5,761	7,176
		$3,355	$ 4,706	$ 5,582

Depreciation and amortization expense, which includes amortization expense associated with capitalized internal-use software development costs, for the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011 was $1,100, $1,778, $2,199, $958 and $1,438, respectively.

Expenditures for maintenance and repairs are charged to expense as incurred, whereas major improvements are capitalized as additions to property and equipment. The Company reviews its property and equipment whenever events or changes in circumstances indicate that the carrying value of certain assets might not be recoverable. In these instances, the Company recognizes an impairment loss when it is probable that the estimated cash flows are less than the carrying value of the asset.

Impairment of Long-Lived Assets

The Company reviews long-lived assets and certain identifiable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. During this review, the Company re-evaluates the significant assumptions used in determining the original cost and estimated lives of long-lived assets. Although the assumptions may vary from asset to asset, they generally include operating results, changes in the use of the asset, cash flows, and other indicators of value. Management then determines whether the remaining useful life continues to be appropriate, or whether there has been an impairment of long-lived assets based primarily upon whether expected future undiscounted cash flows are sufficient to support the assets' recovery. If impairment exists, the Company adjusts the carrying value of the asset to fair value, generally determined by a discounted cash flow analysis.

For the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011, the Company has not identified any impairment of its long-lived assets.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

Goodwill and Intangible Assets

Goodwill is not amortized, but is evaluated for impairment annually, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Intangible assets that have finite lives are amortized over their useful lives. Intangible assets that are subject to amortization are reviewed for impairment as discussed above.

In assessing the recoverability of goodwill, the Company must make assumptions regarding the estimated future cash flows, and other factors, to determine the fair value of these assets. If these estimates or their related assumptions change in the future, the Company may be required to record impairment charges against these assets in the reporting period in which the impairment is determined. The Company has determined, based on its organizational structure, that it had one reporting unit as of December 31, 2009 and 2010 and June 30, 2011.

For goodwill, the impairment evaluation includes a comparison of the carrying value of the reporting unit to the fair value of the reporting unit. If the reporting unit's estimated fair value exceeds the reporting unit's carrying value, no impairment of goodwill exists. If the fair value of the reporting unit does not exceed its carrying value, then further analysis would be required to determine the amount of the impairment, if any.

The Company utilizes a two-phase process for impairment testing of goodwill. The first phase screens for impairment at the reporting unit level, while the second phase, if necessary, measures the impairment, if any, of goodwill at the reporting unit level. In performing the first phase of the impairment test, the Company estimates the fair value of its reporting unit, primarily utilizing the market approach. The market approach calculates the fair value based on the market values of comparable companies or comparable transactions. The Company believes its assumptions used to determine the fair value of its reporting unit are reasonable. If different assumptions were used, different estimates of fair value may result, and there could be the potential that an impairment charge could result. Actual operating results, and the related cash flows of the reporting unit, could differ from the estimated operating results and related cash flows.

Based on the results of the first step of the goodwill impairment test as of December 31, 2009 and 2010, the Company determined that no impairment had taken place, as the carrying amount of the Company's reporting unit was less than the fair value and, therefore, the second step of the goodwill impairment test was not necessary.

The total carrying amount of goodwill as of December 31, 2009 and 2010 and June 30, 2011 was $2,372. There were no changes in the carrying amount of goodwill during the years ended December 31, 2009 and 2010 and the six months ended June 30, 2011.

Identifiable intangible assets are initially recorded at fair value and reported net of accumulated amortization, and are amortized on a straight-line basis over their estimated useful lives, as no other pattern over which the economic benefits will be consumed can be reliably determined. These intangible assets were acquired by the Company in 2006, in connection with the acquisition of Metastories, Inc.

As of December 31, 2008, the acquired intangible assets were fully amortized. During the year ended December 31, 2008, the Company recorded amortization expense for intangible assets of $29.

Comprehensive Income (Loss)

Comprehensive income (loss) is defined as the change in equity of a business enterprise during a period from transactions, other events, and circumstances from non-owner sources. Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss), which includes certain changes in equity

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Notes to Consolidated Financial Statements (continued)

that are excluded from net income (loss). Specifically, cumulative foreign currency translation and unrealized gains and (losses) on investments are included in accumulated other comprehensive income (loss). Comprehensive loss has been disclosed in the accompanying consolidated statements of stockholders' (deficit) equity.

Accumulated other comprehensive income consists of the following:

	December 31,		June 30,
	2009	2010	2011
			(unaudited)
Cumulative translation adjustment	$622	$814	$ 806
Unrealized gain on available-for-sale investments	62	—	—
Total	$684	$814	$ 806

Net Loss per Share

The Company calculates basic and diluted net loss per common share by dividing the net loss attributable to common stockholders by the weighted average number of common shares outstanding during the period. The Company has excluded (a) all unvested restricted shares that are subject to repurchase and (b) the Company's other potentially dilutive shares, which include redeemable convertible preferred stock, warrants for redeemable convertible preferred stock, and outstanding common stock options, from the weighted average number of common shares outstanding as their inclusion in the computation for all periods would be anti-dilutive due to net losses. The Company's redeemable convertible preferred stock are participating securities as defined by ASC 260-10, *Earnings Per Share*, but are excluded from the earnings per share calculation as they do not have an obligation to share in the Company's net losses.

A reconciliation of the number of shares used in the calculation of basic and diluted net loss per share is as follows:

	Years Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
		(in thousands, except per share data)		(unaudited)	
Computation of basic and diluted net loss per share:					
Net loss applicable to common stockholders	$ (14,849)	$ (7,263)	$ (22,971)	$ (10,998)	$ (12,692)
Weighted-average shares of common stock outstanding	10,855	11,428	12,431	11,943	12,765
Less: weighted-average number of unvested restricted common shares outstanding	1,161	311	439	458	297
Weighted-average number of common shares used in calculating net loss per common share	9,694	11,117	11,992	11,485	12,468
Net loss per share applicable to common stockholders	$ (1.53)	$ (0.65)	$ (1.92)	$ (0.96)	$ (1.02)

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Notes to Consolidated Financial Statements (continued)

The following potentially dilutive common shares have been excluded from the computation of diluted weighted-average shares outstanding as of December 31, 2008, 2009 and 2010 and June 30, 2010 and 2011, as their effect would have been antidilutive:

	Years Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
			(in thousands)	(unaudited)	
Redeemable convertible preferred stock	39,378	39,378	41,390	40,779	41,991
Options outstanding	5,305	7,347	9,350	8,830	10,447
Unvested restricted shares	1,161	311	439	458	297
Warrants	121	121	121	121	121

Unaudited Pro Forma Net Loss per Share

Pro forma basic and diluted net loss per share were computed to give effect to the conversion of all redeemable convertible preferred stock during the year ended December 31, 2010 and the six months ended June 30, 2011 into shares of the Company's common stock, as if such conversion had occurred as of the date of original issuance. The impact of the accretion of unpaid and undeclared dividends has been excluded from the determination of net loss attributable to common stockholders as the holders of redeemable convertible preferred stock are not entitled to receive undeclared dividends upon such conversion.

A reconciliation of the pro forma net loss per share is as follows:

	Year Ended December 31, 2010	Six Months Ended June 30, 2011
		(unaudited)
	(in thousands, except per share data)	
Net loss attributable to common stockholders	$ (22,971)	$ (12,692)
Accretion of dividends on redeemable convertible preferred stock	5,470	2,819
Pro forma net loss attributable to common stockholders	$ (17,501)	$ (9,873)
Weighted-average number of common shares used in computing net loss per share-basic and diluted	11,992	12,468
Adjustment for assumed conversion of redeemable convertible preferred stock	41,390	41,991
Weighted-average number of common shares used in computing pro forma net loss per share-basic and diluted	53,382	54,459
Pro forma net loss per share-basic and diluted	$ (0.33)	$ (0.18)

Income Taxes

The Company accounts for income taxes in accordance with the asset and liability method. Under this method, deferred tax assets and liabilities are recognized based on temporary differences between the financial reporting and income tax bases of assets and liabilities using statutory rates. In addition, this method requires a valuation allowance against net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

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. The Company has no recorded liabilities for uncertain tax positions as of December 31, 2009 or 2010 or June 30, 2011.

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Notes to Consolidated Financial Statements (continued)

Stock-Based Compensation

At December 31, 2010 and June 30, 2011, the Company had one stock-based compensation plan, the 2004 Amended and Restated Stock Option and Incentive Plan (the 2004 Plan), which is more fully described in Note 5.

In addition to the 2004 Plan, during March 2009, Brightcove KK adopted the Brightcove KK Stock Option Plan (the Brightcove KK Plan). Separate disclosure of the Brightcove KK Plan is provided in Note 7.

For stock options issued under the 2004 Plan, the fair value of each option grant is estimated on the date of grant, and an estimated forfeiture rate is used when calculating stock-based compensation expense for the period. For restricted stock awards issued under 2004 Plan, the fair value of each grant is calculated based on the Company's stock price on the date of grant. For service-based options, the Company recognizes compensation expense on a straight-line basis over the requisite service period of the award.

Given the absence of an active market for the Company's common stock, the Board of Directors, the members of which the Company believes have extensive business, finance, and venture capital experience, were required to estimate the fair value of the Company's common stock at the time of each option grant. The Board considered numerous objective and subjective factors in determining the value of the Company's common stock at each option grant date, including the following factors: (1) prices for the Company's preferred stock, which the Company had sold to outside investors in arm's-length transactions, and the rights, preferences, and privileges of the Company's preferred stock and common stock; (2) valuations performed by an independent valuation specialist; (3) the Company's stage of development and revenue growth; (4) the fact that the option grants involved illiquid securities in a private company; and (5) the likelihood of achieving a liquidity event for the shares of common stock underlying the options, such as an initial public offering or sale of the Company, given prevailing market conditions. The Company believes this to have been a reasonable methodology based upon the Company's internal peer company analyses, and based on several arm's-length transactions involving the Company's preferred stock, supportive of the results produced by this valuation methodology. As the Company's common stock is not actively traded, the determination of fair value involves assumptions, judgments and estimates. If different assumptions were made, stock-based compensation expense, net loss and consolidated net loss per share could have been significantly different.

The fair value of each option grant issued under the 2004 Plan was estimated using the Black-Scholes option-pricing model that used the assumptions noted in the following table. As there was no public market for its common stock, the Company determined the volatility for options granted based on an analysis of reported data for a peer group of companies that issued options with substantially similar terms. The expected volatility of options granted has been determined using an average of the historical volatility measures of this peer group of companies. The expected life of options has been determined utilizing the "simplified method". The simplified method is based on the average of the vesting tranches and the contractual life of each grant. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected life of the stock options. The Company has not paid, and does not anticipate paying, cash dividends on its common stock; therefore, the expected dividend yield is assumed to be zero. In addition, based on an analysis of the historical actual forfeitures, the Company applied an estimated forfeiture rate of approximately 13% for both the year ended December 31, 2010 and the six months ended June 30, 2011 in determining the expense recorded in the accompanying consolidated statements of operations.

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Notes to Consolidated Financial Statements (continued)

The weighted-average assumptions utilized to determine such values are presented in the following table:

	Year Ended December 31,			Six Months Ended June 30, 2011 (unaudited)
	2008	2009	2010	
Risk-free interest rate	3.36%	2.61%	2.87%	2.68%
Expected volatility	58%	63%	61%	57%
Expected life (in years)	6.2	6.2	6.2	6.3
Expected dividend yield	—	—	—	—

The weighted-average fair value of options granted during the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011, was $0.21, $0.64, $2.44 and $1.83 per share, respectively.

As of December 31, 2010, there was $5,284 of total unrecognized stock-based compensation expense, net of estimated forfeitures, related to unvested employee stock options and restricted stock awards that is expected to be recognized over a weighted-average period of 2.55 years. As of June 30, 2011, there was $6,915 of total unrecognized stock-based compensation expense related to unvested employee stock options and restricted stock awards that is expected to be recognized over a weighted-average period of 2.72 years. The total unrecognized stock-based compensation expense will be adjusted for future changes in estimated forfeitures.

The Company accounts for transactions in which services are received from non-employees in exchange for equity instruments based on the fair value of such services received, or of the equity instruments issued, whichever is more reliably measured. The Company determines the total stock-based compensation expense related to non-employee awards using the Black-Scholes option-pricing model. Additionally, in accordance with ASC 505, *Equity-Based Payments to Non-Employees,* the Company accounts for awards to non-employees prospectively, such that the fair value of the awards will be remeasured at each reporting date until the earlier of (a) the performance commitment date or (b) the date the services required under the arrangement have been completed.

The expense related to these non-employee grants was not significant for the years ended December 31, 2008 and 2009. For the year ended December 31, 2010 and the six months ended June 30, 2011, the Company recorded stock-based compensation expense, for stock options granted to non-employees in the accompanying consolidated statements of operations, of $903 and $182, respectively.

For the years ended December 31, 2008, 2009, and 2010 and the six months ended June 30, 2010 and 2011, total stock-based compensation expense, including expense related to stock-based awards granted under the Brightcove KK Plan, was $338, $508, $3,315, $1,670 and $2,031, respectively.

See Note 5 for a summary of the stock option activity under the 2004 Plan for the year ended December 31, 2010 and the six months ended June 30, 2011.

Advertising Costs

Advertising costs are charged to operations as incurred. The Company incurred advertising costs of $164, $525, $1,082, $680 and $1,544 for the years ended December 31, 2008, 2009, and 2010 and the six months ended June 30, 2010 and 2011, respectively.

Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, Fair Value Measurement (Topic 820)—*Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International*

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Notes to Consolidated Financial Statements (continued)

Financial Reporting Standards (IFRSs). The amendments in this update apply to all reporting entities that are required or permitted to measure or disclose the fair value of an asset, a liability, or an instrument classified in a reporting entity's shareholders' equity in the financial statements. ASU No. 2011-04 does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards within U.S. GAAP or IFRS. ASU No. 2011-04 changes the wording used to describe many requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. Additionally, ASU No. 2011-04 clarifies the FASB's intent about the application of existing fair value measurements. The amendments in this update are to be applied prospectively. For public entities, the amendments are effective during interim and annual periods beginning after December 15, 2011. Early application by public entities is not permitted. The Company does not expect the provisions of ASU No. 2011-04 to have a material effect on its financial position, results of operations or cash flows.

In June 2011, the FASB issued ASU No. 2011-05, Comprehensive Income (Topic 220)—*Presentation of Comprehensive Income*, which requires an entity to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of equity. The amendments in this Update should be applied retrospectively. For public entities, the amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. For nonpublic entities, the amendments are effective for fiscal years ending after December 15, 2012, and interim and annual periods thereafter. Early adoption is permitted. There will be no impact to the consolidated financial results of the Company as the amendments relate only to changes in financial statement presentation.

3. Fair Value Measurements

Fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based on the highest and best use of the asset or liability. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. The Company uses valuation techniques to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- *Level 1:* Observable inputs, such as quoted prices for identical assets or liabilities in active markets;
- *Level 2:* Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly, such as quoted prices for similar assets or liabilities, or market-corroborated inputs; and
- *Level 3:* Unobservable inputs for which there is little or no market data which require the reporting entity to develop its own assumptions about how market participants would price the assets or liabilities.

The valuation techniques that may be used to measure fair value are as follows:

A. *Market approach*—Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

B. *Income approach*—Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about those future amounts, including present value techniques, option-pricing models, and excess earnings method.

C. *Cost approach*—Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost).

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Notes to Consolidated Financial Statements (continued)

The following tables set forth the Company's financial instruments carried at fair value using the lowest level of input as of December 31, 2009 and 2010 and June 30, 2011:

	December 31, 2009			
	Quoted Prices in Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 18,950	$ —	$ —	$18,950
Restricted cash	621	—	—	621
Total cash equivalents and restricted cash	19,571	—	—	19,571
Auction rate securities[1]	—	—	2,974	2,974
Total long-term investments	—	—	2,974	2,974
Total assets	$ 19,571	$ —	$ 2,974	$22,545
Liabilities:				
Redeemable convertible preferred stock warrants	$ —	$ —	$ 99	$ 99
Total liabilities	$ —	$ —	$ 99	$ 99

	December 31, 2010			
	Quoted Prices in Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 14,711	$ —	$ —	$14,711
Restricted cash	554	—	—	554
Total cash equivalents and restricted cash	15,265	—	—	15,265
Auction rate securities[1]	—	—	2,878	2,878
Total long-term investments	—	—	2,878	2,878
Total assets	$ 15,265	$ —	$ 2,878	$18,143
Liabilities:				
Redeemable convertible preferred stock warrants	$ —	$ —	$ 285	$ 285
Total liabilities	$ —	$ —	$ 285	$ 285

	June 30, 2011 (unaudited)			
	Quoted Prices in Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 13,455	$ —	$ —	$13,455
Restricted cash	276	—	—	276
Total assets	$ 13,731	$ —	$ —	$13,731
Liabilities:				
Redeemable convertible preferred stock warrants	$ —	$ —	$ 429	$ 429
Total liabilities	$ —	$ —	$ 429	$ 429

(1) The Company's investments in ARS are classified within Level 3 because there were no active markets for ARS, and the Company was unable to obtain independent valuations from market sources. Therefore, the ARS were primarily valued based on an income approach, using an estimate of future cash flows. For additional information regarding ARS, see Note 2.

Brightcove Inc.

Notes to Consolidated Financial Statements (continued)

The following table sets forth a summary of changes in the fair value of the Company's Level 3 financial assets and liabilities for the year ended December 31, 2010 and the six months ended June 30, 2011:

	Level 3 Financial Assets
Balance at December 31, 2009	$ 2,875
Transfers in (out) of Level 3	—
Sales	(50)
Realized gains (losses)	—
Change in fair value of warrant	(186)
Unrealized gains (losses) on securities held at period end	(46)
Balance at December 31, 2010	2,593
Transfers in (out) of Level 3 (unaudited)	—
Sales (unaudited)	(2,732)
Realized gains (losses) (unaudited)	(146)
Change in fair value of warrant (unaudited)	(144)
Unrealized gains (losses) on securities held at period end (unaudited)	—
Balance at June 30, 2011 (unaudited)	$ (429)

Realized gains and losses from sales of the Company's investments are included in "Other income (expense)", and unrealized gains and losses are included as a separate component of stockholders' equity unless the loss is determined to be other-than-temporary.

The Company measures eligible assets and liabilities at fair value, with changes in value recognized in earnings. Fair value treatment may be elected either upon initial recognition of an eligible asset or liability or, for an existing asset or liability, if an event triggers a new basis of accounting. The Company did not elect to remeasure any of its existing financial assets or liabilities, and did not elect the fair value option for any financial assets and liabilities transacted in the years ended December 31, 2009 or 2010 or the six months ended June 30, 2011.

4. Commitments and Contingencies

Operating Lease Commitments

The Company leases its facilities under non-cancelable operating leases. These operating leases expire at various dates through May 2015. Future minimum rental commitments under operating leases, and future minimum payments to be received from non-cancelable subleases, at December 31, 2010 are as follows:

	At December 31, 2010	
Year Ending December 31	Operating Lease Commitments	Sublease Income
2011	$ 3,019	$ (170)
2012	3,046	(88)
2013	1,319	—
2014	151	—
2015	70	—
	$ 7,605	$ (258)

Certain amounts included in the table above relating to co-location leases for the Company's servers included usage based charges in addition to base rent.

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Notes to Consolidated Financial Statements (continued)

On June 23, 2011, the Company entered into an arrangement to lease 82,184 square feet of additional office space over a 10 year period, with an estimated lease commencement date of April 1, 2012. The total lease commitment is $32,525 and the Company has the option to renew the lease for two successive periods of five years each. In connection with the building lease, the Company entered into a letter of credit in the amount of $2,404, which is associated with both the new building lease and an existing building lease with the same landlord. The letter of credit reduces the borrowing availability under the Company's line of credit (Note 10).

Certain of the Company's operating leases include escalating payment amounts and lease incentives. The Company is recognizing the related rent expense on a straight-line basis over the term of the lease. The lease incentives are considered an inseparable part of the lease agreement, and are recognized as a reduction of rent expense on a straight-line basis over the term of the lease. As of December 31, 2009 and 2010 and June 30, 2011, the Company had deferred rent and rent incentives of $15, $102 and $176, respectively, of which, $0, $102 and $125, respectively, is classified as a long-term liability in the accompanying consolidated balance sheets. Rent expense for the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011 was $1,488, $1,584, $2,079, $913 and $1,250, respectively. Income from sublease rental activity amounted to $158 for each of the years ended December 31, 2008, 2009 and 2010 and $79 for each of the six months ended June 30, 2010 and 2011.

In addition to the operating lease commitments discussed above, the Company also has contractual obligations as of December 31, 2010 for content delivery network and storage services, which require the Company to make minimum payments based on usage during the term of the arrangement. The remaining committed payments under this arrangement were $628, $1,063 and $1,050 during the years ended December 31, 2011, 2012 and 2013 respectively.

Legal Matters

The Company, from time to time, is party to litigation arising in the ordinary course of its business. Management does not believe that the outcome of these claims will have a material adverse effect on the financial condition of the Company based on the status of proceedings at this time.

Guarantees and Indemnification Obligations

The Company typically enters into indemnification agreements in the ordinary course of business. Pursuant to these agreements, the Company indemnifies and agrees to reimburse the indemnified party for losses and costs incurred by the indemnified party, generally the Company's customers, in connection with patent, copyright, trade secret, or other intellectual property or personal right infringement claim by third parties with respect to the Company's technology. The term of these indemnification agreements is generally perpetual after execution of the agreement. Based on when customers first subscribe for the Company's service, the maximum potential amount of future payments the Company could be required to make under certain of these indemnification agreements is unlimited, however, more recently the Company has typically limited the maximum potential value of such potential future payments in relation to the value of the contract. Based on historical experience and information known as of December 31, 2010 and June 30, 2011, the Company has not incurred any costs for the above guarantees and indemnities. The Company has received one request for indemnification from a customer in connection with a patent infringement suit brought against that customer by a third party. To date, the Company has not agreed that the requested indemnification is required by the Company's contract with the customer.

In certain circumstances, the Company warrants that its products and services will perform in all material respects in accordance with its standard published specification documentation in effect at the time of delivery of

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Notes to Consolidated Financial Statements (continued)

the licensed products and services to the customer for the warranty period of the product or service. To date, the Company has not incurred significant expense under its warranties and, as a result, the Company believes the estimated fair value of these agreements is immaterial.

5. Redeemable Convertible Preferred Stock and Stockholders' Deficit

As of December 31, 2010 and June 30, 2011, the authorized capital stock of the Company was 68,000,000 shares of common stock, $0.001 par value per share, and 22,083,005 shares of preferred stock, $0.001 par value per share, of which 5,375,000 shares are designated as Series A redeemable convertible preferred stock (the Series A Preferred Stock), 7,000,000 shares are designated as Series B redeemable convertible preferred stock (the Series B Preferred Stock), 7,392,163 shares are designated as Series C redeemable convertible preferred stock (the Series C Preferred Stock), and 2,315,842 shares are designated as Series D redeemable convertible preferred stock (the Series D Preferred Stock) (collectively, the Preferred Stock).

In March 2010, the Company issued 2,315,842 shares of Series D Preferred Stock, for $5.1817 per share, for aggregate gross proceeds of $12,000.

The Preferred Stock consists of the following:

	December 31,		June 30,
	2009	2010	2011
			(unaudited)
Series A redeemable convertible preferred stock: $0.001 par value; 5,375,000 shares authorized, issued and outstanding (minimum liquidation preference of $7,223 at December 31, 2010 and $7,384 at June 30, 2011)	$ 6,877	$ 7,206	$ 7,369
Series B redeemable convertible preferred stock: $0.001 par value; 7,000,000 shares authorized; 6,921,854 shares issued and outstanding (minimum liquidation preference of $22,302 at December 31, 2010 and $22,815 at June 30, 2011)	21,211	22,254	22,773
Series C redeemable convertible preferred stock: $0.001 par value; 7,392,163 shares authorized, issued and outstanding (minimum liquidation preference of $73,640 at December 31, 2010 and $75,425 at June 30, 2011)	68,637	72,581	74,490
Series D redeemable convertible preferred stock: $0.001 par value; 2,315,842 shares authorized, issued and outstanding (minimum liquidation preference of $12,552 at December 31, 2010 and $12,912 at June 30, 2011)	—	12,363	12,745
Total redeemable convertible preferred stock	$96,725	$114,404	$117,377

The Series A, Series B, Series C, and Series D Preferred Stock have the following characteristics:

Voting

The holders of the Preferred Stock are entitled to vote, together with the holders of common stock, on all matters submitted to stockholders for a vote. Each holder of Preferred Stock is entitled to the number of votes equal to the number of shares of common stock into which each preferred share is convertible at the time of such vote.

Dividends

The holders of the Preferred Stock are entitled to receive, when and as declared by the Board and out of funds legally available, cumulative dividends at the rate of 6% of the Original Issuance Price per share, or approximately $0.06 per share for Series A Preferred Stock, $0.15 per share for Series B Preferred Stock, $0.48

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Notes to Consolidated Financial Statements (continued)

per share for Series C Preferred Stock, and $0.31 per share for Series D Preferred Stock, per annum, payable in preference and priority to any payment of any dividend on common stock. No dividends or other distributions will be made with respect to the common stock until all declared dividends on the Preferred Stock have been paid. Through December 31, 2010 and June 30, 2011, no dividends have been declared or paid by the Company.

Liquidation Preference

In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Company, the holders of the Preferred Stock shall be entitled to receive, on a preferred basis prior and in preference to any distribution to the holders of common stock, an amount of cash per share equal to $1.00, $2.47, $8.05, and $5.1817 per share of the Series A, Series B, Series C, and Series D Preferred Stock, respectively, (such amounts representing the Original Issue Price of the Series A, Series B, Series C, and Series D Preferred Stock, respectively), plus accrued and unpaid dividends for such series.

After this initial payment has been made, the remaining assets available for distribution shall be distributed among the holders of the Series A Preferred Stock and common stock, pro rata, based on the number of shares held by each holder, treating all such shares of Series A Preferred Stock as if they had been converted to common stock immediately prior to such liquidation, dissolution, or winding up of the Company; provided, however, that (i) if the original preferred distribution for the holders of the Series A Preferred Stock exceeds two times the Series A Original Issuance price of $1.00 per share, the holders of the Series A shall instead be entitled to receive a per share amount equal to the greater of two times the original issuance price or the per share amount such holders would have received if all such holders had converted their shares of Series A Preferred Stock into common stock immediately prior to such liquidation, dissolution, or winding up of the Company, and (ii) that the holders of the Series B, Series C, and Series D Preferred Stock shall be entitled to receive a per share amount equal to the greater of the Original Issuance Price plus accrued and unpaid dividends or the per share amount such holders would have received if all such holders had converted their shares of Series B, Series C, and Series D Preferred Stock into common stock immediately prior to such liquidation, dissolution, or winding up of the Company.

If the funds available upon liquidation are insufficient to satisfy in full the Preferred Stock liquidation amount, the assets of the Company shall be shared ratably among the holders of the Preferred Stock based upon their respective amounts, which would be payable with respect to the shares held by them if amounts were paid in full.

A merger, acquisition, sale of voting control, or sale of substantially all of the assets of the Company in which the shareholders of the Company do not own a majority of the outstanding shares of the surviving corporation shall be deemed to be a liquidation. Conversion

Each share of the Preferred Stock is convertible, at the option of the holder, into a number of shares of common stock as determined by dividing the respective Original Issue Price of the Preferred Stock by the conversion price in effect at the time. The initial conversion price of Series A, Series B, Series C, and Series D Preferred Stock is $0.50, $1.235, $4.025, and $4.5918 per share, respectively, and is subject to adjustment in accordance with anti-dilution provisions contained in the Company's Certificate of Incorporation, and upon certain other events, such as stock splits or recapitalizations.

Conversion is automatic immediately upon the closing of a firm commitment underwritten public offering in which the public offering price equals or exceeds $5.1817 per share (adjusted to reflect subsequent stock dividends, stock splits, or similar recapitalizations), and the net proceeds raised equal or exceed $30,000, or upon

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Notes to Consolidated Financial Statements (continued)

the agreement of a majority of the holders of the then outstanding shares of Preferred Stock, voting together as a single class. Upon conversion of the Preferred Stock into shares of the Company's common stock, the holders of the Preferred Stock are not entitled to receive undeclared dividends.

The Company performs assessments of all terms and features of its redeemable convertible preferred stock in order to identify any potential embedded features that would require bifurcation or any beneficial conversion features. As part of this analysis, the Company assessed the economic characteristics and risks of its Preferred Stock, including conversion, liquidation and redemption features, as well as dividend and voting rights. Based on the Company's determination that each series of its Preferred Stock is an "equity host," the Company determined that the features of the convertible preferred stock are most closely associated with an equity host, and, although the Preferred Stock includes conversion features, such conversion features do not require bifurcation as a derivative liability.

At both December 31, 2010 and June 30, 2011, there were 10,750,000 shares, 13,843,708 shares, 14,784,326 shares, and 2,613,347 shares of the Company's common stock, that have been reserved for conversion of the outstanding Series A, Series B, Series C, and Series D Preferred Stock, respectively.

Redemption

Upon delivery of a notice in writing on or after the fifth anniversary of the original issue date (March 25, 2015) of the Series D Preferred Stock by the holders of a majority of the shares of the Preferred Stock then outstanding, requesting that all shares of Preferred Stock be redeemed, the Company will be required to redeem each share of Series A, Series B, Series C, and Series D Preferred Stock in three annual installments. The redemption price shall be equal to the respective Original Issue Price of the Preferred Stock, plus accrued and unpaid dividends.

If the Company does not have sufficient funds legally available to redeem all shares of Series A, Series B, Series C, and Series D Preferred Stock to be redeemed at a redemption date or upon liquidation, then the Company will redeem or liquidate such shares ratably to the extent possible, and will redeem the remaining shares as soon as sufficient funds are legally available.

As the Preferred Stock may become redeemable upon an event that is outside of the control of the Company, the value of the Preferred Stock has been classified outside of permanent equity.

Common Stock

Common stockholders are entitled to one vote per share. Holders of common stock are entitled to receive dividends, when and if declared by the Board. The voting, dividend, and liquidation rights of the holders of the common stock are subject to, and qualified by, the rights of the holders of the Preferred Stock.

Stock Option and Incentive Plan

The Company's 2004 Plan provides for the issuance of incentive and non-qualified stock options, restricted stock, and other equity awards to employees, officers, directors, consultants, and advisors of the Company. Incentive stock options may only be granted to employees. The Board determines the period over which stock options become exercisable, which is typically four years, with 25% vesting after one year, and the balance vesting pro rata each month thereafter. The contractual term of the options is ten years. As of December 31, 2010 and June 30, 2011, the total number of shares of common stock which may be issued under the 2004 Plan was 17,734,393 and 19,234,393, respectively. The number of options available for future grant was 829,189 and 620,032 at December 31, 2010 and June 30, 2011, respectively.

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Notes to Consolidated Financial Statements (continued)

In addition to the 2004 Plan, during March 2009, Brightcove KK adopted the Brightcove KK Plan. Separate disclosure of the Brightcove KK Plan is provided in Note 7.

The following table summarizes the stock option award activity under the 2004 Plan during the year ended December 31, 2010 and the six months ended June 30, 2011:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value[2]
Outstanding at December 31, 2009	8,061,014	$ 0.40		
Granted	2,484,068	$ 2.62		
Exercised	(476,122)	$ 0.32		$ 947
Canceled	(354,880)	$ 0.97		
Outstanding at December 31, 2010	9,714,080	$ 0.95	7.96	$22,028
Granted (unaudited)	2,212,189	$ 3.25		
Exercised (unaudited)	(296,214)	$ 0.37		$ 830
Canceled (unaudited)	(503,032)	$ 2.25		
Outstanding at June 30, 2011 (unaudited)	11,127,023	$ 1.37	7.90	$29,516
Exercisable at December 31, 2010	4,523,847	$ 0.39	7.19	$12,490
Exercisable at June 30, 2011 (unaudited)	5,654,510	$ 0.59	7.03	$19,403
Vested and expected to vest at December 31, 2010[1]	8,145,000	$ 0.87	7.85	$19,098
Vested and expected to vest at June 30, 2011 (unaudited)[1]	9,518,123	$ 1.26	7.78	$26,263

(1) This represents the number of vested options as of December 31, 2010 and June 30, 2011, respectively, plus the number of unvested options expected to vest as of December 31, 2010 and June 30, 2011, respectively, based on the unvested options outstanding at December 31, 2010, adjusted for the estimated forfeiture rate.

(2) The aggregate intrinsic value was calculated based on the positive difference between the estimated fair value of the Company's common stock on December 31, 2010 and June 30, 2011, respectively, or the date of exercise, as appropriate, and the exercise price of the underlying options.

In connection with the preparation of the Company's financial statements for the year ended December 31, 2010 and the six months ended June 30, 2011, the Company reassessed the fair market value of its common stock for purposes of valuing certain stock-based awards. As a result, certain stock-based awards were granted with an exercise or purchase price below the reassessed estimated fair value of common stock on the date of grant.

During the year ended December 31, 2010, the Company granted 406,361 shares of restricted common stock to an employee under the 2004 Plan. Under the terms of the agreement, the Company has a repurchase provision whereby the Company has the right to repurchase any unvested shares when/if the employee terminates, at a price equal to the original exercise price. Accordingly, the Company recorded the payment received of $268 for the purchase of the restricted shares as a liability as of December 31, 2010. During the six months ended June 30, 2011, the Company reclassified $109 of this amount to additional-paid-in-capital upon vesting of a portion of this award. The Company did not grant any shares of restricted common stock during the years ended December 31, 2008 or 2009 or the six months ended June 30, 2011.

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Notes to Consolidated Financial Statements (continued)

The following table summarizes the restricted stock award activity of the 2004 Plan during the years ended December 31, 2010 and the six months ended June 30, 2011:

	Shares	Weighted-Average Grant Date Fair Value	Aggregate Intrinsic Value[1]
Unvested by December 31, 2009	87,210	$ 0.0005	
Granted	406,361	$ 3.58	
Vested	(79,650)	$ 0.0005	
Repurchased	(7,560)	$ 0.0005	
Unvested by December 31, 2010	406,361	$ 3.58	$ 1,012
Granted (unaudited)	—	—	
Vested (unaudited)	(165,080)	$ 3.58	
Repurchased (unaudited)	—	—	
Unvested by June 30, 2011 (unaudited)	241,281	$ 3.58	$ 811

(1) The aggregate intrinsic value was calculated based on the positive difference between the estimated fair value of the Company's common stock on December 31, 2010 and June 30, 2011, respectively, and the purchase price on the date of grant.

During 2006, the Company granted 2,935,836 restricted stock awards as replacement awards for stock options which were canceled. The incremental stock compensation arising from the modification of existing stock options was $136 of which $41 and $13 was recognized in the years ended December 31, 2008 and 2009, respectively. The expense recognized in the year ended December 31, 2010 was not significant. There is no further related unrecognized compensation expense subsequent to December 31, 2010. The vesting of these awards generally are time-based over four years. Additionally, the purchase price of certain of the restricted stock awards issued during the year ended December 31, 2006 was set below fair market value. The recipients paid the Company cash in an amount equal to $0.001 per share, the par value of the underlying common stock. Based on the fair market value at issuance, the total compensation charge related to these awards was $396, of which $125 and $38 was recognized in the years ended December 31, 2008 and 2009, respectively. The expense recognized in the year ended December 31, 2010 was not significant. There is no further related unrecognized compensation expense subsequent to December 31, 2010.

Warrants

In September 2006, the Company issued fully vested warrants to purchase an aggregate of 60,728 shares of Series B Preferred Stock, at a purchase price of $2.47 per share, to two lenders in connection with a line of credit agreement. The warrants are exercisable at any time up until the expiration date of August 31, 2016. The fair value of the warrants was recorded as a discount on the related debt, and was amortized to interest expense over the life of the debt. The debt was fully repaid in March 2007. The warrant liability will be reported at fair value until the warrants are either exercised or expire.

As of December 31, 2010 and June 30, 2011, none of the shares exercisable under the warrants have been exercised. For the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011, the Company recorded other expense of $10, $14, $186 and $143, respectively, in the accompanying consolidated statements of operations, related to the increase in the fair value of the warrants, which was determined utilizing the Black-Scholes option-pricing model, during each respective year.

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Notes to Consolidated Financial Statements (continued)

The following assumptions were used to determine the fair value:

	As of December 31,			As of June 30, 2011
	2008	2009	2010	(unaudited)
Expected term (in years)	7.7	6.7	5.7	5.2
Expected volatility	65%	62%	59%	58%
Expected dividend yield	—%	—%	—%	—%
Risk-free interest rate	2.24%	2.81%	2.07%	1.67%
Fair market value of Series B Preferred Stock	$2.18	$2.59	$6.30	$ 8.92
Exercise price of warrants	$2.47	$2.47	$2.47	$ 2.47

Common Stock Reserved for Future Issuance

At December 31, 2010 and June 30, 2011, the Company has reserved the following shares of common stock for future issuance:

	December 31, 2010	June 30, 2011 (unaudited)
Common stock options outstanding	9,714,080	11,127,023
Shares available for issuance under the 2004 Plan	829,189	620,032
Series A, B, C, and D Preferred Stock outstanding	41,991,381	41,991,381
Preferred Stock warrants	121,456	121,456
Total shares of authorized common stock reserved for future issuance	52,656,106	53,859,892

6. Joint Venture

On July 18, 2008, the Company entered into a joint venture agreement with J-Stream Inc (J-Stream), Dentsu, Inc. (Dentsu), CyberCommunications, Inc., and Transcosmos Investments & Business Development, Inc. to establish Brightcove KK, a Japanese joint venture. As of December 31, 2009 and 2010 and June 30, 2011, the Company owned a 63% interest in the joint venture.

The Company evaluated this agreement to determine if the related joint venture qualifies as a variable interest entity and whether Brightcove KK should be consolidated by the Company. The joint venture qualifies as a variable interest entity, and the Company determined that it has a controlling interest and is the primary beneficiary of the entity. As such, the Company is required to consolidate Brightcove KK for financial reporting purposes. The accounts of Brightcove KK have been consolidated with the accounts of the Company, and a noncontrolling interest has been recorded for the third parties' interest in the net assets and operations of Brightcove KK to the extent of the noncontrolling partners' individual investments. All intercompany transactions have been eliminated, with the exception of noncontrolling interest. The Company re-evaluates the consolidation status when triggering events arise. To date, no events have transpired which would require deconsolidation.

Provided that the Company owns at least 40% of the outstanding voting shares of the joint venture, the Company has the right to appoint three of the five board members of the joint venture.

Under the terms of the joint venture agreement, the joint venture will terminate if the joint venture becomes a public company, or there is a change in control of the joint venture whereby the shares of capital stock of the joint venture outstanding immediately prior to the consummation thereof do not directly or indirectly continue to represent at least a majority by voting power of the surviving or succeeding entity immediately following such transaction.

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Notes to Consolidated Financial Statements (continued)

Effective January 1, 2009, the Company adopted new authoritative guidance for non-controlling interests in the consolidated financial statements. The guidance requires that (a) the ownership interest in subsidiaries be clearly identified, labeled, and presented in the consolidated statement of financial position within equity, but separate from the parent's equity, (b) the amount of consolidated net income (loss) attributable to the parent and to the non-controlling interest be clearly identified and presented on the face of the consolidated statement of operations, and (c) changes in a parent's ownership interest, while the parent retains its controlling financial interest in its subsidiary, be accounted for consistently within equity. A parent's ownership interest in a subsidiary changes if the parent purchases additional ownership interest in its subsidiary, the parent sells some of its ownership interest, or the subsidiary issues additional ownership interests.

The non-controlling interest in Brightcove KK is reported as a separate component of stockholders' deficit in the accompanying consolidated financial statements. The portion of net loss attributable to non-controlling interests is presented as net loss attributable to non-controlling interests in consolidated subsidiary in the consolidated statements of operations, and the portion of other comprehensive loss of this subsidiary is presented in the consolidated statements of stockholders' deficit and comprehensive loss.

7. Brightcove KK Stock Option and Incentive Plan

The Brightcove KK Plan provides for the issuance of stock options to employees, officers, directors, and advisors of Brightcove KK and to employees of Brightcove Inc. Stock options granted under the Brightcove KK Plan are not exchangeable for either options or shares of the Company. There are 100,500,000 shares of Brightcove KK common stock reserved for issuance under the Brightcove KK Plan. At December 31, 2010 and June 30, 2011, there were no shares available for grant under the Brightcove KK Plan.

For stock options issued under the Brightcove KK Plan, the fair value of each option grant is estimated on the date of grant, and an estimated forfeiture rate is used when calculating stock-based compensation expense for the period. Stock options typically vest over three years and the Company recognizes compensation expense on a straight-line basis over the requisite service period of the award.

The option price at the date of grant is determined by the Board of Directors of Brightcove KK. Due to the absence of an active market for Brightcove KK's common stock, the Board of Directors of Brightcove KK was required to determine the fair value of the common stock for consideration in setting exercise prices for the stock options granted and in valuing the options granted. In determining the fair value, the Board of Directors of Brightcove KK considered numerous objective and subjective factors in determining the value of the Company's common stock at each option grant date, including the following factors: (1) prices for the Company's common stock, which the Company had sold to third-party investors in arm's-length transactions, and the rights, preferences, and privileges of the Company's common stock; (2) the Company's stage of development and revenue growth; (3) the fact that the option grants involved illiquid securities in a private company; and (4) the likelihood of achieving a liquidity event for the shares of common stock underlying the options, such as an initial public offering or sale of the Company, given prevailing market conditions. The Company believes this to have been a reasonable methodology. As Brightcove KK's common stock is not actively traded, the determination of fair value involves assumptions, judgments and estimates. If different assumptions were made, stock-based compensation expense, net loss and consolidated net loss per share could have been significantly different.

The fair value of each option grant issued under the stock-based compensation plan was estimated using the Black-Scholes option-pricing model that used the assumptions noted in the following table. As there was no public market for its common stock, the Company determined the volatility for options granted based on an analysis of reported data for a peer group of companies that issued options with substantially similar terms. The expected volatility of options granted has been determined using an average of the historical volatility measures of this peer group of companies. The expected life of options has been determined utilizing the "simplified

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Notes to Consolidated Financial Statements (continued)

method". The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected life of the stock options. The Company has not paid, and does not anticipate paying, cash dividends on its common stock; therefore, the expected dividend yield is assumed to be zero. In addition, based on an analysis of the historical actual forfeitures, the Company applied an estimated forfeiture rate of 2.5% for the years ended December 31, 2009 and 2010, in determining the expense recorded in the accompanying consolidated statements of operations.

For purposes of the disclosures below, the year ended December 31, 2008 has been excluded as the Brightcove KK Plan was not effective until March, 2009. As such, all related disclosures are not applicable for the 2008 period.

The weighted-average assumptions utilized to determine such values are presented in the following table:

	Year Ended December 31,			Six Months Ended June 30, 2011
	2008	2009	2010	(unaudited)
Risk-free interest rate	n/a	2.3%	3.4%	2.8%
Expected volatility	n/a	64%	61%	57%
Expected life (in years)	n/a	6.25	6.25	6.25
Expected dividend yield	n/a	—	—	—

The following table summarizes the stock option award activity under the Brightcove KK Plan during the year ended December 31, 2010 and the six months ended June 30, 2011:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)
	(in thousands, except per share data)		
Outstanding at December 31, 2009	68,000	$ 0.01	
Granted	12,000	$ 0.01	
Exercised	—	—	
Canceled	(4,500)	$ 0.01	
Outstanding at December 31, 2010	75,500	$ 0.01	8.33
Granted (unaudited)	19,000	$ 0.01	
Exercised (unaudited)	—	—	
Canceled (unaudited)	—	—	
Outstanding at June 30, 2011 (unaudited)	94,500	$ 0.01	8.22
Vested at December 31, 2010	—	$ —	—
Vested at June 30, 2011 (unaudited)	44,880	$ 0.01	7.74
Vested and expected to vest at December 31, 2010[1]	73,650	$ 0.01	8.33
Vested and expected to vest at June 30, 2011 (unaudited)[1]	93,284	$ 0.01	8.21

(1) This represents the number of vested options as of December 31, 2010 and June 30, 2011, respectively, plus the number of unvested options expected to vest as of December 31, 2010 and June 30, 2011, respectively, based on the unvested options outstanding at December 31, 2010 and June 30, 2011, respectively, adjusted for the estimated forfeiture rate.

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Notes to Consolidated Financial Statements (continued)

The weighted-average fair value of options granted during each of the years ended December 31, 2009 and 2010 and the six months ended June 30, 2011 was $0.002 per share. No options were exercised in the years ended December 31, 2009 and 2010 or the six months ended June 30, 2011. At December 31, 2010 and June 30, 2011, all options outstanding had exercise prices in excess of the fair value of Brightcove KK's common stock. Accordingly, the aggregate intrinsic value of the total outstanding options and total options vested and expected to vest was $0 as of December 31, 2010 and June 30, 2011.

For the year ended December 31, 2010 and the six months ended June 30, 2011, total stock-based compensation expense related to the Brightcove KK Plan was $72 and $30, respectively. As of December 31, 2010, there was approximately $65 of total unrecognized stock-based compensation, net of estimated forfeitures, related to unvested stock option grants, which is expected to be recognized over a weighted-average period of 1.33 years. As of June 30, 2011, there was approximately $81 of total unrecognized stock-based compensation, net of estimated forfeitures, related to unvested stock option grants, which is expected to be recognized over a weighted-average period of 1.22 years. The total unrecognized stock-based compensation cost will be adjusted for future changes in estimated forfeitures.

8. Related Party Transactions

Two of the minority interest holders in Brightcove KK, J-Stream and Dentsu, also act as product distributors for the Company in Japan. Additionally, one current and one former stockholder of the Company were also customers of Brightcove Inc. during the periods included in the financial statements.

As of December 31, 2009 and 2010 and June 30, 2011, accounts receivable from related parties was:

	December 31,		June 30,
	2009	2010	2011 (unaudited)
AOL	$342	$410	N/A
The New York Times Company	41	34	$ 73
J-Stream	195	438	488
Dentsu	9	20	123
Total related party accounts receivable	$587	$902	$ 684

For the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, the Company recorded revenue from related parties of:

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
				(unaudited)	
AOL	$ 215	$ 1,357	$ 1,439	$ 702	N/A
The New York Times Company	581	545	462	239	$ 224
J-Stream	43	746	2,070	893	1,335
Dentsu	—	108	145	53	341
Total related party revenue	$ 839	$ 2,756	$ 4,116	$ 1,887	$ 1,900

For the six months ended June 30, 2011, AOL is no longer a stockholder of the Company and therefore, is shown as "N/A" in the tables above. The New York Times Company has not owned 5% or more of the Company's issued and outstanding capital stock during the periods included in the financial statements. The Company believes that all related party transactions have been negotiated at arm's length.

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Notes to Consolidated Financial Statements (continued)

9. Income Taxes

Loss before the provision for income taxes consists of the following:

	Year Ended December 31,		
	2008	2009	2010
Domestic	$ (9,227)	$(1,634)	$(16,682)
Foreign	(997)	(1,134)	(1,043)
Total	$(10,224)	$(2,768)	$(17,725)

The provision for income taxes in the accompanying consolidated financial statements, all of which is currently payable, consists of the following:

	Year Ended December 31,		
	2008	2009	2010
Federal	$ —	$ —	$ —
State	—	—	—
Foreign	11	55	56
Total	$ 11	$ 55	$ 56

A reconciliation of the U.S. federal statutory rate to the Company's effective tax rate is as follows:

	Year Ended December 31,		
	2008	2009	2010
Tax at statutory rates	(34.0)%	(34.0)%	(34.0)%
State income taxes	(5.5)	(2.1)	(4.4)
Change in tax rate	—	15.4	—
Permanent differences	7.7	3.6	4.3
Foreign rate differential	4.0	11.5	2.0
Research and development credits	(3.4)	(12.7)	(1.5)
Non-controlling interest	1.0	5.9	0.5
Change in valuation allowance	30.3	14.4	33.4
Effective tax rate	0.1%	2.0%	0.3%

The approximate income tax effect of each type of temporary difference and carryforward as of December 31, 2009 and 2010 is as follows:

	As of December 31,	
	2009	2010
Net operating loss carryforwards	$ 16,364	$ 22,100
Tax credit carryforwards	1,377	1,526
Stock-based compensation	191	402
Intangible assets	(567)	(561)
Fixed assets	(63)	70
Account receivable reserves	545	352
Accrued compensation	229	361
Capitalized research and development costs	255	204
Capitalized start-up costs	822	747
Other temporary differences	1,030	644
Deferred tax assets	20,183	25,845
Valuation allowance	(20,183)	(25,845)
Net deferred tax assets	$ —	$ —

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Notes to Consolidated Financial Statements (continued)

In assessing the ability to realize the net deferred tax assets, management considers whether it is more likely than not that some portion or all of the net deferred tax assets will not be realized. Based upon the level of historical U.S. losses and future projections over the period in which the net deferred tax assets are deductible, at this time, management believes it is more likely than not that the Company will not realize the benefits of these deductible differences. The Company has provided a full valuation allowance against its net deferred tax assets as of December 31, 2009 and 2010. The increase in the valuation allowance from 2009 to 2010 principally relates to the current year taxable loss.

As of December 31, 2010, the Company had federal and state net operating losses of approximately $56.7 million and $53.1 million, respectively, which are available to offset future taxable income, if any, through 2030. The Company also had federal and state research and development tax credits of $1.2 million and $0.5 million, respectively, which expire in various amounts through 2030. The net operating loss and tax credit amounts are subject to annual limitations under Section 382 change of ownership rules under the U.S. Internal Revenue Code of 1986, as amended. The Company completed an assessment to determine whether there may have been a Section 382 ownership change and determined that it is more-likely-than-not that the Company's net operating and tax credit amounts as disclosed are not subject to any material Section 382 limitations.

On January 1, 2009, the Company adopted the provision for uncertain tax positions under ASC 740, *Income Taxes*. The adoption did not have an impact on the Company's retained earnings balance. As of December 31, 2009 and 2010, the Company has no recorded liabilities for uncertain tax positions.

Interest and penalty charges, if any, related to uncertain tax positions would be classified as income tax expense in the accompanying consolidated statements of operations. At December 31, 2009 and 2010, the Company had no accrued interest or penalties related to uncertain tax positions.

The Company files income tax returns in the U.S. federal tax jurisdiction, various state and various foreign jurisdictions. Since the Company is in a loss carryforward position, the Company is generally subject to examination by the U.S. federal, state and local income tax authorities for all tax years in which a loss carryforward is available.

The Company's current intention is to reinvest the total amount of its unremitted earnings in the local international tax jurisdiction or to repatriate the earnings only when tax effective. As such, the Company has not provided for U.S. taxes on the unremitted earnings of its international subsidiaries.

10. Debt

On March 31, 2011, the Company entered into a loan and security agreement with a lender (the Line of Credit) providing for an asset based line of credit. Under the Line of Credit, the Company can borrow up to the lesser of (i) $8.0 million or (ii) 80% of the Company's Eligible Accounts Receivable, as defined. Borrowing availability under this facility changes based upon the amount of eligible receivables, concentration of eligible receivables and other factors. The Company has the ability to obtain letters of credit, which reduce the borrowing availability of the Line of Credit. Borrowings under the Line of Credit are secured by substantially all of the Company's assets. Outstanding amounts under the Line of Credit accrue interest at a rate equal to the Prime Rate (4% at June 30, 2011), as defined, plus 1.5%. Advances under the Line of Credit are repayable on March 31, 2013, and interest and related finance charges are payable monthly. The Line of Credit contains no financial covenants; however, it contains certain non-financial covenants. The Company was in compliance with these non-financial covenants as of June 30, 2011. During June 2011, the Company made a draw on this facility in the amount of $2.0 million, collateralized by the Company's eligible financed receivables and payable on March 31,

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Notes to Consolidated Financial Statements (continued)

2013. The Line of Credit requires the Company to maintain a lockbox with the lender and to require its customers to remit amounts owed to the Company directly to the lockbox. Amounts received related to financed receivables are applied against the outstanding balance of the Line of Credit. Accordingly, the Company has classified the borrowings under the Line of Credit as a current liability in the accompanying consolidated balance sheet as of June 30, 2011.

On June 24, 2011, the Company entered into the First Loan Modification Agreement (Modification Agreement) to the Line of Credit Agreement. Pursuant to the terms of the Modification Agreement, the Company was provided with a $5.0 million Term Advance, as well as the option to request up to two additional Term Advances not to exceed $2.0 million from the effective date of the Modification Agreement through December 31, 2011. Repayment on each term advance is in the form of 12 month interest only payments followed by 36 equal monthly payments of principal and interest. Interest on these term advances is payable monthly at the per annum rate of 7% above the Prime Rate (4% at June 30, 2011). A separate "Final Payment" in the amount of 2% of the loan amount, in addition to and not as substitution for the regular monthly payments will be due upon the term loan maturity date unless it is accelerated. The Company is amortizing this amount to interest expense using the effective interest method over the term to maturity of the Modification Agreement. The Modification Agreement contains no financial covenants; however, it contains certain non-financial covenants. The Company was in compliance with these non-financial covenants as of June 30, 2011. In June 2011, the Company drew the first Term Advance in the amount of $5.0 million, collateralized by all assets of the Company and payable over 48 months.

11. Accrued Expenses

Accrued expenses consist of the following:

	December 31,		June 30,
	2009	2010	2011
			(unaudited)
Accrued payroll and related benefits	$2,732	$2,483	$ 4,268
Accrued sales and other taxes	742	2,208	2,526
Accrued professional fees and outside contractors	292	512	486
Accrued content delivery	845	1,048	799
Accrued other liabilities	425	1,076	1,446
Total	$5,036	$7,327	$ 9,525

12. Segment Information

Disclosure requirements about segments of an enterprise and related information establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information of those segments to be presented in interim financial reports issued to stockholders. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker, or decision-making group, in making decisions on how to allocate resources and assess performance. The Company's chief decision maker is the chief executive officer. The Company and the chief decision maker view the Company's operations and manages its business as one operating segment.

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Notes to Consolidated Financial Statements (continued)

Geographic Data

Total revenue to unaffiliated customers by geographic area, based on the location of the customer, was as follows:

	Year Ended December 31,			Six Months Ended June 30,	
	2008	2009	2010	2010	2011
				(unaudited)	
Revenue:					
North America	$19,527	$26,193	$29,582	$ 13,838	$ 18,764
Europe	4,728	8,680	11,077	5,220	6,699
Japan	59	931	2,546	1,015	2,156
Asia Pacific	186	359	482	217	707
Other	—	24	29	15	28
Total revenue	$24,500	$36,187	$43,716	$ 20,305	$ 28,354

North America is comprised of revenue from the United States, Canada and Mexico. During the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, revenue from customers located in the United States was $18,960, $25,212, $27,720, $13,019 and $17,397, respectively. During the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, revenue from customers located in the United Kingdom was $3,367, $4,422, $5,223, $2,492 and $3,103, respectively, and is included in Europe for each of the respective periods in the table above. During the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2010 and 2011, no other international country contributed more than 10% of the Company's total revenue.

As of December 31, 2009 and 2010 and June 30, 2011, property and equipment at locations outside the U.S. was not material.

13. 401(k) Savings Plan

The Company maintains a defined contribution savings plan covering all eligible U.S. employees under Section 401(k) of the Internal Revenue Code. Company contributions to the plan may be made at the discretion of the Board. To date, the Company has not made any contributions to the plan.

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the fees and expenses, other than underwriting discounts and commissions, payable in connection with the registration of the common stock hereunder. All amounts are estimates except the SEC registration fee.

SEC registration fee	$5,805
FINRA filing fee	5,500
NASDAQ Global Market listing fee	*
Blue Sky fees and expenses	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous	*
Total	$ *

* To be filed by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law permits a corporation to include in its charter documents, and in agreements between the corporation and its directors and officers, provisions expanding the scope of indemnification beyond that specifically provided by the current law.

The registrant's amended and restated certificate of incorporation provides for the indemnification of directors to the fullest extent permissible under Delaware law.

The registrant's amended and restated bylaws, which will be effective upon the completion of this offering, provide for the indemnification of officers, directors and third parties acting on the registrant's behalf if such persons act in good faith and in a manner reasonably believed to be in and not opposed to the registrant's best interest, and, with respect to any criminal action or proceeding, such indemnified party had no reason to believe his or her conduct was unlawful.

The registrant intends to enter into indemnification agreements with each of its directors and executive officers, in addition to the indemnification provisions provided for in its charter documents, and the registrant intends to enter into indemnification agreements with any new directors and executive officers in the future.

The underwriting agreement (to be filed as Exhibit 1.1 hereto) will provide for indemnification by the underwriters, severally and not jointly, of the registrant, its directors and its officers who sign this registration statement with respect to losses arising from misstatements or omissions in the registration statement or prospectus with reference to information relating to such underwriters furnished to the registrant in writing by such underwriters expressly for use herein.

The registrant intends to purchase and maintain insurance on behalf of any person who is or was a director or officer against any loss arising from any claim asserted against him or her and incurred by him or her in that capacity, subject to certain exclusions and limits of the amount of coverage.

Item 15. Recent Sales of Unregistered Securities.

In the three years preceding the filing of this registration statement, the registrant has issued the following securities that were not registered under the Securities Act:

1. On March 25, 2010, we issued an aggregate of 2,315,842 shares of our series D preferred stock to existing investors for aggregate consideration of approximately $12 million.

2. Since August 1, 2008, holders of stock options exercised options to purchase an aggregate of 1,818,453 shares of our common stock at exercise prices ranging from $0.05 to $3.58 per share under the 2004 Plan.

3. Since August 1, 2008, we have awarded an aggregate of 406,361 shares of our restricted stock at a purchase price of $0.66 per share under the 2004 Plan.

No underwriters were used in the foregoing transactions. The sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(2) of the Securities Act, Regulation D or Regulation S promulgated thereunder, or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits:

The exhibits to the registration statement are listed in the Exhibit Index to this registration statement and are incorporated herein by reference.

(b) Consolidated Financial Statements Schedules:

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933, as amended, and will be governed by the final adjudication of such issue.

The registrant hereby undertakes that:

(a) The registrant will provide to the underwriters at the closing as specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) For purposes of determining any liability under the Securities Act of 1933, as amended, the information omitted from a form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933, as amended, shall be deemed to be part of this registration statement as of the time it was declared effective.

(c) For the purpose of determining any liability under the Securities Act of 1933, as amended, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in Cambridge, Massachusetts on August 23, 2011.

BRIGHTCOVE INC.
By: /s/ Jeremy Allaire
Jeremy Allaire
Chief Executive Officer and Chairman

POWER OF ATTORNEY AND SIGNATURES

KNOW ALL BY THESE PRESENT, that each individual whose signature appears below hereby constitutes and appoints each of Christopher Menard and Andrew Feinberg as such person's true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for such person in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or any registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933), and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that any said attorney-in-fact and agent, or any substitute or substitutes of any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement and Power of Attorney has been signed by the following persons in the capacities and on the dates indicated.

Name	Title	Date
/s/ Jeremy Allaire Jeremy Allaire	Chief Executive Officer and Chairman *(Principal Executive Officer)*	August 23, 2011
/s/ Christopher Menard Christopher Menard	Chief Financial Officer *(Principal Financial and Accounting Officer)*	August 23, 2011
/s/ David Mendels David Mendels	Director, President and Chief Operating Officer	August 23, 2011
/s/ Deborah Besemer Deborah Besemer	Director	August 23, 2011
/s/ James Breyer James Breyer	Director	August 23, 2011
/s/ Scott Kurnit Scott Kurnit	Director	August 23, 2011
/s/ Elizabeth Nelson Elizabeth Nelson	Director	August 23, 2011
/s/ David Orfao David Orfao	Director	August 23, 2011

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EXHIBIT INDEX

Exhibit No.	Exhibit Index
1.1*	Form of Underwriting Agreement
3.1*	Form of Amended and Restated Certificate of Incorporation of the Registrant (to be effective upon pricing of the offering)
3.2*	Form of Amended and Restated Certificate of Incorporation of the Registrant (to be effective upon completion of the offering)
3.3*	Form of Amended and Restated Bylaws of the Registrant (to be effective upon completion of the offering)
4.1*	Specimen Common Stock Certificate
4.2	Second Amended and Restated Investor Rights Agreement dated January 17, 2007, by and among the Registrant, the investors listed therein, and Jeremy Allaire, as amended
4.3	Warrant to Purchase Stock dated August 31, 2006 issued by the Registrant to GE Capital CFE, Inc.
4.4	Warrant to Purchase Stock dated August 31, 2006 issued by the Registrant to TriplePoint Capital LLC
5.1*	Opinion of Goodwin Procter LLP
10.1*	Form of Indemnification Agreement, to be entered into between the Registrant and its directors and executive officers
10.2†	Amended and Restated 2004 Stock Option and Incentive Plan of the Registrant, together with forms of award agreement
10.3†*	2011 Stock Option and Incentive Plan of the Registrant
10.4†*	Form of Incentive Stock Option Agreement under the 2011 Stock Option and Incentive Plan
10.5†*	Form of Non-Qualified Stock Option Agreement under the 2011 Stock Option and Incentive Plan
10.6	Lease dated February 28, 2007 between Mortimer B. Zuckerman, Edward H. Linde and Michael A. Cantalupa, as Trustees of One Cambridge Center Trust and Brightcove Inc., as amended
10.7	Lease dated June 15, 2011 between BP Russia Wharf LLC and Brightcove Inc.
10.8	Loan and Security Agreement dated March 30, 2011 between Silicon Valley Bank and Brightcove Inc., as amended
10.9†	Employment Agreement dated August 8, 2011 between the Registrant and Jeremy Allaire
10.10†	Employment Agreement dated August 8, 2011 between the Registrant and David Mendels
10.11†	Employment Agreement dated August 8, 2011 between the Registrant and Edward Godin
10.12†	Employment Agreement dated August 8, 2011 between the Registrant and Christopher Menard
10.13†	Employment Agreement dated August 8, 2011 between the Registrant and Andrew Feinberg
10.14†*	Non-Employee Director Compensation Policy
10.15†*	Senior Executive Bonus Plan
16.1	Letter from PricewaterhouseCoopers LLP regarding change in certifying accountant
21.1	Subsidiaries of the Registrant
23.1	Consent of Ernst & Young LLP
23.2	Consent of PricewaterhouseCoopers LLP
23.3*	Consent of Goodwin Procter LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on signature page)

* To be included by amendment
† Indicates a management contract or any compensatory plan, contract or arrangement.

Execution copy

Exhibit 4.2

SECOND AMENDED AND RESTATED

INVESTOR RIGHTS AGREEMENT

THIS SECOND AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT (the "**Agreement**") is made as of the 17th day of January, 2007, by and between Brightcove Inc., a Delaware corporation (the "**Company**"), each of the investors listed on Schedule A hereto from time to time (each, an "**Investor**" and, collectively, the "**Investors**"), and Jeremy Allaire (the "**Founder**").

RECITALS

WHEREAS, the Company, certain of the Investors, Maven Networks, Inc. ("**Maven**") and the Founder entered into an Amended and Restated Investor Rights Agreement dated as of November 21, 2005 (the "**Prior Agreement**"), in connection with the purchase by such Investors (the "**Series B Purchasers**") of the Company's Series B Convertible Preferred Stock, $0.001 par value per share (the "**Series B Preferred Stock**");

WHEREAS, pursuant to the Series C Convertible Preferred Stock Purchase Agreement of even date herewith (the "**Purchase Agreement**") certain purchasers (the "**Series C Purchasers**") of the Company's Series C Convertible Preferred Stock, $0.001 par value per share (the "**Series B Preferred Stock**") have agreed that the execution of this Agreement is a condition to the sale of the Series C Preferred Stock;

WHEREAS, pursuant to Section 6.7 of the Prior Agreement, the Prior Agreement may be amended by a written instrument executed by (i) the Requisite Investors (as defined therein) and (ii) the Company; and

WHEREAS, in order to induce the Series C Purchasers to enter into the Purchase Agreement and in order to provide the Series C Purchasers with certain rights contained in the Prior Agreement, the Requisite Investors (as defined in the Prior Agreement) and the Company desire to amend and restate the Prior Agreement in its entirety to read as set forth in this Agreement.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Definitions.

For purposes of this Agreement:

The term "**Affiliate**" shall mean with respect to any individual, corporation, partnership, association, trust, or any other entity (in each case, a "**Person**"), any Person which, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, officer or director of such Person and any venture capital fund now or hereafter existing which is controlled by or under common control with one or more general partners or shares the same management company with such Person.

The term "**Board**" means the Board of Directors of the Company.

The term "**Common Stock**" shall mean shares of the Company's common stock, par value $0.001 per share.

The term "**Deemed Liquidation Event**" shall have the meaning assigned to such term in the Company's Certificate of Incorporation, as the same may be amended and restated from time to time.

The term "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

The term "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

The term "**GAAP**" shall mean U.S. generally accepted accounting principles.

The term "**Holder**" shall mean any Person owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with Section 2.12 hereof; *provided, however,* that neither the Founder, nor any of his transferees or assigns shall be deemed a Holder for purposes of registrations effected pursuant to Sections 2.1 or 2.11 hereof.

The term "**Immediate Family Member**" shall mean a child**,** stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, of a person referred to herein.

The term "**Initiating Holders**" means, collectively, any Holders who properly initiate a registration request under this Agreement.

The term "**Intellectual Property Rights**" means all of the following: (i) patents, patent applications, patent disclosures and all related continuation, continuation-in-part, divisional, reissue, re-examination, utility, model, certificate of invention and design patents, patent applications, registrations and applications for registrations, (ii) trademarks, service marks, trade dress, logos, tradenames, service names and corporate names and registrations and applications for registration thereof, (iii) copyrights and registrations and applications for registration thereof, (iv) mask works and registrations and applications for registration thereof, (v) trade secrets and confidential business information, whether patentable or nonpatentable and whether or not reduced to practice, know-how, manufacturing and product processes and techniques, research and development information, copyrightable works, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information, (vi) computer programs, (vii) other proprietary rights relating to any of the foregoing (including without limitation associated goodwill and remedies against infringements thereof and rights of protection of an interest therein under the laws of all jurisdictions) and (viii) copies and tangible embodiments thereof.

The term "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

The term "**Key Employee**" means and includes the President, chief executive officer, chief financial officer, chief operating officer, chief technology officer, vice presidents of operations, research, development, sales or marketing, or any other individual who performs a significant role in the operations of the Company or a Subsidiary or in the development or conception of any Intellectual Property Rights of the Company or a Subsidiary as may be reasonably designated by the Board.

The term "**Maven License Agreement**" means the License Agreement, dated as of December 17, 2004, by and between the Company and Maven.

The term "**Maverick**" means, collectively, Maverick Fund USA, Ltd., Maverick Fund II, Ltd. and Maverick Fund, L.D.C.

The term "**New Securities**" shall mean equity securities of the Company, whether now authorized or not, or rights, options, or warrants to purchase said equity securities, or securities of any type whatsoever that are, or may become, convertible into or exchangeable into or exercisable for said equity securities (collectively "**New Securities**").

The term "**Preferred Stock**" shall mean shares of the Company's Series A Convertible Preferred Stock, $0.001 par value per share, shares of the Company's Series B Preferred Stock and the shares of the Company's Series C Preferred Stock.

The term "**Qualified Public Offering**" shall have the meaning assigned to such term in the Company's Certificate of Incorporation, as amended or restated from time to time.

The term "**register**," "**registered**," and "**registration**" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

The term "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock held by the Investors or Maven, (ii) any Common Stock issued or issuable upon conversion of any capital stock of the Company acquired by the Investors or Maven after the date hereof or any Common Stock acquired by the Investors or Maven after the date hereof from the Company or from a Key Holder pursuant to a Right of First Refusal or Secondary Refusal Right (as defined in the Second Amended and Restated Right of First Refusal and Co-Sale Agreement among the Company and certain stockholders dated as of the date hereof), (iii) any Common Stock now owned or hereafter acquired by the Founder and (iv) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of the shares referenced in clauses (i), (ii) and (iii) above; *provided, however*, that (w) any shares sold by a person in a transaction in which his rights under Section 2 hereof are not assigned shall not be deemed Registrable Securities, (x) any shares for which registration rights have terminated pursuant to Section 2.15 of this Agreement

shall not be deemed Registrable Securities, and (y) shares of capital stock owned by the Founder or his transferees or assigns shall not be deemed to be Registrable Securities for purposes of registrations effected pursuant to Sections 2.1 or 2.11.

The term "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of Common Stock outstanding which are, and the number of shares of Common Stock issuable pursuant to then exercisable or convertible securities which are, Registrable Securities.

The term "**Requisite Investors**" means Investors holding greater than 50% of the shares of Common Stock issued or issuable upon conversion of Preferred Stock held by all Investors.

The term "**SEC**" means the Securities and Exchange Commission.

The term "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

The term "**SEC Rule 144(k)**" means Rule 144(k) promulgated by the SEC under the Securities Act.

The term "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

The term "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

The term "**Series A Directors**" shall mean, at a particular time, the Series A Director(s) (as defined in the Company's Certificate of Incorporation, as amended or restated from time to time) serving on the Board at such time.

The term "**Stockholder**" means, collectively, the Investors and Maven.

The term "**Strategic Investors**" means, collectively, AOL LLC, IAC/InterActiveCorp, The Hearst Corporation, Allen & Company LLC and the New York Times Company.

The term "**Subsidiary**" means any corporation, partnership, limited liability company, joint venture or other legal entity of any kind of which the Company (either alone or through or together with one or more of its other Subsidiaries), owns, directly or indirectly, the stock or other equity interests which entitle such holders generally to elect a majority of the board of directors or other governing body of such legal entity.

The term "**VC Investors**" means, collectively, General Catalyst Group III, L.P., GC Entrepreneurs Fund III, L.P., Accel IX L.P., Accel IX Strategic Partners L.P., Accel Investors 2005 L.L.C., James W. Breyer and Alliance Bernstein Venture Fund I, L.P., Brookside Capital Partners Fund, L.P., Maverick and Transcosmos Investments & Business Development, Inc.

The term "**Violation**" means losses, claims, damages, or liabilities (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations: (i) any untrue statement or alleged untrue statement of a material fact contained in a registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by any other party hereto, of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law.

2. Registration Rights

The Company covenants and agrees as follows:

2.1. Request for Registration.

(a) If the Company shall receive at any time after the earlier of (i) three years after the date of this Agreement or (ii) 180 days after the effective date of the first registration statement for a public offering of securities of the Company (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or a SEC Rule 145 transaction), a written request from the Requisite Investors that the Company file a registration statement under the Securities Act covering the registration of the Registrable Securities then outstanding having an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $5,000,000, then the Company shall:

(i) within ten (10) days of the receipt thereof, give written notice of such request to all Holders;

(ii) as soon as practicable, and in any event within 60 days of the receipt of such request, file a registration statement under the Securities Act covering all Registrable Securities which the Holders request to be registered, subject to the limitations of subsection 2.1(b); and

(iii) use its best efforts to cause such registration statement to be declared effective by the SEC as soon as practicable.

(b) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to subsection 2.1(a) and the Company shall include such information in the written notice referred to in subsection 2.1(a). The underwriter will be selected by the Initiating Holders, subject to the reasonable approval of the Company. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the

Company as provided in subsection 2.3(e)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Section 2.1, if the underwriter advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities which would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities of the Company owned by each Holder; provided, however, that (i) the number of shares of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting and (ii) the number of shares of Registrable Securities held by the Investors to be included in such underwriting shall not be reduced unless all Registrable Securities held by Maven are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares.

(c) The Company shall not be obligated to effect, or to take any action to effect, any registration

(i) pursuant to this Section 2.1:

(A) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, unless the Company is already subject to service in such jurisdiction and except as may be required under the Securities Act;

(B) After the Company has effected two registrations pursuant to this Section 2.1 and such registrations have been declared or ordered effective;

(C) If the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.11 below; or

(D) If the Registrable Securities to be included in the registration statement could be sold without restriction under SEC Rule 144(k) within a ninety (90) day period and the Company is currently subject to the periodic reporting requirements of Sections 12(g) or 15(d) of the Exchange Act, or

(ii) pursuant to any other provision of this Agreement:

(A) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, unless the Company is already subject to service in such jurisdiction and except as may be required under the Securities Act; or

(B) If the Registrable Securities to be included in the registration statement could be sold without restriction under SEC Rule 144(k) within a ninety (90) day period and the Company is currently subject to the periodic reporting requirements of Sections 12(g) or 15(d) of the Exchange Act.

(d) Notwithstanding the foregoing, if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 2.1 a certificate signed by the President of the Company stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such registration statement to become effective or to remain effective as long as such registration statement would otherwise be required to remain effective because such action (x) would materially interfere with a significant acquisition, corporate reorganization or other similar transaction involving the Company, (y) would require premature disclosure of material information that the Company has a *bona fide* business purpose for preserving as confidential or (z) would render the Company unable to comply with requirements under the Securities Act or Exchange Act, the Company shall have the right to defer taking action with respect to such filing for a period of not more than ninety (90) days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right (or any similar right granted to the Company pursuant to Section 2.11(b)) more than twice in any twelve-month period and provided further that the Company shall not register any securities for the account of itself or any other stockholder during such ninety (90) day period other than a registration statement relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or an SEC Rule 145 transaction, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, or a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

(e) For purposes of Section 2.1(c)(i), a registration statement shall not be counted until such time as such registration statement has been declared effective by the SEC (unless the Initiating Holders withdraw their request for such registration (other than as a result of information concerning the business or financial condition of the Company which is made known to the Investors after the date on which such registration was requested) and elect not to pay the registration expenses therefor pursuant to Section 2.5). A registration statement shall not be counted if, as a result of an exercise of the underwriter's cut-back provisions, fewer than 50% of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.2. Company Registration.

If the Company proposes to register (including for this purpose the IPO and a registration effected by the Company for stockholders other than the Holders) any of its stock or other securities under the Securities Act in connection with the public offering of such securities solely for cash (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or an SEC Rule 145 transaction, a registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities or a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities which are also being registered), the Company shall, at such time, promptly give each Holder written notice of such registration.

Upon the written request of each Holder given within twenty (20) days after mailing of such notice by the Company in accordance with Section 6.5, the Company shall, subject to the provisions of Section 2.7, cause to be registered under the Securities Act all of the Registrable Securities that each such Holder has requested to be registered. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration. The expenses of such withdrawn registration shall be borne by the Company in accordance with Section 2.6 hereof.

2.3. Obligations of the Company.

Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its reasonable best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the Registration Statement has been completed; provided, however, that such 120-day period shall be extended for a period of time equal to the period the Holder refrains from selling any securities included in such registration at the request of an underwriter of Common Stock (or other securities) of the Company;

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement;

(c) furnish to the Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them;

(d) use its reasonable best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders; provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement;

(f) cause all such Registrable Securities registered pursuant to this Agreement hereunder to be listed on a national securities exchange and each securities exchange on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) use its reasonable best efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 2, on the date on which such Registrable Securities are sold to the underwriter, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and (ii) a "comfort" letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any.

(i) after such registration statement becomes effective, notify each Holder of Registrable Securities covered by such registration statement of any amendment or supplement of such registration statement or prospectus.

2.4. Furnish Information.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be reasonably required to effect the registration of such Holder's Registrable Securities.

2.5. Expenses of Demand Registration.

All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to Section 2.1, including (without limitation) all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and the reasonable fees of one counsel for the selling Holders shall be borne by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one demand registration pursuant to Section 2.1; provided further, however, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to Section 2.1.

2.6. Expenses of Company Registration.

The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to the registrations pursuant to Section 2.2 hereof for each Holder (which right may be assigned as provided in Section 2.12 hereof), including (without limitation) all registration, filing, and qualification fees, printers' and accounting fees relating or apportionable thereto and the fees and disbursements of one counsel for the selling Holders selected by them, but excluding underwriting discounts and commissions relating to Registrable Securities.

2.7. Underwriting Requirements.

In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the amount of securities to be sold other than by the Company that the underwriters determine in their reasonable discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company determine in their sole discretion will not jeopardize the success of the offering. In no event shall any Registrable Securities held by Investors, Maven or the Founder be excluded from such offering unless all other stockholders' securities have been first excluded. Further, in no event shall any Registrable Securities held by Investors or Maven be excluded unless all Registrable Securities held by the Founder, if any, have been excluded. In the event that the underwriters determine that, following the cutbacks described in the preceding two sentences, less than all of the Registrable Securities requested to be registered by Investors and Maven can be included in such offering, then the Registrable Securities held by Investors and Maven that are included in such offering shall be apportioned pro rata among the selling Investors and Maven (if Maven has elected to sell) based on the number of Registrable Securities held by all selling Investors and Maven (if Maven has elected to sell) or in such other proportions as shall mutually be agreed to by all such selling Investors and Maven. Notwithstanding the foregoing, in no event shall the amount of securities of the selling Investors included in the offering be reduced below thirty-three percent (33%) of the total amount of securities included in such offering, unless such offering is the Qualified Public Offering in which case the selling Investors may be excluded beyond this amount if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of apportionment pursuant to this Section 2.7, for any selling stockholder which is a Holder of Registrable Securities and which is an investment fund, partnership, limited liability company or corporation, the partners, members, retired partners, retired members, stockholders and Affiliates of such Holder, or the estates and family members of any such partners, retired partners, members and retired members and any trusts for the benefit of any of

the foregoing persons shall be deemed to be a single "selling Holder", and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder," as defined in this sentence.

2.8. Delay of Registration.

No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.9. Indemnification.

In the event any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, members, officers, directors and stockholders of each Holder, legal counsel and accountants for each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Violation and the Company will pay to each such Holder, underwriter, controlling person or other aforementioned person, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action as such expenses are incurred; provided, however, that the indemnity agreement contained in this subsection 2.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter, controlling person or other aforementioned person.

(b) To the extent permitted by law, each selling Holder will severally and not jointly indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will pay any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this subsection 2.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however,

that the indemnity agreement contained in this subsection 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this subsection 2.9(b) exceed the net proceeds from the offering received by such Holder, except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.9 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party hereunder shall not relieve the indemnifying party from any liability which it may have to the indemnified party other than under this Section 2.9 and shall only relieve it from any liability which it may have to such indemnified party under this Section 2.9 if and to the extent the indemnifying party is prejudiced by such omission.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any Holder exercising rights under this Agreement, or any controlling person of any such Holder, makes a claim for indemnification pursuant to this Section 2.9 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 2.9 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any such selling Holder or any such controlling person in circumstances for which indemnification is provided under this Section 2.9, then, and in each such case, the Company and such Holder will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case, (I) no such Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement,

and (II) no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation; provided further, that in no event shall a Holder's liability pursuant to this Section 2.9(d), when combined with the amounts paid or payable by such holder pursuant to Section 2.9(b), exceed the proceeds from the offering (net of any underwriting discounts or commissions) received by such Holder, except in the case of willful fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 2, and otherwise shall survive the termination of this Agreement.

2.10. Reports Under Exchange Act.

With a view to making available to the Holders the benefits of SEC Rule 144 promulgated under the Securities Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public so long as the Company is subject to the periodic reporting requirements under Sections 13 or 15(d) of the Exchange Act;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144, the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

2.11. Form S-3 Registration.

In case the Company shall receive from a Holder a written request or requests that the Company effect a registration on Form S-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company will:

(a) Promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) As soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within 15 days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 2.11: (1) if Form S-3 is not then available for such offering by the Holders; (2) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than $1,000,000; (3) if the Company shall furnish to the Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its stockholders for such Form S-3 Registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than ninety (90) days after receipt of the request of the Holder or Holders under this Section 2.11; provided, however, that the Company shall not utilize this right (or any similar right granted to the Company pursuant to Section 2.1(d)) more than twice in any twelve month period and provided further that the Company shall not register any securities for the account of itself or any other stockholder during such ninety (90) day period (other than a registration relating solely to the sale of securities of participants in a Company stock plan, a registration relating to a corporate reorganization or transaction under Rule 145 of the Securities Act, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, or a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered); (4) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance; or (5) during the period ending one hundred eighty (180) days after the effective date of a registration statement subject to Section 2.2 hereof.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders. All expenses incurred in connection with a registration requested pursuant to Section 2.11, including (without limitation) all registration, filing, qualification, printer's and accounting fees and the reasonable fees and disbursements of counsel for the selling Holder or Holders and counsel for the Company, but excluding any underwriters' discounts or commissions associated with Registrable Securities, shall be borne by the Company. Registrations effected pursuant to this Section 2.11 shall not be counted as demands for registration or registrations effected pursuant to Section 2.1.

(d) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as part of their request made pursuant to this Section 2.11 and the Company shall include such information in the written notice referred to in Section 2.11(a). The provisions of Section 2.1(b) shall be applicable to such request (with the substitution of Section 2.11 for references to Section 2.1).

2.12. Assignment of Registration Rights.

The rights to cause the Company to register Registrable Securities pursuant to this Section 2 may be assigned (but only with all related obligations) by a Holder to a transferee or assignee of such securities that (i) is a subsidiary, Affiliate, parent, partner, member, limited partner, retired partner, retired member or stockholder of a Holder, (ii) is a Holder's family member or trust for the benefit of an individual Holder, or (iii) after such assignment or transfer, holds twenty percent (20%) of the Registrable Securities held by such Holder immediately prior to such assignment or transfer (subject to appropriate adjustment for stock splits, stock dividends, combinations and other recapitalizations), provided: (a) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; (b) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement, including without limitation the provisions of Section 2.14 below; (c) such assignment shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act; (d) Maven shall not assign its rights pursuant to this Section 2 to any party unless such party is reasonably acceptable to the Board and in no event may Maven assign its rights under this Section 2 to any party that is a competitor of the Company; and (e) a Strategic Investor shall not assign its rights pursuant to this Section 2 to any party unless such party is reasonably acceptable to the Board and in no event may a Strategic Investor assign its rights under this Section 2 to any party that is a competitor of the Company. For the purposes of determining the number of shares of Registrable Securities held by a transferee or assignee, the holdings of transferee or assignee (i) that is a subsidiary, parent, partner, limited partner, retired partner, member, retired member or stockholder of a Holder; (ii) that is an Affiliate of the Holder, which means with respect to a limited liability company or a limited liability partnership, a fund or entity managed by the same manager or managing member or general partner or management company or by an entity controlling, controlled by, or under common control with such manager or managing member or general partner or management company, (iii) who is a Holder's Immediate Family Member, or (iv) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member, shall be aggregated together and with those of the assigning Holder; provided that all assignees and transferees who would not qualify individually for assignment of registration rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices or taking any action under this Section 2.

2.13. Limitations on Subsequent Registration Rights.

From and after the date of this Agreement, the Company shall not, without the prior written consent of the Requisite Investors, enter into any agreement with any holder or prospective holder of any securities of the Company which would allow such holder or prospective holder (a) to include such securities in any registration unless under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the amount of the Registrable Securities of the Holders that are included or (b) to demand registration of any securities held by such holder or prospective holder.

2.14. Market Stand-Off Agreement.

Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the Company's IPO and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days) (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock held immediately prior to the effectiveness of the Registration Statement for such offering, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash or otherwise. The foregoing provisions of this Section 2.14 shall apply only to the Company's IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to the Holders if all officers, directors and greater than one percent (1%) stockholders of the Company enter into similar agreements, unless the Requisite Investors waive the requirement with respect to any such officer, director or greater than one percent (1%) stockholder of the Company. The underwriters in connection with the Company's IPO are intended third-party beneficiaries of this Section 2.14 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in the Company's IPO that are consistent with this Section 2.14 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply to all Holders subject to such agreements pro rata based on the number of shares subject to such agreements.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

2.15. Termination of Registration Rights.

(a) No Holder shall be entitled to exercise any right provided for in this Section 2 after five (5) years following the consummation of a Qualified Public Offering.

(b) The rights set forth in this Section 2 shall terminate as to any shares of Registrable Securities when such shares have been (a) registered under the Securities Act pursuant to an effective registration statement filed thereunder and disposed of in accordance with the registration statement covering them or (b) publicly sold pursuant to SEC Rule 144.

3. Information and Observer Rights.

3.1. Delivery of Financial Statements.

The Company shall deliver to each VC Investor who holds at least 1,100,000 shares of Preferred Stock (appropriately adjusted for any stock split, dividend, combination or other recapitalization effected after the date hereof), provided that the Board has not reasonably determined that such VC Investor is a competitor of the Company:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company, a balance sheet and income statement as of the last day of such year; a statement of cash flows for such year and a comparison between the actual figures for such year, the comparable figures for the prior year and the comparable figures included in the Budget (as defined below) for such year, with an explanation of any material differences between them and a schedule as to the sources and applications of funds for such year, such year-end financial reports to be in reasonable detail, prepared in accordance with GAAP, and audited and certified by independent public accountants selected by the Board;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, an unaudited income statement, schedule as to the sources and application of funds for such fiscal quarter, an unaudited balance sheet and a statement of stockholder's equity as of the end of such fiscal quarter;

(c) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the number of common shares issuable upon conversion or exercise of any outstanding securities convertible or exercisable for common shares and the exchange ratio or exercise price applicable thereto and number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the VC Investors to calculate its percentage equity ownership in the Company and certified by the President, Chief Financial Officer or Chief Executive Officer of the Company as being true, complete and correct;

(d) as soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement and an unaudited profit or loss statement;

(e) as soon as practicable, but in any event within thirty (30) days prior to the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "**Budget**"), prepared on a monthly basis, including balance sheets and sources and applications of funds statements for such months and, as soon as prepared, any other budgets or revised budgets prepared by the Company;

(f) with respect to the financial statements called for in subsections (a), (b) and (d) of this Section 3.1, an instrument executed by the President, Chief Executive Officer or Chief Financial Officer of the Company certifying that such financials were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (with the exception of footnotes that may be required by GAAP) and fairly present the financial condition of the Company and its results of operation for the periods specified therein, subject to year-end audit adjustment;

(g) such other information relating to the financial condition, business, prospects or corporate affairs of the Company as any VC Investor or any assignee of such VC Investor may from time to time reasonably request, provided, however, that the Company shall not be obligated under this subsection (g) or any other subsection of Section 3.1 to (i) provide information which the Company reasonably deems in good faith to be a trade secret or similar confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or (ii) would adversely affect the attorney-client privilege between the Company and its counsel;

(h) if for any period the Company shall have any Subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

The Company shall distribute the financial statements described in Sections 3.1(a) and 3.1(b) above to Maven for so long as Maven shall continue to hold at least 2% of the aggregate outstanding shares of Preferred Stock of the Company, including, without limitation, all subsequent series of the Company's preferred stock issued from time to time; *provided, however,* that Maven's rights under this Section 3.1 shall terminate upon a good faith determination by the Board that Maven is a competitor of the Company.

For so long as a Strategic Investor shall continue to hold at least 250,000 shares of Preferred Stock of the Company, (i) the Company shall distribute the financial statements described in Sections 3.1(a) and 3.1(b) above and the capitalization table information described in Section 3.1(c) above to such Strategic Investor; and (ii) on a bi-annual basis, management of the Company shall meet with each Strategic Investor to present the Company's operating metrics, strategic events and technological developments.

For so long as a VC Investor shall continue to hold at least 400,000 of the aggregate outstanding shares of Preferred Stock of the Company, including, without limitation, all subsequent series of the Company's preferred stock issued from time to time, (i) the Company shall distribute the financial statements described in Sections 3.1(a) and 3.1(b) above and the capitalization table information described in Section 3.1(c) above to such VC Investor; and (ii) on a bi-annual basis, management of the Company shall meet with each VC Investor to present the Company's operating metrics, strategic events and technological developments.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date sixty (60) days prior to the Company's good faith estimate of the date of

filing of, and ending on a date one hundred eighty (180) days after the effective date of the registration effecting the IPO; provided that the Company is actively employing its reasonable best efforts to cause such registration statement to become effective.

3.2. Inspection.

The Company shall permit each VC Investor who holds at least 1,100,000 shares of Preferred Stock (appropriately adjusted for any stock split, divided, combination or other recapitalization effected after the date hereof), at such VC Investor's expense, to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, all at such reasonable times as may be reasonably requested by the VC Investor; provided, however, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information which it reasonably considers to be a trade secret or similar confidential information or would adversely affect the attorney-client privilege between the Company and its counsel.

3.3. Observer Rights.

For so long as a Strategic Investor shall continue to hold at least 250,000 shares of Preferred Stock of the Company, the Company shall invite a representative of such Strategic Investor to attend all meetings of its Board of Directors (whether in person, by telephone or otherwise) in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information so provided; and, provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if the Board of Directors determines in good faith that access to such information or attendance at such meeting (A) upon advice of legal counsel, would be reasonably likely to adversely affect the attorney-client privilege between the Company and its counsel, or (B) would be reasonably likely to result in a breach of a fiduciary duty. The Company further reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if the Board of Directors determines in good faith that (1) the interests of the observer as a representative of a Strategic Investor are materially different from the interests of the other stockholders of the Company and (2) providing such information or including such representative in any meeting or portion thereof is not in the best interests of the Company. The Company shall notify a Strategic Investor in advance of any exclusion and the rationale for such exclusion. For clarity, the rights described in this Section 3.3 shall not apply to any Strategic Investor who has a representative on the Board of Directors. For purposes of this Section 3.3 only, "Strategic Investor" shall mean AOL LLC, IAC/InterActiveCorp, The Hearst Corporation, the New York Times Company, Alliance Bernstein Venture Fund I, L.P. and Transcosmos Investments & Business Development, Inc.; provided, however, that for so long as Brookside Capital Partners Fund, L.P. and Maverick shall collectively continue to hold at least 500,000 shares of Preferred Stock of the Company, the Company shall invite an aggregate of one representative of Brookside Capital Partners Fund, L.P. and Maverick, collectively, to attend all meetings of the Board of Directors pursuant to and subject to this Section 3.3 (specifically including the limitations set forth herein).

3.4. Termination of Information, Inspection and Observer Covenants.

The covenants set forth in Section 3.1, Section 3.2, and Section 3.3 shall terminate as to Investors and be of no further force or effect immediately prior to the consummation of the sale of shares of Common Stock in the Qualified Public Offering or upon a Deemed Liquidation Event.

3.5. Confidentiality; Other Activities of Investors.

Each Investor agrees that such Investor will keep confidential and will not disclose, divulge or use for any purpose, other than to monitor its investment in the Company, any confidential information obtained from the Company pursuant to the terms of this Agreement, unless such confidential information (i) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.5 by such Investor), (ii) is or has been independently developed or conceived by the Investor without use of the Company's confidential information or (iii) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (a) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company, (b) to any prospective purchaser of any Registrable Securities from such Investor as long as such prospective investor agrees to be bound by the provisions of this Section 3.5, (c) to any Affiliate, partner or member of any Investor that is a venture capital investor in the ordinary course of its business, or (d) as may otherwise be required by law, regulation, stock exchange rule or court order, provided that the Investor takes reasonable steps to minimize the extent of any such required disclosure. The Company acknowledges that at least some of the Investors are in the business of venture capital and private equity investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services which are adverse to or compete directly or indirectly with those of the Company. Nothing in this Agreement shall otherwise preclude or in any way restrict any Investor or any Affiliate thereof from investing or participating in any particular enterprise whether or not such enterprise has products or services which are adverse to or compete, directly or indirectly, with those of the Company. For purposes of this Section 3.5, the term "Investor" shall be deemed to include Maven and its transferees, successors and assigns.

4. Right of First Offer.

4.1. Right of First Offer.

Subject to the terms and conditions specified in this Section 4.1, and applicable securities laws, in the event the Company proposes to offer or sell any New Securities, the Company shall first make an offering of such New Securities to each Stockholder in accordance with the following provisions of this Section 4.1. A Stockholder (other than Maven and the Strategic Investors) shall be entitled to assign the right of first offer hereby granted to its partners, members and Affiliates and other parties as it deems appropriate. Maven shall not assign its rights pursuant to this Section 4 to any party unless such party is reasonably acceptable to the Board and in no event may Maven assign its rights under this Section 4 to any

party that is a competitor of the Company. The Strategic Investors shall not assign their rights pursuant to this Section 4 to any party unless such party is reasonably acceptable to the Board and in no event may the Strategic Investors assign their rights under this Section 4 to any party that is a competitor of the Company, provided, however, that each Strategic Investor shall be entitled to assign its rights under this Section 4 to any entity in which it holds greater than 50% of the voting interests in such entity (a "**Strategic Investor Subsidiary**"), and to any entity in which such Strategic Investor Subsidiary holds greater than 50% of the voting interests in such entity.

(a) The Company shall deliver a notice, in accordance with the provisions of Section 6.5 hereof, (the "**Offer Notice**") to each of the Stockholders stating (i) its *bona fide* intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By written notification received by the Company, within twenty (20) calendar days after mailing of the Offer Notice, each of the Stockholders may elect to purchase or obtain, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that (i) the number of shares of Common Stock issued and held, or issuable upon conversion of the Preferred Stock (and any other securities convertible into, or otherwise exercisable or exchangeable for, shares of Common Stock) then held, by such Stockholder bears to (ii) the total number of shares of Common Stock of the Company issued and held, or issuable upon conversion of the Preferred Stock then held, by all stockholders of the Company (excluding Maven if Maven's right of first offer has been terminated pursuant to Section 4.2). The Company shall promptly, in writing, inform each Stockholder that elects to purchase all the shares available to it (each, a "**Fully-Exercising Stockholder**") of any other Stockholder's failure to do likewise. During the ten (10) day period commencing after receipt of such information, each Fully-Exercising Stockholder shall be entitled to obtain that portion of the New Securities for which Stockholders were entitled to subscribe but which were not subscribed for by the Stockholders which is equal to the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of Preferred Stock then held, by such Fully-Exercising Stockholder bears to the total number of shares of Common Stock issued and held, or issuable upon conversion of the Preferred Stock then held, by all Fully-Exercising Stockholders who wish to purchase such unsubscribed shares.

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or obtained as provided in Section 4.1(b) hereof, the Company may, during the ninety (90) day period following the expiration of the period provided in Section 4.1(b) hereof, offer the remaining unsubscribed portion of such New Securities (collectively, the "**Refused Securities**") to any person or persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Stockholders in accordance with this Section 4.1.

(d) The right of first offer in this Section 4.1 shall not be applicable to (i) shares of Common Stock issued or deemed issued as a dividend or distribution on Preferred

Stock; (ii) shares of Common Stock issued or issuable by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock; (iii) up to 4,232,466 shares of Common Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares), or such greater number approved by the Requisite Investors, issued to employees, officers, directors, consultants and advisors of the Company or any of its Subsidiaries, or such other persons approved by the Board, pursuant to the 2004 Stock Option and Incentive Plan of the Company (provided that any options for such shares that expire or terminate unexercised or any restricted stock repurchased by the Company at cost shall not be counted toward such maximum number unless and until such shares are regranted as new stock grants (or as new options) pursuant to the terms of any such plan, agreement or arrangement) ("**Reserved Employee Shares**"); (iv) shares of Common Stock issued upon conversion of shares of Preferred Stock; (v) shares of Common Stock issued in a Qualified Public Offering; (vi) shares of Common Stock (and/or options or warrants therefor), or shares of Preferred Stock (and/or options or warrants therefor) which are convertible into up to a maximum of 205,000 shares of Common Stock (subject to appropriate adjustment for stock splits, stock dividends, combinations and other similar recapitalizations affecting the number of such shares issued and outstanding), issued or issuable to parties providing the Company with equipment leases, real property leases, loans, credit lines, guaranties of indebtedness, cash price reductions or similar financing, or issuable to parties entering into strategic agreements with the Company, in each case, under arrangements approved by the Board (including the Series A Directors); and (vii) shares of Common Stock issued or issuable pursuant to the acquisition of another business entity by the Company by merger, purchase of substantially all of the assets or other reorganization or pursuant to a joint venture agreement, technology license agreement or strategic partnership, in each case, under arrangements approved by the Board (including the Series A Directors).

(e) In lieu of complying with the provisions of this Section 4.1, the Company may elect to (a) give notice to the Stockholders at least one day prior to the issuance of New Securities, such notice shall only be required to include a statement that an issuance of New Securities is expected to occur and (b) give a subsequent notice to the Stockholders within thirty (30) days after the issuance of New Securities, such notice shall describe the type, price and terms of the New Securities (a "**Post-Offering Notice**"). Each Stockholder shall have twenty (20) days from the date of receipt of such Post-Offering Notice to elect to purchase up to the number of New Securities that it would be entitled to purchase pursuant to Section 4.1(b) (calculated prior to giving effect to the issuance of such New Securities). The closing of such sale shall occur within sixty (60) days of the date of the Post-Offering Notice to the Stockholders.

4.2. Termination; Waiver.

The provisions of this Section 4 shall terminate with respect to all Stockholders upon the earlier of: (a) the consummation of the Qualified Public Offering and (b) upon a Deemed Liquidation Event. The provisions of this Section 4 shall terminate with respect to any Stockholder (other than Maven) upon and in the event such Stockholder no longer owns shares of Preferred Stock. The provisions of this Section 4 shall terminate with respect to Maven upon the earliest to occur of (i) the breach by Maven of its obligations under the Maven License Agreement that is not cured within 30 days of Maven's receipt of notice from the Company of

the occurrence of such breach; (ii) the termination of the Maven License Agreement; or (iii) Maven's failure to purchase its full pro rata share of New Securities (specifically including Series B Preferred Stock and Series C Preferred Stock) in connection with any two (2) consecutive offerings of New Securities (specifically including Series B Preferred Stock and Series C Preferred Stock) subject to Section 4.1. The provisions of this Section 4 may be waived in whole or in part with respect to all Stockholders by the Requisite Investors; *provided, however*, that (i) any partial waiver of this Section 4 shall apply pro rata to all Stockholders and (ii) in the event that any waiver reduces the aggregate number of New Securities that may be purchased by the Stockholders hereunder in connection with an offering (the number of New Securities following such reduction, the **"Adjusted New Securities**"), no Stockholder may purchase a number of New Securities that exceeds its pro rata portion of the Adjusted New Securities, calculated as set forth in Section 4.1(b), in connection with such offering unless each other Stockholder is entitled to purchase a proportionate number of excess New Securities in such offering or each Stockholder consents to the purchase of excess New Securities by such Stockholder.

5. Additional Covenants.

5.1. Insurance.

If directed by the Board or any Series A Director, the Company shall obtain from financially sound and reputable insurers (i) Directors and Officers Errors and Omissions insurance and (ii) term "key-person" insurance on the lives of such persons as determined by the Board (including the Series A Directors), each in an amount satisfactory to the Board (including the Series A Directors), and will cause such insurance policies to be maintained until such time as the Board and the Series A Directors determine that such insurance should be discontinued. The "key person" policy shall name the Company as loss payee and neither policy shall be cancelable by the Company without prior approval of the Board and the Series A Directors.

5.2. Employee Agreements.

Unless otherwise permitted by the Board of Directors and the Series A Directors, the Company will cause (i) each person now or hereafter employed by it or a Subsidiary (or engaged by the Company or a Subsidiary as a consultant/independent contractor) to enter into a confidentiality and assignment of inventions agreement in form and substance satisfactory to the Board and (ii) each Key Employee to enter into a confidentiality, assignment of inventions and non-competition agreement in form and substance satisfactory to the Board. In addition, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company or a Subsidiary and any employee without the approval of the Board of Directors.

5.3. Employee Vesting.

Unless approved by the Board of Directors and the Series A Directors, all employees and consultants of the Company who shall purchase, or receive options to purchase, shares of the Company's capital stock following the date hereof shall be required to execute stock purchase or option agreements providing for (i) vesting of shares over a four-year period,

with the first 25% of such shares vesting at the one-year anniversary of the date of grant and the remaining shares vesting thereafter in equal monthly installments over 36 months; and (ii) a 180-day lockup period in connection with the Company's IPO.

5.4. Budget Approval. Not later than 30 days prior to the commencement of each fiscal year, the Company shall prepare and submit to, and obtain the approval of a majority of the Board and the Series A Directors of, a business plan and monthly operating budgets for the Company and its Subsidiaries, in detail for the upcoming fiscal year, including capital and operating expense budgets, cash flow projections and profit and loss projections, all itemized in reasonable detail (including itemization of provisions for officers' compensation). Once approved , the Company shall not deviate from the approved budget in any material respect without the approval of the Board and Series A Directors.

5.5. Bylaws; Board Committees. The Company shall at all times: cause the bylaws of the Company to provide that, unless otherwise required by the laws of the State of Delaware, the Series A Directors shall have the right to call a meeting of the Board or stockholders; maintain provisions in the bylaws or Certificate of Incorporation of the Company indemnifying all directors against liability to the maximum extent permitted under the laws of State of Delaware; and maintain provisions in the bylaws or Certificate of Incorporation of the Company permitting the Series A Directors to serve on all committees of the Company's Board. The Company shall establish and maintain a compensation committee and audit committee of the Board, each of which shall consist solely of non-employee directors. For so long as one Series A Director seat shall remain vacant, the audit committee and compensation committee shall consist of two (2) directors, one of whom shall be a Series A Director. For so long as two Series A Directors shall serve on the Board, the Company shall, at the request of the Series A Directors, expand the audit committee and compensation committee to three (3) directors, two (2) of whom shall be Series A Directors.

5.6. Negative Covenants. So long as at least 4,000,000 shares of Preferred Stock are outstanding (appropriately adjusted for any stock split, divided, combination or other recapitalization effected after the date hereof), in addition to any other votes required by law, the Company hereby covenants and agrees with the Investors that it shall not, without the consent of the Requisite Investors:

(a) sell or otherwise dispose of any shares of capital stock of any Subsidiary, except to a wholly-owned Subsidiary of the Company, or permit any Subsidiary to issue, sell or otherwise dispose of any shares of its capital stock or the capital stock of any Subsidiary, except to the Company or its wholly-owned Subsidiaries;

(b) make, or permit any Subsidiary to make, any loan or advance to, any Person, except loans or advances to a wholly-owned Subsidiary approved by the Board (including the Series A Directors) and advances and similar expenditures in the ordinary course of business or under the terms of a employee stock or option plan approved by the Board and the Series A Directors;

(c) make any investment, through the direct or indirect holding of securities or otherwise, other than investments in prime commercial paper, money market funds, certificates of deposit in any United States bank having a net worth in excess of $100,000,000 or obligations issued or guaranteed by the United States of America, in each case having a maturity not in excess of two years, unless approved by the Board (including the Series A Directors);

(d) otherwise enter into or be a party to any transaction with any director, officer or employee of the Company or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such person, except for transactions approved by a majority of the disinterested members of the Board and the Series A Directors (if disinterested);

(e) change the principal business of the Company or any Subsidiary, enter new lines of business, or exit the current line of business, unless approved by the Board (including the Series A Directors);

(f) sell, transfer, license, pledge or encumber material technology or Intellectual Property Rights of the Company or any Subsidiary, other than licenses granted in the ordinary course of business, unless approved by the Board (including the Series A Directors);

(g) grant to any employee or other service provider any options or other rights to purchase Reserved Employee Shares unless authorized by vote of the Company's Board or its compensation committee, which vote shall include, in all such cases, the affirmative vote of the Series A Directors;

(h) repurchase any shares of capital stock from Maven, except as approved by the Board and the Series A Directors; or

(i) create, or authorize the creation of, or issue, or authorize the issuance of (or permit any subsidiary to take any such action) any debt security or contractual obligation if the aggregate indebtedness of the Company and its Subsidiaries for borrowed money following such action would exceed $250,000 including, without limitation, any debt security which by its terms is convertible into or exchangeable for any equity security of the Company and any security of the Company which is a combination of debt and equity; or

(j) issue the 404,341 shares of Series C Preferred Stock reserved for issuance other than to holders of Series A Preferred Stock and Series B Preferred Stock as of the date hereof, within 60 days of the Post-Offering Notice and pursuant to all other terms of the right of first offer in Section 4.1(e) hereof.

5.7. Meetings of the Board.

Unless otherwise determined by the vote of a majority of the directors then in office, the Board shall meet at least quarterly in accordance with an agreed upon schedule.

5.8. Successor Indemnification.

In the event that the Company or any of its successors or assigns (i) consolidates with or merges into any other entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any person or entity, then, and in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of the Company assume the obligations of the Company with respect to indemnification of members of the Board as in effect immediately prior to such transaction, whether in the Company's bylaws, Certificate of Incorporation, or elsewhere, as the case may be.

5.9. Termination of Covenants.

The covenants set forth in this Section 5, except for Section 5.8, shall terminate and be of no further force or effect upon (a) the consummation of the Qualified Public Offering; or (b) upon a Deemed Liquidation Event.

6. Miscellaneous.

6.1. Transfers, Successors and Assigns.

The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.2. Governing Law.

This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to its principles of conflicts of laws.

6.3. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6.4. Titles and Subtitles.

The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5. Notices.

All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page or Schedule A hereto, or to such email address, facsimile number or address as subsequently modified by written notice given in accordance with this Section 6.5. If notice is given to the Company, a copy shall also be sent to William J. Schnoor, Jr. and David V. Cappillo, Goodwin Procter LLP, 53 State Street, Boston, Massachusetts 02109. If notice is given to the Investors, a copy shall also be sent to Patrick J. Mitchell, Esq., Goulston & Storrs, P.C., 400 Atlantic Avenue, Boston, Massachusetts 02110, Maureen J. Ryan, Esq., Clifford Chance US LLP, 31 West 52nd Street, New York, NY 10019, and Richard Zamboldi, Esq., Accel Partners, 428 University Avenue, Palo Alto, CA 94301.

6.6. Costs of Enforcement.

If any party to this Agreement seeks to enforce its rights under this Agreement by legal proceedings, the non-prevailing Party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

6.7. Amendments and Waivers.

This Agreement may be amended or modified and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by the Requisite Investors and the Company. Any amendment or waiver so effected shall be binding upon the Company, the Investors, Maven, the Founder and all of their respective successors and permitted assigns whether or not such party, assignee or other shareholder entered into or approved such amendment or waiver. Notwithstanding the foregoing, (a) no amendment or waiver may treat one Investor or a group of Investors more adversely than any other Investor or group of Investors without the consent of such Investor or the consent of the holders of a majority of the Registrable Securities of the group of Investors adversely affected by such amendment or waiver, (b) no amendment or waiver may deprive Maven of its rights under Section 2.2 without the consent of Maven, unless such amendment or waiver similarly deprives all Investors of their rights under Section 2.2, (c) no amendment or waiver of the rights of Maven that treats Maven more adversely than the Investors shall be effected without the consent of Maven and (d) no waiver of the rights of the Investors hereunder shall require the consent of the Company. The Company shall give prompt written notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

6.8. Severability.

The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.9. Aggregation of Stock.

All shares of capital held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

6.10. Entire Agreement.

This Agreement (including the Schedules hereto) constitutes the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties are expressly canceled. The Prior Agreement is hereby amended and restated and superseded and replaced in its entirety by this Agreement, and shall be of no further force or effect.

6.11. Transfers of Rights.

Each Investor hereto hereby agrees that it will not, and may not, assign any of its rights and obligations hereunder, unless such rights and obligations are assigned by such Investor to (a) any person or entity to which Registrable Securities are transferred by such Investor pursuant to Section 2.12 hereof, or (b) to any Affiliate of such Investor, and, in each case, such transferee shall be deemed an "Investor" for purposes of this Agreement; provided that such assignment of rights shall be contingent upon the transferee providing a written instrument to the Company notifying the Company of such transfer and assignment and agreeing in writing to be bound by the terms of this Agreement. Notwithstanding anything to the contrary set forth herein, neither the Strategic Investors nor Maven may transfer or assign any of its rights hereunder, by operation of law or otherwise, without the written consent of the Company.

6.12. Delays or Omissions.

No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.13 Maven.

This Agreement shall terminate with respect to Maven upon the earliest to occur of (i) the breach by Maven of its obligations under the Maven License Agreement that is not cured within 30 days of Maven's receipt of notice from the Company of the occurrence of such breach; (ii) the termination of the Maven License Agreement; or (iii)

Maven's failure to purchase its full pro rata share of New Securities (specifically including Series B Preferred Stock and Series C Preferred Stock) in connection with any two (2) consecutive offerings of New Securities (specifically including the Series B Preferred Stock and Series C Preferred Stock) subject to Section 4.1 of this Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Second Amended and Restated Investor Rights Agreement as of the date first above written.

BRIGHTCOVE INC.

/s/ Jeremy Allaire
By: Jeremy Allaire
Its: President

FOUNDER:

/s/ Jeremy Allaire
Jeremy Allaire

INVESTORS:

GENERAL CATALYST GROUP III, L.P.

By: General Catalyst Partners III, L.P.
Its: General Partner

By: General Catalyst GP III, LLC
Its: General Partner

/s/ William J. Fitzgerald
By: William J. Fitzgerald
Its: Member and Chief Financial Officer

GC ENTREPRENEURS FUND III, L.P.

By: General Catalyst Partners III, L.P.
Its: General Partner

By: General Catalyst GP III, LLC
Its: General Partner

/s/ William J. Fitzgerald
By: William J. Fitzgerald
Its: Member and Chief Financial Officer

ACCEL IX L.P.

By: Accel IX Associates L.L.C.
Its: General Partner

/s/ Tracy L. Sedlock
By: Tracy L. Sedlock
Its: Attorney in Fact

ACCEL IX STRATEGIC PARTNERS L.P.

By: Accel IX Associates L.L.C.
Its: General Partner

/s/ Tracy L. Sedlock
By: Tracy L. Sedlock
Its: Attorney in Fact

ACCEL INVESTORS 2005 L.L.C.

/s/ Tracy L. Sedlock
By: Tracy L. Sedlock
Its: Attorney in Fact

/s/ James W. Breyer
James W. Breyer

AOL LLC (formerly America Online, Inc.)

By: /s/ Steve Swad
Name: Steve Swad
Title: CFO, AOL, Inc.

IAC/INTERACTIVECORP

By: /s/ Jason L. Rapp
Name: Jason L. Rapp
Title: SVP, M&A

THE HEARST CORPORATION

By: /s/ Kenneth A. Bronfin
Name: Kenneth A. Bronfin
Title: President, Hearst Interactive Media
a Division of The Hearst Corporation

ALLEN & COMPANY LLC

By: /s/ Kim M. Wieland
Name: Kim M. Wieland
Title: Chief Financial Officer

ALLIANCEBERNSTEIN VENTURE FUND I, L.P.

By: AllianceBernstein ESG Venture Management, L.P., its general partner
By: AllianceBernstein Global Derivatives Corporation, its general partner

By: /s/ James D. Kiggen
Name: James D. Kiggen
Title: Senior Vice President

BROOKSIDE CAPITAL PARTNERS FUND, L.P.

By: /s/ William E. Pappendick
Name: William E. Pappendick, Managing Director
Title: Authorized Person

MAVERICK FUND USA, LTD.

By: Maverick Capital, Ltd.,
its investment manager

By: /s/ Michelle Perrin
Michelle Perrin
Authorized Representative

MAVERICK FUND II, LTD.

By: Maverick Capital, Ltd.,
its investment manager

By: /s/ Michelle Perrin
Michelle Perrin
Authorized Representative

MAVERICK FUND, L.D.C.

By: Maverick Capital, Ltd.,
its investment manager

By: /s/ Michelle Perrin
Michelle Perrin
Authorized Representative

TRANSCOSMOS INVESTMENTS & BUSINESS DEVELOPMENT, INC.

/s/ Yasuki Matsumoto

By: Yasuki Matsumoto
Its: President

THE NEW YORK TIMES COMPANY

By: /s/ Kenneth Richieri
Name: Kenneth Richieri
Title: VP

Schedule A

Investors

Name and Address

AllianceBernstein Venture Fund I, L.P.

James D. Kiggen
AllianceBernstein L.P.
1345 Avenue of the Americas
New York, NY 10105

Accel IX L.P.
428 University Avenue
Palo Alto, CA 94301
Fax: (650) 614-4880
Attn: James W. Breyer
Rich Zamboldi

Accel IX Strategic Partners L.P.
428 University Avenue
Palo Alto, CA 94301
Fax: (650) 614-4880
Attn: James W. Breyer
Rich Zamboldi

Accel Investors 2005 L.L.C.
428 University Avenue
Palo Alto, CA 94301
Fax: (650) 614-4880
Attn: James W. Breyer
Rich Zamboldi

Allen & Company LLC
711 5th Avenue, 9th Floor
New York, NY 10022

Alps Communications LLC
c/o Shannon Rosser
PMB 249, 1718 M St., NW
Washington, DC 20036

Name and Address

AOL LLC (formerly America Online, Inc.)
22000 AOL Way
Dulles, Virginia 20166
Attention: Senior Vice President, Corporate Development
Facsimile: 703-265-2101

with a copy to:
AOL LLC (formerly America Online, Inc.)
22000 AOL Way
Dulles, Virginia 20166
fax: 703-265-8433
Attention: Deputy General Counsel

James W. Breyer
428 University Avenue
Palo Alto, CA 94301
Fax: (650) 614-4880

Brookside Capital Partners Fund, L.P.
11 Huntington Avenue
Boston, MA 02119
(p) 617-516-2000
(f) 617-516-2010

with a copy to:
Joel Freedman
Ropes & Gray LLP
One International Place
Boston, Massachusetts 02110
jfreedman@ropesgray.com
tel: 617-951-7309
fax: 617-951-7050

General Catalyst Group III, L.P.
20 University Road, Suite 450
Cambridge, MA 02138
Fax: (617) 234-7040
Attn: William J. Fitzgerald

GC Entrepreneurs Fund III, L.P.
20 University Road, Suite 450
Cambridge, MA 02138
Fax: (617) 234-7040
Attn: William J. Fitzgerald

Name and Address

The Hearst Corporation
300 West 57th Street
NY, NY 10019
Attn: Eve Burton, General Counsel

IAC/InterActiveCorp
152 West 57th Street
New York, NY 10019
Attention: General Counsel
Fax: 212-632-9642

Steve Johnson
12 Lakeview
Cambridge, MA 02138

Maverick Fund USA, Ltd.
Maverick Fund II, Ltd.
Maverick Fund, L.D.C.

c/o Maverick Capital Ltd.
300 Crescent Court
18th Floor
Dallas, TX 75201
Fax: (214)880-4042
Attn: General Counsel

The New York Times Company
229 West 43rd Street
New York, NY 10036

Attention: General Counsel

Kenneth J. Novack
81 Beacon Street
Boston, MA 02108

Name and Address

The Board of Trustees of the Leland Stanford
Junior University
c/o Stanford Management Company
2770 Sand Hill Road
Menlo Park, CA 94025
Attn: Saloni Kapadia

Transcosmos Investments & Business
Development, Inc.
600 108th Avenue NE, Suite 502,
Bellevue, WA 98004
Fax: 425.468.3933

with a copy to:
Christopher Evans
Venture Counsel Law International pllc
601 108th Avenue NE, Suite 1900
Bellevue, Washington 98004

Joseph Vardi
12 Shamir St
Tel-Aviv 69693
Israel

ZG Ventures, LLC
c/o Farid Sadrzadeh
1250 Connecticut Avenue, NW
Suite 200
Washington, DC 20036
Phone: 202-663-9550
Fax: 202-223-2475

AMENDMENT NO. 1 TO SECOND AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

This Amendment No. 1 to the Second Amended and Restated Investor Rights Agreement (this "**Amendment**") is made as of March 25, 2010, by and among Brightcove Inc., a Delaware corporation (the "**Company**"), and the parties listed on the signature pages hereto. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Second Amended and Restated Investor Rights Agreement, dated as of January 17, 2007, by and among the Company and the parties named therein (the "**Agreement**").

WHEREAS, pursuant to the Series D Convertible Preferred Stock Purchase Agreement of even date herewith, the Company is selling shares of the Series D Convertible Preferred Stock, $0.001 par value per share (the "**Series D Preferred Stock**") of the Company to certain of the Investors and the undersigned desire to amend the Agreement to include the Series D Preferred Stock within the definition of Preferred Stock;

WHEREAS, pursuant to Section 6.7 of the Agreement, and subject to the qualifications set forth therein, the Agreement may be amended by a written instrument executed by the Requisite Investors and the Company; and

WHEREAS, any such amendment so effected shall be binding upon the Company, the Investors, the Founder and all of their respective successors and permitted assigns whether or not such party, assignee or other shareholder entered into or approved such amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

1. The definition of "Preferred Stock" as defined in Section 1 of the Agreement is amended and restated in its entirety as follows:

> The term "**Preferred Stock**" shall mean shares of the Series A Convertible Preferred Stock, $0.001 par value per share, of the Company, shares of the Series B Preferred Stock, shares of the Series C Preferred Stock and shares of the Series D Convertible Preferred Stock, $0.001 par value per share, of the Company.

2. Except as expressly amended herein, the Agreement shall remain in full force and effect.

3. This Amendment shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to its principles of conflicts of laws.

4. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Amendment may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

BRIGHTCOVE INC.

/s/ Jeremy Allaire
By: Jeremy Allaire
Its: Chief Executive Officer

FOUNDER:

/s/ Jeremy Allaire
Jeremy Allaire

INVESTORS:

GENERAL CATALYST GROUP III, L.P.

By: General Catalyst Partners III, L.P.
Its: General Partner

By: General Catalyst GP III, LLC
Its: General Partner

/s/ William J. Fitzgerald
By: William J. Fitzgerald
Its: Member and Chief Financial Officer

GC ENTREPRENEURS FUND III, L.P.

By: General Catalyst Partners III, L.P.
Its: General Partner

By: General Catalyst GP III, LLC
Its: General Partner

/s/ William J. Fitzgerald
By: William J. Fitzgerald
Its: Member and Chief Financial Officer

ACCEL IX L.P.

By: Accel IX Associates L.L.C.
Its: General Partner

/s/ Tracy L. Sedlock
By: Tracy L. Sedlock
Its: Attorney in Fact

ACCEL IX STRATEGIC PARTNERS L.P.

By: Accel IX Associates L.L.C.
Its: General Partner

/s/ Tracy L. Sedlock
By: Tracy L. Sedlock
Its: Attorney in Fact

ACCEL INVESTORS 2005 L.L.C.

/s/ Tracy L. Sedlock
By: Tracy L. Sedlock
Its: Attorney in Fact

BREYER CAPITAL L.L.C.

By: /s/ James Breyer
Name: James Breyer
Title: Managing Member

AOL INC.

By: /s/ Arthur Minson
Name: Arthur Minson
Title: CFO

BROOKSIDE CAPITAL PARTNERS FUND, L.P.

By: /s/ William Pappendick
Name: William Pappendick
Title: Authorized Person

CanoeRiver & Co.

as nominee for:

AllianceBernstein Venture Fund I, L.P.

By: AllianceBernstein ESG Venture Management, L.P., its general partner

By: AllianceBernstein Global Derivatives Corporation, its general partner

By: /s/ Amy Raskin
Name: Amy Raskin
Title: Senior Vice President

MAVERICK FUND PRIVATE INVESTMENTS, LTD.

By: Maverick Capital, Ltd., under Power of Attorney effective as of December 30, 2008

By: /s/ Ginessa Avila
Name: Ginessa Avila
Title: Assistant General Counsel

MAVERICK USA PRIVATE INVESTMENTS, LLC

By: Maverick Capital, Ltd., under Power of Attorney effective as of December 30, 2008

By: /s/ Ginessa Avila
Name: Ginessa Avila
Title: Assistant General Counsel

THE HEARST CORPORATION

By: /s/ Kenneth A. Bronfin
Name: Kenneth A. Bronfin
Title: President, Hearst Interactive Media
a Division of The Hearst Corporation

NEITHER THIS WARRANT NOR THE SHARES OF STOCK ISSUABLE UPON EXERCISE HEREOF HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). NO SALE, TRANSFER OR OTHER DISPOSITION OF THIS WARRANT OR SAID SHARES MAY BE EFFECTED WITHOUT (i) AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR (ii) AN OPINION OF COUNSEL FOR THE HOLDER, REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED, EXCEPT THAT NO SUCH OPINION SHALL BE REQUIRED IF SUCH SALE IS PURSUANT TO RULE 144 PROMULGATED UNDER THE ACT.

WARRANT

TO PURCHASE
SHARES OF SERIES B CONVERTIBLE PREFERRED STOCK

THIS CERTIFIES THAT, for good and valuable consideration received from **GE Capital CFE, Inc.** ("Warrantholder"), Warrantholder is entitled to subscribe for and purchase **36,437** shares (as adjusted pursuant to provisions hereof, the "Shares") of the fully paid and non-assessable Series B Convertible Preferred Stock of **Brightcove Inc.**, a Delaware corporation with its principal place of business at One Cambridge Center, Cambridge, MA 02142 (the "Company"), at an exercise price per share of $2.47 (such price and such other price as shall result, from time to time, from adjustments specified herein, is hereafter referred to as the "Exercise Price"), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Preferred Stock" or "Shares" shall mean the Company's presently authorized Series B Convertible Preferred Stock, and any stock into or for which such Series B Convertible Preferred Stock may hereafter be converted or exchanged pursuant to the Certificate of Incorporation of the Company as from time to time amended as provided by law and in such Certificate. As used herein, term "Grant Date" shall mean [August 31,] 2006. The Company acknowledges that the cash consideration paid by Warrantholder for this Warrant is $10.00 for income tax purposes, that such amount has been duly received by the Company, and that this Warrant is issued in connection with that certain financial accommodation entered into by and between Company as the obligor and Warrantholder as the obligee thereunder (the "Financing Arrangement").

In the event that all preferred stock is mandated to be converted into Common Stock, this Warrant shall be exercisable solely for such Common Stock, and any reference throughout this Warrant to shares of Preferred Stock shall be deemed to refer to the shares of Common Stock into which the Preferred Stock may be converted in accordance with the conversion formula set forth in the Company's Certificate of Incorporation, as amended from time to time.

1. Term. The purchase rights represented by this Warrant are exercisable, in whole or in part, at any time and from time to time, from and after the Grant Date and on or prior to the tenth anniversary of the Grant Date.

2. Method of Exercise; Net Issue Exercise.

2.1 Method of Exercise; Payment; Issuance of New Warrant. The purchase rights represented by this Warrant may be exercised by the Warrantholder, in whole or in part and from time to time, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit A duly executed) at the principal office of the Company and by the payment to the Company of an amount equal to the then applicable Exercise Price per share multiplied by the number of Shares then being purchased. The Warrantholder shall be deemed to have become the holder(s) of record of, and shall be treated for all purposes as the record holder(s) of, the Shares represented thereby (and such Shares shall be deemed to have been issued) immediately prior to the close of business on the date or dates upon which this Warrant is exercised. In the event of any exercise of the rights represented by this Warrant, certificates for the Shares so purchased shall be promptly delivered to the holder hereof as soon as possible (and in any event within five business days of receipt of such notice) and, unless this Warrant has been fully exercised, a new warrant representing the portion of the Shares, if any, with respect to which this Warrant shall not then have been exercised shall also be issued to the holder hereof as soon as possible (and in any event within such five business day period).

2.2 Non-Cash Exercise.

(a) In lieu of payment in cash, the rights represented by this Warrant may also be exercised by a written notice of exercise in the form of Exhibit A attached hereto, providing for the non-cash exercise of this Warrant for the Shares equal to the value (as determined below) of this Warrant (or the portion thereof being exercised), specifying that this non-cash exercise election has been made, and the net number of Shares to be issued after giving effect to such non-cash exercise. In the event the Warrantholder makes such election, Company shall issue to the holder a number of shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Shares to be issued to the holder
Y = the number of Shares purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being exercised (as of the date of such non-cash exercise)
A = the Fair Market Value of one Share of Preferred Stock (as of the date of such non-cash exercise)
B = Exercise Price of one Share of Preferred Stock (as adjusted to the date of such non-cash exercise)

(b) For purposes of this Section 2.2, the "Fair Market Value" of one share of the Company's Preferred Stock shall be equal to the number of shares of Common Stock into which each share of Preferred Stock is convertible as of the date of the exercise, multiplied by the "Fair Market Value" of a share of Common Stock (as determined pursuant to this Section 2.2). The Fair Market Value of one share of the Company's Common Stock shall be equal to either (i) if the exercise of this Warrant occurs in connection with an initial public offering of the Company,

then the Fair Market Value shall be equal to the "initial price to public" specified in the final prospectus with respect to the initial public offering, or (ii) if the exercise of this Warrant occurs after an initial public offering of the Company but not in connection therewith, then the Fair Market Value shall be equal to the average of the closing price(s) of the Company's Common Stock as quoted over the counter or on any exchange on which the Common Stock is listed as such closing prices are published in The Wall Street Journal for the fifteen trading days (or such lesser number of trading days as the stock may have been actually trading) ending on the day prior to the date of determination of Fair Market Value. Notwithstanding the foregoing, if the Warrant is exercised in connection with a merger or sale of all or substantially all of the Company's assets or stock, Fair Market Value shall mean the value that would have been allocable to or received in respect of a Warrant Share had the Warrant been exercised prior to such merger or sale. If the Common Stock is not traded Over-The-Counter or on an exchange, or if the Warrant is not exercised in connection with a merger or sale of all or substantially all of its assets, the Fair Market Value shall be determined in good faith by the Company's board of directors. If the holder hereof does not agree with the determination of Fair Market Value as determined by the Company's board of directors, the Company and the holder hereof shall negotiate an appropriate Fair Market Value. If after ten (10) days, the Company and the holder cannot agree, then the holder may request that the Fair Market Value be determined by an investment banker of national reputation selected by the Company and reasonably acceptable to the Warrantholder. The fees and expenses of such investment banker shall be borne by the Company unless the Fair Market Value determined by such investment banker is equal to or less than the Fair Market Value as determined by the Company, in which event the fees and expenses of such investment banker shall be borne by the holder hereof.

2.3 Exercise Into Common Stock. Upon any exercise of this Warrant, at the written election of the holder, this Warrant may be exercised into the number of shares of Common Stock into which the Shares issuable upon such exercise are then convertible.

2.4 Automatic Exercise. Immediately before the expiration or termination of this Warrant, to the extent this Warrant is not previously exercised, and if the Fair Market Value of one share of whichever is applicable of either (i) the Preferred Stock subject to this Warrant or (ii) the Company's Common Stock issuable upon conversion of the Preferred Stock subject to this Warrant, is greater than the Exercise Price, then in effect as adjusted pursuant to this Warrant, then this Warrant shall be deemed automatically exercised pursuant to Section 2.2 above, even if not surrendered. For purposes of such automatic exercise, the Fair Market Value of the Company's Common Stock upon such expiration shall be determined pursuant to Section 2.2 (b) above. To the extent this Warrant or any portion thereof is deemed automatically exercised pursuant to this Section, the Company agrees to promptly notify the Warrantholder of the number of Shares, if any, the holder hereof is to receive by reason of such automatic exercise.

2.5 Exercise in Connection with an Initial Public Offering, Sale or Merger Notwithstanding any other provision hereof, if the exercise of all or any portion of this Warrant is made or to be made in connection with the occurrence of a public offering, sale or merger of the Company, the exercise of all or any portion of this Warrant shall, at the written election of the Warrantholder, be conditioned upon the consummation of the public offering, sale or merger of the Company, in which case such exercise shall not be deemed to be effective until the consummation of such transaction. In the event that the transaction is not consummated within 45 days of the targeted date of the transaction, any such exercise shall, at the election of the Warrantholder, be deemed rescinded.

3. Stock Fully Paid; Reservation of Shares. All Shares that may be issued upon the exercise of the rights represented by this Warrant and Common Stock issuable upon conversion of such Shares will, upon issuance, be validly issued, fully paid and non-assessable, issued in compliance with all applicable federal and state securities laws, and free from all taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized and reserved for the purpose of issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Preferred Stock (and Common Stock issuable upon conversion of such shares of Preferred Stock) to provide for the exercise of the rights represented by this Warrant.

4. Adjustment of Exercise Price and Number of Shares. Without duplication of any such adjustment made pursuant to the terms of the Company's Certificate of Incorporation, the number of Shares purchasable upon the exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification, Reorganization, Change or Conversion. In case of any reclassification, reorganization, change or conversion of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), then in any of these events, the Company shall execute a replacement warrant (a "New Warrant"), in form and substance reasonably satisfactory to the holder of this Warrant, upon the exercise of which (and at a total purchase price under the New Warrant not to exceed that payable upon the exercise in full of this Warrant) the holder of the New Warrant shall receive, in lieu of each Share receivable upon the exercise of this Warrant, the same kind and amount of shares of stock, other securities, money and property receivable by a holder of one share of Preferred Stock upon such reclassification, reorganization, change or conversion. Such New Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 4. The provisions of this section (a) shall similarly apply to successive reclassifications, reorganizations, changes, or conversions.

(b) Merger or Sale. In case of any (i) consolidation or merger of the Company with or into another corporation or entity (other than a merger with another corporation or entity in which the Company is the surviving corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (ii) sale of all or substantially all of the assets or stock of the Company, then in either of such events, the Company, or such successor or purchasing corporation, as the case may be, shall execute a replacement warrant (a "New Warrant"), in form and substance reasonably satisfactory to the holder of this Warrant, upon the exercise of which (and at a total purchase price under the New Warrant not to exceed that payable upon the exercise in full of this Warrant) the holder of the New Warrant shall receive securities of the issuer of the New Warrant (shares of preferred or common stock or other applicable securities of such new issuer) with aggregate value equivalent to the value of the securities of the Company issuable upon exercise of this Warrant immediately prior to such merger or sale. Such New Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 4. The provisions of this section (b) shall similarly apply to successive mergers and sales.

(c) Subdivisions or Combination of Shares; Stock Dividends. In the event that the Company shall at any time subdivide the outstanding shares of Preferred Stock, or shall issue a stock dividend on its outstanding shares of Preferred Stock, the number of Shares issuable upon exercise of this Warrant immediately prior to such subdivision or immediately prior to the issuance of such stock dividend shall be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the Company shall at any time combine the outstanding shares of Preferred Stock, the number of Shares issuable upon exercise of this Warrant immediately prior to such combination shall be proportionately decreased, and the Exercise Price shall be proportionately increased, effective at the close of business on the date of such subdivision, stock dividend or combination, as the case may be.

(d) Issuance of Additional Shares In the event that the Company shall at any time make an issuance of "Additional Shares" for consideration (calculated after giving effect to the price at which any preferred shares may be converted to Common Stock) which is less than the Exercise Price per share, then the price at which the Shares may be converted into the Company's Common Stock shall be subject to the same adjustment, if any, to the price at which the Company's Preferred Stock may be converted into the Company's Common Stock pursuant to the Company's Certificate of Incorporation (as may be amended from time to time), and such adjustment shall be effective as to the Shares receivable upon the exercise of this Warrant regardless of whether or not such conversion price adjustment under such Certificate requires the actual issuance of the affected shares of Preferred Stock. "Additional Shares" shall be defined as the issuance of additional shares of any series of Preferred Stock or of Common Stock as set forth in the Company's Certificate of Incorporation. For clarity, if no adjustment to the price at which the Company's Preferred Stock may be converted into the Company's Common Stock is made in accordance with the Company's Certificate of Incorporation, then the price at which the Shares may be converted into the Company's Common Stock shall not be adjusted.

(e) No Impairment. The Company will not, by amendment of its Certificate of Incorporation or any other organizational or shareholder rights documents of the Company, or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the holder of this Warrant against impairment.

(f) Notices of Record Date. In case at any time:

(i) the Company shall declare any dividend upon its Preferred Stock or Common Stock payable in cash or stock (other than a dividend on the Common Stock payable in shares of Common Stock) or make any other distribution to the holders of its Preferred Stock or its Common Stock;

(ii) the Company shall offer for subscription pro rata to the holders of its Preferred Stock any additional shares of stock of any class, or other rights;

(iii) there shall be any capital reorganization or reclassification of the capital stock of the Company which affects the Preferred Stock or the Common Stock, or a consolidation or merger of the Company with or into, or a sale of all or substantially all its assets to another entity or entities; or

(iv) there shall be a voluntary or involuntary dissolution, liquidation or winding up of the Company;

then, in any one or more of said cases, the Company shall give notice as provided in Section 11(e) hereunder as follows: (A) at least 10 days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such dividend, distribution or subscription rights or for determining rights to vote in respect of any such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, and (B) in the case of any such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, at least 10 days' prior written notice of the date when the same shall take place. Such notice in accordance with the foregoing clause (A) shall also specify, in the case of any such dividend, distribution or subscription rights, the date on which the holders of Preferred Stock or Common Stock shall be entitled thereto, and such notice in accordance with the foregoing clause (B) shall also specify the date on which the holders of Preferred Stock or Common Stock shall be entitled to exchange their Preferred Stock or Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, as the case may be.

5. Notice of Adjustments. Whenever the Exercise Price shall be adjusted pursuant to the provisions hereof, the Company shall within ten (10) days of such adjustment deliver a certificate signed on behalf of the Company by its chief financial officer to the holder of this Warrant setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Exercise Price after giving effect to such adjustment.

6. Fractional Shares. No fractional shares of Preferred Stock or Common Stock will be issued in connection with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

7. Compliance with Securities Act; Disposition of Warrant or Shares of Preferred Stock

(a) Compliance with Securities Act. The holder of this Warrant, by acceptance hereof, agrees that this Warrant, the shares of Preferred Stock to be issued upon exercise hereof and the Common Stock to be issued upon the conversion of such Preferred Stock, are being acquired for investment purposes only and that such holder will not offer, sell or otherwise dispose of this Warrant or any shares of Preferred Stock to be issued upon exercise hereof (or Common Stock to be issued upon the conversion of such Preferred Stock) except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act") and as permitted

by Section 7(b) below. This Warrant and all shares of Preferred Stock issued upon exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) shall, unless registered under the Act, be stamped or imprinted with a legend in substantially the following form:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). NO SALE OR DISPOSITION MAY BE EFFECTED WITHOUT (i) AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR (ii) AN OPINION OF COUNSEL FOR THE HOLDER, REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED, EXCEPT THAT NO SUCH OPINION SHALL BE REQUIRED IF SUCH SALE IS PURSUANT TO RULE 144 PROMULGATED UNDER THE ACT.

(b) Disposition of Warrant and Shares. With respect to any offer, sale or other transfer or disposition of this Warrant or any shares of Preferred Stock acquired pursuant to the exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) prior to registration of such Shares, the holder hereof and each subsequent holder of this Warrant agrees to give written notice to the Company prior thereto, describing briefly the manner thereof, together with a written opinion of such holder's counsel (if reasonably requested by the Company and reasonably satisfactory to the Company) to the effect that (i) such offer, sale or other transfer or disposition may be effected without registration or qualification of this Warrant or such shares of Preferred Stock (or Common Stock to be issued upon the conversion of such Preferred Stock) under the Act as then in effect, and (ii) indicating whether or not under the Act this Warrant or the certificates representing such shares of Preferred Stock or Common Stock to be sold or otherwise transferred or disposed of require any restrictive legend thereon in order to ensure compliance with the Act; provided, however, that a written opinion of holder's counsel shall not be required in connection with any sale pursuant to Rule 144. This Warrant or the certificates representing the shares of Preferred Stock or Common Stock thus transferred (except a transfer pursuant to Rule 144) shall bear a legend as to the applicable restrictions on transferability in order to insure compliance with the Act, unless in the aforesaid opinion of counsel for the holder, such legend is not required in order to insure compliance with the Act. Upon any valid transfer of this Warrant or portion thereof, Company agrees to reissue the Warrant (or Warrants in the case of a partial transfer) and/or the Shares receivable upon the exercise hereof, and if the legend is not required, such re-issuance shall be without said legend. Nothing herein shall restrict the transfer of this Warrant (or any portion hereof) or the certificates representing the shares of Preferred Stock acquired pursuant to the exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) by the initial holder hereof or any successor holder to any affiliate of such holder, including without limitation any partnership affiliated with such holder, any partner of any such partnership or any successor corporation to the holder hereof as a result of a merger or consolidation with or a sale of all or substantially all of the stock or assets of the holder. Any transfer described above must be made in compliance with all applicable federal and state securities laws and the IRA (as defined below). The Company may issue stop transfer instructions to its transfer agent in connection with the foregoing restrictions.

8. Warrantholder's Representations

(a) The Warrantholder acknowledges that it has had access to all material information concerning the Company which it has requested. The Warrantholder also acknowledges that it has had the opportunity to, and has to its satisfaction, questioned the officers of the Company with respect to its investment hereunder. The Warrantholder represents that it understands that the Warrant and the Preferred Stock (and the shares of Common Stock issuable upon conversion of the Preferred Stock) are speculative investments, that it is aware of the Company's business affairs and financial condition and that it has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Warrant. The Warrantholder is purchasing the Warrant and any Preferred Stock issued upon exercise thereof (and the shares of Common Stock issuable upon conversion of the Preferred Stock) for investment for its own account only and not with a view to, or for resale in connection with, any "distribution" thereof in violation of the Act or applicable state securities laws. The Warrantholder further represents that it understands that the Warrant and Preferred Stock have not been registered under the Act or applicable state securities laws by reason of specific exemptions therefrom, which exemptions depend upon, among other things, the bona fide nature of the Warrantholder's investment intent as expressed herein. The Warrantholder is an "accredited investor" as defined in Regulation D promulgated under the Act.

9. Company's Representations

As a material inducement to the Warrantholder to purchase this Warrant, the Company hereby represents and warrants that:

(a) The Company shall have made all filings under applicable federal and state securities laws necessary to consummate the issuance of this Warrant in compliance with such laws, except for such filings as may be made properly after the Grant Date.

(b) If there are parties to any stock purchase agreements whose consent or approval is required prior to the execution and delivery of this Warrant, the Company and any such parties shall have entered into a consent, waiver or amendment to each such stock purchase agreement to provide for such consent and any required waivers, in such form and substance acceptable to the Warrantholder, and such consent, waiver or amendment shall be in full force and effect as of the date hereof.

(c) If there are parties to any investor's rights agreements whose consent or approval is required prior to the execution and delivery of this Warrant, the Company and any such parties shall have entered into a consent, waiver or amendment to each such investor's rights agreement providing for such consent and any required waivers, in such form and substance acceptable to Warrantholder, and such consent, waiver or amendment shall be in full force and effect as of the date hereof.

(d) The copies of any existing stock purchase agreements and investor's rights agreements of the Company and the Company's charter documents and bylaws which have been furnished to Warrantholder or the Warrantholder's counsel reflect all amendments made thereto at any time prior to the date hereof and are correct and complete.

(e) As of the date hereof, the authorized capital stock of the Company shall be as stated on the Capitalization Schedule attached hereto as Exhibit B (the "Capitalization Schedule") and made a part hereof. As of the date hereof, except for this Warrant and except as set forth on the attached Capitalization Schedule, the Company shall not have outstanding any stock or securities convertible or exchangeable for any shares of its capital stock or containing any profit participation features, nor shall it have outstanding any rights, warrants or options to subscribe for or to purchase its capital stock or any stock or securities convertible into or exchangeable for its capital stock or any stock appreciation rights or phantom stock plans. The Capitalization Schedule truthfully and accurately sets forth the following information with respect to all outstanding options and rights to acquire the Company's capital stock: the aggregate number of shares covered, the exercise prices and the term of each option agreement. As of the date hereof, except as set forth on the Capitalization Schedule or the Company documents described in section (d) above, the Company shall not be subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its capital stock or any warrants, options or other rights to acquire its capital stock. As of the date hereof, all of the outstanding shares of the Company's capital stock shall be validly issued, fully paid and nonassessable.

(f) With respect to the issuance of this Warrant or the issuance of the Preferred Stock upon exercise of the Warrant (and the shares of Common Stock issuable upon conversion of such shares of Preferred Stock), there are no statutory or contractual stockholders preemptive rights or rights of refusal, except for any such rights contained in any stock purchase agreement and/or investor's rights agreements which have been waived. The offer, sale and issuance of this Warrant does not require registration under the Act or any applicable state securities laws. To the best of the Company's knowledge, there are no agreements between the Company's stockholders with respect to the voting or transfer of the Company's capital stock or with respect to any other aspect of the Company's affairs, except for any stock purchase agreements, investor's rights agreements or voting agreements identified on the attached Capitalization Schedule.

(g) The execution, delivery and performance of this Warrant has been duly authorized by the Company. This Warrant constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms. The execution and delivery by the Company of this Warrant, the issuance of the Preferred Stock upon exercise of this Warrant (and the shares of Common Stock issuable upon conversion of such shares of Preferred Stock), and the fulfillment of and compliance with the respective terms hereof and thereof by the Company, do not and shall not (i) conflict with or result in a breach of the terms, conditions or provisions of, (ii) constitute a default under, (iii) result in the creation of any lien, security interest, charge or encumbrance upon the Company's capital stock or assets pursuant to, (iv) give any third party the right to modify, terminate or accelerate any obligation under, (v) result in a violation of, or (vi) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with, any court or administrative or governmental body or agency pursuant to, the charter or bylaws of the Company or any subsidiary, or any law, statute, rule or regulation to which the Company or any subsidiary is subject, or any agreement, instrument, order, judgment or decree to which the Company or any subsidiary is subject, except for any such filings required under applicable "blue sky" or state securities laws or required under Regulation D promulgated under the Act.

10. Company Financial Information.

Until such time as the Company shall have satisfied all of its obligations under the Financing Arrangement, Company shall deliver to Warrantholder such financial information as is required under the terms of the Financing Arrangement. From and after the date that the Company shall have satisfied all of its obligations under the Financing Arrangement, and notwithstanding any other agreement to the contrary between the parties hereto, the Company shall deliver to the Warrantholder (so long as the Warrantholder holds all or any portion of the Warrant or any Preferred Stock or any shares of Common Stock issuable upon conversion of such shares of Preferred Stock) no later than 150 days after each fiscal year end its annual financial statements.

11. Miscellaneous

(a) Rights as Shareholders. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Preferred Stock (or Common Stock to be issued upon the conversion of such Preferred Stock) or otherwise be entitled to any voting or other rights as a shareholder of the Company, until this Warrant shall have been exercised and the Shares purchasable upon the exercise shall have become deliverable, as provided herein.

(b) Issuance Tax. The issuance of certificates for shares of Preferred Stock upon exercise of this Warrant (or Common Stock to be issued upon the conversion of such shares of Preferred Stock) shall be made without charge to the holder hereof for any issuance tax in respect hereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the holder of this Warrant.

(c) Modification and Waiver. This Warrant and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the Company and the holder of this Warrant.

(d) Attorneys' Fees. In the event of an action, suit or proceeding brought under or in connection herewith, the prevailing party therein shall be entitled to recover from, and the other party hereto agrees to pay, the prevailing party's costs and expenses in connection therewith, including reasonably attorneys' fees.

(e) Notices. All notices, demands, elections or other communications required or permitted to be given or delivered under or by reason of the provisions hereof shall be in writing and shall be deemed to have been given when (i) delivered personally to the recipient, (ii) sent via facsimile transmission, (iii) the next business day after having been sent to the recipient by reputable overnight courier service (charges prepaid) or (iv) four business days after having been mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands, elections and other communications shall be sent to the Warrantholder and to the Company at the respective addresses and transmission numbers indicated on the signature page hereof, or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

(f) Binding Effect on Successors. This Warrant and the terms hereof shall be binding upon any corporation succeeding the Company by merger, consolidation or acquisition of all or substantially all of the Company's assets, and all of the obligations of the Company relating to the Preferred Stock issuable upon the exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) or any New Warrant (and the securities issuable thereunder) shall survive the exercise and termination of this Warrant (or any New Warrant) and all of the covenants and agreements of the Company shall inure to the benefit of the successors and permitted assigns of the holder hereof. All covenants and agreements contained herein by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and permitted assigns of the parties hereto whether so expressed or not.

(g) Lost Warrants or Stock Certificates. The Company covenants to the holder hereof that upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant or any stock certificate issued upon exercise hereof or in replacement thereafter and, in the case of any such loss, theft or destruction, upon receipt of an indemnity reasonably satisfactory to the Company and without requiring any bond, or in the case of any such mutilation upon surrender and cancellation of such Warrant or stock certificate, the Company will make and deliver a replacement Warrant or stock certificate, of like tenor, in lieu of the lost, stolen, destroyed or mutilated Warrant or stock certificate.

(h) Registration Agreement. The shares of Common Stock issuable upon conversion of the Shares shall have certain incidental or "piggyback" registration rights pursuant to, and on the terms and conditions set forth in, that certain Amended and Restated Investor Rights Agreement dated as of November 21, 2005 among the Company and the other parties named therein (the "IRA"). A copy of said IRA has been provided to the Warrantholder. Immediately following the execution of this Warrant, the Warrantholder shall execute, at the option of the Issuer, either a counterpart signature page to such IRA, or an amendment to the IRA, either of which document shall add the Warrantholder as a party thereto and give the Warrantholder the registration rights set forth in Section 2.2 of the IRA and bind the Warrantholder to all obligations under the IRA including, without limitation, those set forth in Sections 2.7 and 2.14 of the IRA, as and to the extent provided therein. Company and the Warrantholder hereby further agree that for the purposes of the IRA, the Shares issuable upon exercise of this Warrant are "Registrable Securities," as that term is defined in the Investor Rights Agreement.

(i) Descriptive Headings. The descriptive headings of the several paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant.

(j) Governing Law. THIS WARRANT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF DELAWARE.

SIGNATURE PAGE FOLLOWS:

In Witness Whereof, this Warrant to purchase Preferred Stock has been duly executed as of the Grant Date hereinabove set forth.

Issued By:
Brightcove Inc.

By: /s/ Jeremy Allaire
Title: CEO

Address for Notices:
One Cambridge Center
Cambridge, MA 02142

Fax: 617-225-6934

Accepted By:
GE Capital CFE, Inc.

By: /s/ Anne Kennelley-Kratky
Title: Vice President

Address for Notices:
500 West Monroe
Chicago, IL 60661
Attention: Portfolio Management,
GE Technology Lending

Fax: 312-441-7715

EXHIBIT A

Notice of Exercise

To: Brightcove Inc. ("Company")
One Cambridge Center
Cambridge, MA 02142
Attention: Chief Financial Officer

[1. The undersigned hereby elects to purchase _____ shares of Series B Convertible Preferred Stock of Company pursuant to the terms of the attached Warrants, and tenders herewith payment of the purchase price of such shares in full.]

[1. The undersigned hereby elects to purchase _____ shares of Series B Convertible Preferred Stock of Company pursuant to a non-cash exercise of the Warrant as provided in Section 2.2 of the Warrant.]

2. Check here if applicable: _____ The undersigned confirms that this exercise is made in connection with the occurrence of a public offering, sale or merger of the Company, and the undersigned further elects to condition this exercise of the Warrant upon the consummation of said public offering, sale or merger of the Company. This exercise shall not be deemed to be effective until the consummation of such transaction. In the event that transaction is not consummated within 45 days of the targeted date of the transaction, the undersigned will advise Company whether or not this exercise should be deemed rescinded.

2. Please issue a certificate or certificates representing said shares in the name of the undersigned or in such other name or names as are specified below:

GE Capital CFE, Inc.
500 West Monroe
Chicago, IL 60661

3. The undersigned represents that the aforesaid shares are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing such shares.

GE Capital CFE, Inc.

By: _____
(Signature)
Its: _____

Date: _____

EXHIBIT B
CAPITALIZATION SCHEDULE TABLE
Brightcove Inc.

Classes of Capital Stock	Number of Shares Authorized	Number of Shares Issued And Outstanding	Number of Shares Reserved for Issuance Upon Exercise of Options, Warrants Other Rights Agreements	Number of Shares Reserved for Issuance Upon Conversion of Convertible Securities
Common Stock	20,000,000	3,158,331	4,232,466	12,902,967
Series A Preferred Stock	5,920,385	5,920,385	n/a	n/a
Series B Preferred Stock	7,000,000	6,921,854	60,728	n/a
Total Preferred Stock	12,920,385	12,842,239	60,728	n/a

Total Fully Diluted Outstanding Common Stock (on an as-converted basis and assuming exercise of all outstanding options): 18,946,528 shares

All options and shares of restricted stock granted or awarded pursuant to the Company's 2004 Stock Option and Incentive Plan (the "Plan") have been granted or awarded at a price of either $0.10 or $0.24 per share of Common Stock. All options granted under the Plan must be exercised within 10 years of the grant date thereof.

The following agreements are disclosed pursuant to Section 9(f) of the Warrant:

- Series B Convertible Preferred Stock Purchase Agreement, dated as of November 21, 2005
- Amended and Restated Investor Rights Agreement, dated as of November 21, 2005
- Amended and Restated Right of First Refusal and Co-Sale Agreement, dated as of November 21, 2005
- Amended and Restated Voting Agreement, dated as of November 21, 2005

NEITHER THIS WARRANT NOR THE SHARES OF STOCK ISSUABLE UPON EXERCISE HEREOF HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). NO SALE, TRANSFER OR OTHER DISPOSITION OF THIS WARRANT OR SAID SHARES MAY BE EFFECTED WITHOUT (i) AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR (ii) AN OPINION OF COUNSEL FOR THE HOLDER, REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED, EXCEPT THAT NO SUCH OPINION SHALL BE REQUIRED IF SUCH SALE IS PURSUANT TO RULE 144 PROMULGATED UNDER THE ACT.

WARRANT

TO PURCHASE
SHARES OF SERIES B CONVERTIBLE PREFERRED STOCK

THIS CERTIFIES THAT, for good and valuable consideration received from **TriplePoint Capital LLC** ("Warrantholder"), Warrantholder is entitled to subscribe for and purchase **24,291** shares (as adjusted pursuant to provisions hereof, the "Shares") of the fully paid and non-assessable Series B Convertible Preferred Stock of **Brightcove Inc.**, a Delaware corporation with its principal place of business at One Cambridge Center, Cambridge, MA 02142 (the "Company"), at an exercise price per share of $2.47 (such price and such other price as shall result, from time to time, from adjustments specified herein, is hereafter referred to as the "Exercise Price"), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Preferred Stock" or "Shares" shall mean the Company's presently authorized Series B Convertible Preferred Stock, and any stock into or for which such Series B Convertible Preferred Stock may hereafter be converted or exchanged pursuant to the Certificate of Incorporation of the Company as from time to time amended as provided by law and in such Certificate. As used herein, term "Grant Date" shall mean [August 31,] 2006. The Company acknowledges that the cash consideration paid by Warrantholder for this Warrant is $10.00 for income tax purposes, that such amount has been duly received by the Company, and that this Warrant is issued in connection with that certain financial accommodation entered into by and between Company as the obligor and Warrantholder as the obligee thereunder (the "Financing Arrangement").

In the event that all preferred stock is mandated to be converted into Common Stock, this Warrant shall be exercisable solely for such Common Stock, and any reference throughout this Warrant to shares of Preferred Stock shall be deemed to refer to the shares of Common Stock into which the Preferred Stock may be converted in accordance with the conversion formula set forth in the Company's Certificate of Incorporation, as amended from time to time.

1. Term. The purchase rights represented by this Warrant are exercisable, in whole or in part, at any time and from time to time, from and after the Grant Date and on or prior to the tenth anniversary of the Grant Date.

2. Method of Exercise; Net Issue Exercise.

2.1 Method of Exercise; Payment; Issuance of New Warrant. The purchase rights represented by this Warrant may be exercised by the Warrantholder, in whole or in part and from time to time, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit A duly executed) at the principal office of the Company and by the payment to the Company of an amount equal to the then applicable Exercise Price per share multiplied by the number of Shares then being purchased. The Warrantholder shall be deemed to have become the holder(s) of record of, and shall be treated for all purposes as the record holder(s) of, the Shares represented thereby (and such Shares shall be deemed to have been issued) immediately prior to the close of business on the date or dates upon which this Warrant is exercised. In the event of any exercise of the rights represented by this Warrant, certificates for the Shares so purchased shall be promptly delivered to the holder hereof as soon as possible (and in any event within five business days of receipt of such notice) and, unless this Warrant has been fully exercised, a new warrant representing the portion of the Shares, if any, with respect to which this Warrant shall not then have been exercised shall also be issued to the holder hereof as soon as possible (and in any event within such five business day period).

2.2 Non-Cash Exercise.

(a) In lieu of payment in cash, the rights represented by this Warrant may also be exercised by a written notice of exercise in the form of Exhibit A attached hereto, providing for the non-cash exercise of this Warrant for the Shares equal to the value (as determined below) of this Warrant (or the portion thereof being exercised), specifying that this non-cash exercise election has been made, and the net number of Shares to be issued after giving effect to such non-cash exercise. In the event the Warrantholder makes such election, Company shall issue to the holder a number of shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Shares to be issued to the holder
Y = the number of Shares purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being exercised (as of the date of such non-cash exercise)
A = the Fair Market Value of one Share of Preferred Stock (as of the date of such non-cash exercise)
B = Exercise Price of one Share of Preferred Stock (as adjusted to the date of such non-cash exercise)

(b) For purposes of this Section 2.2, the "Fair Market Value" of one share of the Company's Preferred Stock shall be equal to the number of shares of Common Stock into which each share of Preferred Stock is convertible as of the date of the exercise, multiplied by the "Fair Market Value" of a share of Common Stock (as determined pursuant to this Section 2.2). The Fair Market Value of one share of the Company's Common Stock shall be equal to either (i) if the exercise of this Warrant occurs in connection with an initial public offering of the Company,

then the Fair Market Value shall be equal to the "initial price to public" specified in the final prospectus with respect to the initial public offering, or (ii) if the exercise of this Warrant occurs after an initial public offering of the Company but not in connection therewith, then the Fair Market Value shall be equal to the average of the closing price(s) of the Company's Common Stock as quoted over the counter or on any exchange on which the Common Stock is listed as such closing prices are published in The Wall Street Journal for the fifteen trading days (or such lesser number of trading days as the stock may have been actually trading) ending on the day prior to the date of determination of Fair Market Value. Notwithstanding the foregoing, if the Warrant is exercised in connection with a merger or sale of all or substantially all of the Company's assets or stock, Fair Market Value shall mean the value that would have been allocable to or received in respect of a Warrant Share had the Warrant been exercised prior to such merger or sale. If the Common Stock is not traded Over-The-Counter or on an exchange, or if the Warrant is not exercised in connection with a merger or sale of all or substantially all of its assets, the Fair Market Value shall be determined in good faith by the Company's board of directors. If the holder hereof does not agree with the determination of Fair Market Value as determined by the Company's board of directors, the Company and the holder hereof shall negotiate an appropriate Fair Market Value. If after ten (10) days, the Company and the holder cannot agree, then the holder may request that the Fair Market Value be determined by an investment banker of national reputation selected by the Company and reasonably acceptable to the Warrantholder. The fees and expenses of such investment banker shall be borne by the Company unless the Fair Market Value determined by such investment banker is equal to or less than the Fair Market Value as determined by the Company, in which event the fees and expenses of such investment banker shall be borne by the holder hereof.

2.3 Exercise Into Common Stock. Upon any exercise of this Warrant, at the written election of the holder, this Warrant may be exercised into the number of shares of Common Stock into which the Shares issuable upon such exercise are then convertible.

2.4 Automatic Exercise. Immediately before the expiration or termination of this Warrant, to the extent this Warrant is not previously exercised, and if the Fair Market Value of one share of whichever is applicable of either (i) the Preferred Stock subject to this Warrant or (ii) the Company's Common Stock issuable upon conversion of the Preferred Stock subject to this Warrant, is greater than the Exercise Price, then in effect as adjusted pursuant to this Warrant, then this Warrant shall be deemed automatically exercised pursuant to Section 2.2 above, even if not surrendered. For purposes of such automatic exercise, the Fair Market Value of the Company's Common Stock upon such expiration shall be determined pursuant to Section 2.2 (b) above. To the extent this Warrant or any portion thereof is deemed automatically exercised pursuant to this Section, the Company agrees to promptly notify the Warrantholder of the number of Shares, if any, the holder hereof is to receive by reason of such automatic exercise.

2.5 Exercise in Connection with an Initial Public Offering, Sale or Merger Notwithstanding any other provision hereof, if the exercise of all or any portion of this Warrant is made or to be made in connection with the occurrence of a public offering, sale or merger of the Company, the exercise of all or any portion of this Warrant shall, at the written election of the Warrantholder, be conditioned upon the consummation of the public offering, sale or merger of the Company, in which case such exercise shall not be deemed to be effective until the consummation of such transaction. In the event that the transaction is not consummated within 45 days of the targeted date of the transaction, any such exercise shall, at the election of the Warrantholder, be deemed rescinded.

3. Stock Fully Paid; Reservation of Shares. All Shares that may be issued upon the exercise of the rights represented by this Warrant and Common Stock issuable upon conversion of such Shares will, upon issuance, be validly issued, fully paid and non-assessable, issued in compliance with all applicable federal and state securities laws, and free from all taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized and reserved for the purpose of issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Preferred Stock (and Common Stock issuable upon conversion of such shares of Preferred Stock) to provide for the exercise of the rights represented by this Warrant.

4. Adjustment of Exercise Price and Number of Shares. Without duplication of any such adjustment made pursuant to the terms of the Company's Certificate of Incorporation, the number of Shares purchasable upon the exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification, Reorganization, Change or Conversion. In case of any reclassification, reorganization, change or conversion of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), then in any of these events, the Company shall execute a replacement warrant (a "New Warrant"), in form and substance reasonably satisfactory to the holder of this Warrant, upon the exercise of which (and at a total purchase price under the New Warrant not to exceed that payable upon the exercise in full of this Warrant) the holder of the New Warrant shall receive, in lieu of each Share receivable upon the exercise of this Warrant, the same kind and amount of shares of stock, other securities, money and property receivable by a holder of one share of Preferred Stock upon such reclassification, reorganization, change or conversion. Such New Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 4. The provisions of this section (a) shall similarly apply to successive reclassifications, reorganizations, changes, or conversions.

(b) Merger or Sale. In case of any (i) consolidation or merger of the Company with or into another corporation or entity (other than a merger with another corporation or entity in which the Company is the surviving corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (ii) sale of all or substantially all of the assets or stock of the Company, then in either of such events, the Company, or such successor or purchasing corporation, as the case may be, shall execute a replacement warrant (a "New Warrant"), in form and substance reasonably satisfactory to the holder of this Warrant, upon the exercise of which (and at a total purchase price under the New Warrant not to exceed that payable upon the exercise in full of this Warrant) the holder of the New Warrant shall receive securities of the issuer of the New Warrant (shares of preferred or common stock or other applicable securities of such new issuer) with aggregate value equivalent to the value of the securities of the Company issuable upon exercise of this Warrant immediately

prior to such merger or sale. Such New Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 4. The provisions of this section (b) shall similarly apply to successive mergers and sales.

(c) Subdivisions or Combination of Shares; Stock Dividends. In the event that the Company shall at any time subdivide the outstanding shares of Preferred Stock, or shall issue a stock dividend on its outstanding shares of Preferred Stock, the number of Shares issuable upon exercise of this Warrant immediately prior to such subdivision or immediately prior to the issuance of such stock dividend shall be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the Company shall at any time combine the outstanding shares of Preferred Stock, the number of Shares issuable upon exercise of this Warrant immediately prior to such combination shall be proportionately decreased, and the Exercise Price shall be proportionately increased, effective at the close of business on the date of such subdivision, stock dividend or combination, as the case may be.

(d) Issuance of Additional Shares In the event that the Company shall at any time make an issuance of "Additional Shares" for consideration (calculated after giving effect to the price at which any preferred shares may be converted to Common Stock) which is less than the Exercise Price per share, then the price at which the Shares may be converted into the Company's Common Stock shall be subject to the same adjustment, if any, to the price at which the Company's Preferred Stock may be converted into the Company's Common Stock pursuant to the Company's Certificate of Incorporation (as may be amended from time to time), and such adjustment shall be effective as to the Shares receivable upon the exercise of this Warrant regardless of whether or not such conversion price adjustment under such Certificate requires the actual issuance of the affected shares of Preferred Stock. "Additional Shares" shall be defined as the issuance of additional shares of any series of Preferred Stock or of Common Stock as set forth in the Company's Certificate of Incorporation. For clarity, if no adjustment to the price at which the Company's Preferred Stock may be converted into the Company's Common Stock is made in accordance with the Company's Certificate of Incorporation, then the price at which the Shares may be converted into the Company's Common Stock shall not be adjusted.

(e) No Impairment. The Company will not, by amendment of its Certificate of Incorporation or any other organizational or shareholder rights documents of the Company, or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the holder of this Warrant against impairment.

(f) Notices of Record Date. In case at any time:

(i) the Company shall declare any dividend upon its Preferred Stock or Common Stock payable in cash or stock (other than a dividend on the Common Stock payable in shares of Common Stock) or make any other distribution to the holders of its Preferred Stock or its Common Stock;

(ii) the Company shall offer for subscription pro rata to the holders of its Preferred Stock any additional shares of stock of any class, or other rights;

(iii) there shall be any capital reorganization or reclassification of the capital stock of the Company which affects the Preferred Stock or the Common Stock, or a consolidation or merger of the Company with or into, or a sale of all or substantially all its assets to another entity or entities; or

(iv) there shall be a voluntary or involuntary dissolution, liquidation or winding up of the Company;

then, in any one or more of said cases, the Company shall give notice as provided in Section 11(e) hereunder as follows: (A) at least 10 days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such dividend, distribution or subscription rights or for determining rights to vote in respect of any such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, and (B) in the case of any such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, at least 10 days' prior written notice of the date when the same shall take place. Such notice in accordance with the foregoing clause (A) shall also specify, in the case of any such dividend, distribution or subscription rights, the date on which the holders of Preferred Stock or Common Stock shall be entitled thereto, and such notice in accordance with the foregoing clause (B) shall also specify the date on which the holders of Preferred Stock or Common Stock shall be entitled to exchange their Preferred Stock or Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, as the case may be.

5. Notice of Adjustments. Whenever the Exercise Price shall be adjusted pursuant to the provisions hereof, the Company shall within ten (10) days of such adjustment deliver a certificate signed on behalf of the Company by its chief financial officer to the holder of this Warrant setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Exercise Price after giving effect to such adjustment.

6. Fractional Shares. No fractional shares of Preferred Stock or Common Stock will be issued in connection with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

7. Compliance with Securities Act; Disposition of Warrant or Shares of Preferred Stock

(a) Compliance with Securities Act. The holder of this Warrant, by acceptance hereof, agrees that this Warrant, the shares of Preferred Stock to be issued upon exercise hereof and the Common Stock to be issued upon the conversion of such Preferred Stock, are being acquired for investment purposes only and that such holder will not offer, sell or otherwise dispose of this Warrant or any shares of Preferred Stock to be issued upon exercise hereof (or Common Stock to be issued upon the conversion of such Preferred Stock) except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act") and as permitted

by Section 7(b) below. This Warrant and all shares of Preferred Stock issued upon exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) shall, unless registered under the Act, be stamped or imprinted with a legend in substantially the following form:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). NO SALE OR DISPOSITION MAY BE EFFECTED WITHOUT (i) AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR (ii) AN OPINION OF COUNSEL FOR THE HOLDER, REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED, EXCEPT THAT NO SUCH OPINION SHALL BE REQUIRED IF SUCH SALE IS PURSUANT TO RULE 144 PROMULGATED UNDER THE ACT.

(b) Disposition of Warrant and Shares. With respect to any offer, sale or other transfer or disposition of this Warrant or any shares of Preferred Stock acquired pursuant to the exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) prior to registration of such Shares, the holder hereof and each subsequent holder of this Warrant agrees to give written notice to the Company prior thereto, describing briefly the manner thereof, together with a written opinion of such holder's counsel (if reasonably requested by the Company and reasonably satisfactory to the Company) to the effect that (i) such offer, sale or other transfer or disposition may be effected without registration or qualification of this Warrant or such shares of Preferred Stock (or Common Stock to be issued upon the conversion of such Preferred Stock) under the Act as then in effect, and (ii) indicating whether or not under the Act this Warrant or the certificates representing such shares of Preferred Stock or Common Stock to be sold or otherwise transferred or disposed of require any restrictive legend thereon in order to ensure compliance with the Act; provided, however, that a written opinion of holder's counsel shall not be required in connection with any sale pursuant to Rule 144. This Warrant or the certificates representing the shares of Preferred Stock or Common Stock thus transferred (except a transfer pursuant to Rule 144) shall bear a legend as to the applicable restrictions on transferability in order to insure compliance with the Act, unless in the aforesaid opinion of counsel for the holder, such legend is not required in order to insure compliance with the Act. Upon any valid transfer of this Warrant or portion thereof, Company agrees to reissue the Warrant (or Warrants in the case of a partial transfer) and/or the Shares receivable upon the exercise hereof, and if the legend is not required, such re-issuance shall be without said legend. Nothing herein shall restrict the transfer of this Warrant (or any portion hereof) or the certificates representing the shares of Preferred Stock acquired pursuant to the exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) by the initial holder hereof or any successor holder to any affiliate of such holder, including without limitation any partnership affiliated with such holder, any partner of any such partnership or any successor corporation to the holder hereof as a result of a merger or consolidation with or a sale of all or substantially all of the stock or assets of the holder. Any transfer described above must be made in compliance with all applicable federal and state securities laws and the IRA (as defined below). The Company may issue stop transfer instructions to its transfer agent in connection with the foregoing restrictions.

8. Warrantholder's Representations

(a) The Warrantholder acknowledges that it has had access to all material information concerning the Company which it has requested. The Warrantholder also acknowledges that it has had the opportunity to, and has to its satisfaction, questioned the officers of the Company with respect to its investment hereunder. The Warrantholder represents that it understands that the Warrant and the Preferred Stock (and the shares of Common Stock issuable upon conversion of the Preferred Stock) are speculative investments, that it is aware of the Company's business affairs and financial condition and that it has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Warrant. The Warrantholder is purchasing the Warrant and any Preferred Stock issued upon exercise thereof (and the shares of Common Stock issuable upon conversion of the Preferred Stock) for investment for its own account only and not with a view to, or for resale in connection with, any "distribution" thereof in violation of the Act or applicable state securities laws. The Warrantholder further represents that it understands that the Warrant and Preferred Stock have not been registered under the Act or applicable state securities laws by reason of specific exemptions therefrom, which exemptions depend upon, among other things, the bona fide nature of the Warrantholder's investment intent as expressed herein. The Warrantholder is an "accredited investor" as defined in Regulation D promulgated under the Act.

9. Company's Representations

As a material inducement to the Warrantholder to purchase this Warrant, the Company hereby represents and warrants that:

(a) The Company shall have made all filings under applicable federal and state securities laws necessary to consummate the issuance of this Warrant in compliance with such laws, except for such filings as may be made properly after the Grant Date.

(b) If there are parties to any stock purchase agreements whose consent or approval is required prior to the execution and delivery of this Warrant, the Company and any such parties shall have entered into a consent, waiver or amendment to each such stock purchase agreement to provide for such consent and any required waivers, in such form and substance acceptable to the Warrantholder, and such consent, waiver or amendment shall be in full force and effect as of the date hereof.

(c) If there are parties to any investor's rights agreements whose consent or approval is required prior to the execution and delivery of this Warrant, the Company and any such parties shall have entered into a consent, waiver or amendment to each such investor's rights agreement providing for such consent and any required waivers, in such form and substance acceptable to Warrantholder, and such consent, waiver or amendment shall be in full force and effect as of the date hereof.

(d) The copies of any existing stock purchase agreements and investor's rights agreements of the Company and the Company's charter documents and bylaws which have been furnished to Warrantholder or the Warrantholder's counsel reflect all amendments made thereto at any time prior to the date hereof and are correct and complete.

(e) As of the date hereof, the authorized capital stock of the Company shall be as stated on the Capitalization Schedule attached hereto as Exhibit B (the "Capitalization Schedule") and made a part hereof. As of the date hereof, except for this Warrant and except as set forth on the attached Capitalization Schedule, the Company shall not have outstanding any stock or securities convertible or exchangeable for any shares of its capital stock or containing any profit participation features, nor shall it have outstanding any rights, warrants or options to subscribe for or to purchase its capital stock or any stock or securities convertible into or exchangeable for its capital stock or any stock appreciation rights or phantom stock plans. The Capitalization Schedule truthfully and accurately sets forth the following information with respect to all outstanding options and rights to acquire the Company's capital stock: the aggregate number of shares covered, the exercise prices and the term of each option agreement. As of the date hereof, except as set forth on the Capitalization Schedule or the Company documents described in section (d) above, the Company shall not be subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its capital stock or any warrants, options or other rights to acquire its capital stock. As of the date hereof, all of the outstanding shares of the Company's capital stock shall be validly issued, fully paid and nonassessable.

(f) With respect to the issuance of this Warrant or the issuance of the Preferred Stock upon exercise of the Warrant (and the shares of Common Stock issuable upon conversion of such shares of Preferred Stock), there are no statutory or contractual stockholders preemptive rights or rights of refusal, except for any such rights contained in any stock purchase agreement and/or investor's rights agreements which have been waived. The offer, sale and issuance of this Warrant does not require registration under the Act or any applicable state securities laws. To the best of the Company's knowledge, there are no agreements between the Company's stockholders with respect to the voting or transfer of the Company's capital stock or with respect to any other aspect of the Company's affairs, except for any stock purchase agreements, investor's rights agreements or voting agreements identified on the attached Capitalization Schedule.

(g) The execution, delivery and performance of this Warrant has been duly authorized by the Company. This Warrant constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms. The execution and delivery by the Company of this Warrant, the issuance of the Preferred Stock upon exercise of this Warrant (and the shares of Common Stock issuable upon conversion of such shares of Preferred Stock), and the fulfillment of and compliance with the respective terms hereof and thereof by the Company, do not and shall not (i) conflict with or result in a breach of the terms, conditions or provisions of, (ii) constitute a default under, (iii) result in the creation of any lien, security interest, charge or encumbrance upon the Company's capital stock or assets pursuant to, (iv) give any third party the right to modify, terminate or accelerate any obligation under, (v) result in a violation of, or (vi) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with, any court or administrative or governmental body or agency pursuant to, the charter or bylaws of the Company or any subsidiary, or any law, statute, rule or regulation to which the Company or any subsidiary is subject, or any agreement, instrument, order, judgment or decree to which the Company or any subsidiary is subject, except for any such filings required under applicable "blue sky" or state securities laws or required under Regulation D promulgated under the Act.

10. Company Financial Information.

Until such time as the Company shall have satisfied all of its obligations under the Financing Arrangement, Company shall deliver to Warrantholder such financial information as is required under the terms of the Financing Arrangement. From and after the date that the Company shall have satisfied all of its obligations under the Financing Arrangement, and notwithstanding any other agreement to the contrary between the parties hereto, the Company shall deliver to the Warrantholder (so long as the Warrantholder holds all or any portion of the Warrant or any Preferred Stock or any shares of Common Stock issuable upon conversion of such shares of Preferred Stock) no later than 150 days after each fiscal year end its annual financial statements.

11. Miscellaneous

(a) Rights as Shareholders. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Preferred Stock (or Common Stock to be issued upon the conversion of such Preferred Stock) or otherwise be entitled to any voting or other rights as a shareholder of the Company, until this Warrant shall have been exercised and the Shares purchasable upon the exercise shall have become deliverable, as provided herein.

(b) Issuance Tax. The issuance of certificates for shares of Preferred Stock upon exercise of this Warrant (or Common Stock to be issued upon the conversion of such shares of Preferred Stock) shall be made without charge to the holder hereof for any issuance tax in respect hereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the holder of this Warrant.

(c) Modification and Waiver. This Warrant and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the Company and the holder of this Warrant.

(d) Attorneys' Fees. In the event of an action, suit or proceeding brought under or in connection herewith, the prevailing party therein shall be entitled to recover from, and the other party hereto agrees to pay, the prevailing party's costs and expenses in connection therewith, including reasonably attorneys' fees.

(e) Notices. All notices, demands, elections or other communications required or permitted to be given or delivered under or by reason of the provisions hereof shall be in writing and shall be deemed to have been given when (i) delivered personally to the recipient, (ii) sent via facsimile transmission, (iii) the next business day after having been sent to the recipient by reputable overnight courier service (charges prepaid) or (iv) four business days after having been mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands, elections and other communications shall be sent to the Warrantholder and to the Company at the respective addresses and transmission numbers indicated on the signature page hereof, or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

(f) Binding Effect on Successors. This Warrant and the terms hereof shall be binding upon any corporation succeeding the Company by merger, consolidation or acquisition of all or substantially all of the Company's assets, and all of the obligations of the Company relating to the Preferred Stock issuable upon the exercise of this Warrant (or Common Stock to be issued upon the conversion of such Preferred Stock) or any New Warrant (and the securities issuable thereunder) shall survive the exercise and termination of this Warrant (or any New Warrant) and all of the covenants and agreements of the Company shall inure to the benefit of the successors and permitted assigns of the holder hereof. All covenants and agreements contained herein by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and permitted assigns of the parties hereto whether so expressed or not.

(g) Lost Warrants or Stock Certificates. The Company covenants to the holder hereof that upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant or any stock certificate issued upon exercise hereof or in replacement thereafter and, in the case of any such loss, theft or destruction, upon receipt of an indemnity reasonably satisfactory to the Company and without requiring any bond, or in the case of any such mutilation upon surrender and cancellation of such Warrant or stock certificate, the Company will make and deliver a replacement Warrant or stock certificate, of like tenor, in lieu of the lost, stolen, destroyed or mutilated Warrant or stock certificate.

(h) Registration Agreement. The shares of Common Stock issuable upon conversion of the Shares shall have certain incidental or "piggyback" registration rights pursuant to, and on the terms and conditions set forth in, that certain Amended and Restated Investor Rights Agreement dated as of November 21, 2005 among the Company and the other parties named therein (the "IRA"). A copy of said IRA has been provided to the Warrantholder. Immediately following the execution of this Warrant, the Warrantholder shall execute, at the option of the Issuer, either a counterpart signature page to such IRA, or an amendment to the IRA, either of which document shall add the Warrantholder as a party thereto and give the Warrantholder the registration rights set forth in Section 2.2 of the IRA and bind the Warrantholder to all obligations under the IRA including, without limitation, those set forth in Sections 2.7 and 2.14 of the IRA, as and to the extent provided therein. Company and the Warrantholder hereby further agree that for the purposes of the IRA, the Shares issuable upon exercise of this Warrant are "Registrable Securities," as that term is defined in the Investor Rights Agreement.

(i) Descriptive Headings. The descriptive headings of the several paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant.

(j) Governing Law. THIS WARRANT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF DELAWARE.

SIGNATURE PAGE FOLLOWS:

In Witness Whereof, this Warrant to purchase Preferred Stock has been duly executed as of the Grant Date hereinabove set forth.

Issued By:
Brightcove Inc.

By: /s/ Jeremy Allaire
Title: CEO

Address for Notices:
One Cambridge Center
Cambridge, MA 02142

Fax: 617-225-6934

Accepted By:
TriplePoint Capital LLC

By: /s/ Sajal Srivastava
Title: Chief Operating Officer

Address for Notices:
2420 Sandhill Road, Suite 101
Menlo Park, CA 94025
Attention: Sajal Srivastava

Fax: 650-854-2094

EXHIBIT A

Notice of Exercise

To: Brightcove Inc. ("Company")
One Cambridge Center
Cambridge, MA 02142
Attention: Chief Financial Officer

[1. The undersigned hereby elects to purchase _____ shares of Series B Convertible Preferred Stock of Company pursuant to the terms of the attached Warrants, and tenders herewith payment of the purchase price of such shares in full.]

[1. The undersigned hereby elects to purchase _____ shares of Series B Convertible Preferred Stock of Company pursuant to a non-cash exercise of the Warrant as provided in Section 2.2 of the Warrant.]

2. Check here if applicable: _____ The undersigned confirms that this exercise is made in connection with the occurrence of a public offering, sale or merger of the Company, and the undersigned further elects to condition this exercise of the Warrant upon the consummation of said public offering, sale or merger of the Company. This exercise shall not be deemed to be effective until the consummation of such transaction. In the event that transaction is not consummated within 45 days of the targeted date of the transaction, the undersigned will advise Company whether or not this exercise should be deemed rescinded.

2. Please issue a certificate or certificates representing said shares in the name of the undersigned or in such other name or names as are specified below:

TriplePoint Capital LLC
2420 Sandhill Road, Suite 101
Menlo Park, CA 94025

3. The undersigned represents that the aforesaid shares are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing such shares.

TriplePoint Capital LLC

By: _____
(Signature)
Its: _____

Date: _____

EXHIBIT B
CAPITALIZATION SCHEDULE TABLE
Brightcove Inc.

Classes of Capital Stock	Number of Shares Authorized	Number of Shares Issued And Outstanding	Number of Shares Reserved for Issuance Upon Exercise of Options, Warrants Other Rights Agreements	Number of Shares Reserved for Issuance Upon Conversion of Convertible Securities
Common Stock	20,000,000	3,158,331	4,232,466	12,902,967
Series A Preferred Stock	5,920,385	5,920,385	n/a	n/a
Series B Preferred Stock	7,000,000	6,921,854	60,728	n/a
Total Preferred Stock	12,920,385	12,842,239	60,728	n/a

Total Fully Diluted Outstanding Common Stock (on an as-converted basis and assuming exercise of all outstanding options): 18,946,528 shares

All options and shares of restricted stock granted or awarded pursuant to the Company's 2004 Stock Option and Incentive Plan (the "Plan") have been granted or awarded at a price of either $0.10 or $0.24 per share of Common Stock. All options granted under the Plan must be exercised within 10 years of the grant date thereof.

The following agreements are disclosed pursuant to Section 9(f) of the Warrant:

- Series B Convertible Preferred Stock Purchase Agreement, dated as of November 21, 2005
- Amended and Restated Investor Rights Agreement, dated as of November 21, 2005
- Amended and Restated Right of First Refusal and Co-Sale Agreement, dated as of November 21, 2005
- Amended and Restated Voting Agreement, dated as of November 21, 2005

Exhibit 10.2

BRIGHTCOVE INC.

AMENDED AND RESTATED 2004 STOCK OPTION AND INCENTIVE PLAN

1. Purpose and Eligibility

The purpose of this Amended and Restated 2004 Stock Option and Incentive Plan (the "Plan") of Brightcove Inc. (the "Company") is to provide stock options and other equity interests in the Company (each an "Award") to employees, officers, directors, consultants and advisors of the Company and its Subsidiaries, all of whom are eligible to receive Awards under the Plan. Any person to whom an Award has been granted under the Plan is called a "Participant." Additional definitions are contained in Section 8.

2. Administration

a. Administration by Board of Directors. The Plan will be administered by the Board of Directors of the Company (the "Board"). The Board, in its sole discretion, shall have the authority to grant and amend Awards, to adopt, amend and repeal rules relating to the Plan and to interpret and correct the provisions of the Plan and any Award. All decisions by the Board shall be final and binding on all interested persons. Neither the Company nor any member of the Board shall be liable for any action or determination relating to the Plan.

b. Appointment of Committees. To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more committees or subcommittees of the Board (a "Committee"). All references in the Plan to the "Board" shall mean such Committee or the Board.

c. Delegation to Executive Officers. To the extent permitted by applicable law, the Board may delegate to one or more executive officers of the Company the power to grant Awards and exercise such other powers under the Plan as the Board may determine, *provided that* the Board shall fix the maximum number of Awards to be granted and the maximum number of shares issuable to any one Participant pursuant to Awards granted by such executive officers.

3. Stock Available for Awards

a. Number of Shares. Subject to adjustment under Section 3(c), the aggregate number of shares of Common Stock of the Company (the "Common Stock") that may be issued pursuant to the Plan is 19,234,393 shares. If any Award expires, or is terminated, surrendered or forfeited, in whole or in part, the unissued Common Stock covered by such Award shall again be available for the grant of Awards under the Plan. If shares of Common Stock issued pursuant to the Plan are repurchased by, or are surrendered or forfeited to, the Company at no more than cost, such shares of Common Stock shall again be available for the grant of Awards under the Plan; *provided, however,* that the cumulative number of such shares that may be so reissued under the Plan will not exceed 19,234,393. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

b. [Reserved]

c. Adjustment to Common Stock. In the event of any stock split, stock dividend, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, combination, exchange of shares, liquidation, spin-off, split-up, or other similar change in capitalization or event, (i) the number and class of securities available for Awards under the Plan, (ii) the number and class of securities and exercise price per share subject to each outstanding Option, (iii) the repurchase price per security subject to repurchase, and (iv) the terms of each other outstanding stock-based Award shall be equitably or proportionately adjusted by the Company (or substituted Awards may be made) to the extent the Board shall determine, in good faith, that such an adjustment (or substitution) is necessary to avoid distortion in the value of Awards. If Section 7(e)(i) applies for any event, this Section 3(c) shall not be applicable. Notwithstanding anything to the contrary set forth in this Section 3(c), no adjustment shall be required pursuant to this Section 3(c) if the Board determines that such action could cause an Award to fail to satisfy the conditions of any applicable exception from the requirements of Section 409A of the Code or otherwise could subject a participant to the additional tax imposed under Section 409A of the Code in respect of an outstanding Award or would constitute a modification, extension or renewal of an "incentive stock option" within the meaning of Section 424(b) of the Code.

4. Stock Options

a. General. The Board may grant options to purchase Common Stock (each, an "Option") and determine the number of shares of Common Stock to be covered by each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option and the Common Stock issued upon the exercise of each Option, including vesting provisions, repurchase provisions and restrictions relating to applicable federal or state securities laws, as it considers advisable.

b. Incentive Stock Options. An Option that the Board intends to be an "incentive stock option" as defined in Section 422 of the Code (an "Incentive Stock Option") shall be granted only to employees of the Company and shall be subject to and shall be construed consistently with the requirements of Section 422 of the Code. The Board and the Company shall have no liability if an Option or any part thereof that is intended to be an Incentive Stock Option does not qualify as such. An Option or any part thereof that does not qualify as an Incentive Stock Option is referred to herein as a "Nonstatutory Stock Option."

c. Exercise Price. The Board shall establish the exercise price (or determine the method by which the exercise price shall be determined) at the time each Option is granted and specify it in the applicable option agreement.

d. Duration of Options. Each Option shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable option agreement.

e. Exercise of Option. Options may be exercised only by delivery to the Company of a written notice of exercise signed by the proper person together with payment in full as specified in Section 4(f) for the number of shares for which the Option is exercised.

f. Payment Upon Exercise. Common Stock purchased upon the exercise of an Option shall be paid for by one or any combination of the following forms of payment:

(i) by check payable to the order of the Company;

(ii) except as otherwise explicitly provided in the applicable option agreement, and only if the Common Stock is then publicly traded, delivery of an irrevocable and unconditional undertaking by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the

exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price; or

(iii) to the extent explicitly provided in the applicable option agreement, by (x) delivery of shares of Common Stock owned by the Participant valued at fair market value (as determined by the Board or as determined pursuant to the applicable option agreement), (y) delivery of a promissory note of the Participant to the Company (and delivery to the Company by the Participant of a check in an amount equal to the par value of the shares purchased), or (z) payment of such other lawful consideration as the Board may determine.

5. Restricted Stock

a. Grants. The Board may grant Awards entitling recipients to acquire shares of Common Stock, subject to (i) delivery to the Company by the Participant of cash or other lawful consideration in an amount at least equal to the par value of the shares purchased, and (ii) the right of the Company to repurchase all or part of such shares at their issue price or other stated or formula price from the Participant in the event that conditions specified by the Board in the applicable Award are not satisfied prior to the end of the applicable restriction period or periods established by the Board for such Award (each, a "Restricted Stock Award").

b. Terms and Conditions. The Board shall determine the terms and conditions of any such Restricted Stock Award. Any stock certificates issued in respect of a Restricted Stock Award shall be registered in the name of the Participant and, unless otherwise determined by the Board, deposited by the Participant, together with a stock power endorsed in blank, with the Company (or its designee). After the expiration of the applicable restriction periods, the Company (or such designee) shall deliver the certificates no longer subject to such restrictions to the Participant or, if the Participant has died, to the beneficiary designated by a Participant, in a manner determined by the Board, to receive amounts due or exercise rights of the Participant in the event of the Participant's death (the "Designated Beneficiary"). In the absence of an effective designation by a Participant, Designated Beneficiary shall mean the Participant's estate.

6. Other Stock-Based Awards

The Board shall have the right to grant other Awards based upon the Common Stock having such terms and conditions as the Board may determine, including, without limitation, the grant of shares based upon certain conditions, the grant of securities convertible into Common Stock and the grant of stock appreciation rights, phantom stock awards or stock units.

7. General Provisions Applicable to Awards

a. Transferability of Awards; Common Stock. Except as the Board may otherwise determine or provide in an Award, Awards shall not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the life of the Participant, shall be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees. Common Stock issuable upon exercise of Awards or subject to Restricted Stock Awards (the "Underlying Shares") may not be transferred without the Company's written consent except in accordance with Article VI, Section 6 of the Bylaws of the Company as in effect from time to time (the "Bylaws"). In addition to any other limitation on transfer created by applicable securities laws or this Plan, to the extent that the restrictions set forth in Article VI, Section 6 of the Bylaws are not applicable for any reason, the Underlying Shares may not be transferred without the Company's written consent except in accordance with the further provisions of any Award agreement.

b. Documentation. Each Award under the Plan shall be evidenced by a written instrument in such form as the Board shall determine or as executed by an officer of the Company pursuant to authority delegated by the Board. Each Award may contain terms and conditions in addition to those set forth in the Plan *provided that* such terms and conditions do not contravene the provisions of the Plan.

c. Board Discretion. The terms of each type of Award need not be identical, and the Board need not treat Participants uniformly.

d. Termination of Status. The Board shall determine the effect on an Award of the disability, death, retirement, authorized leave of absence or other change in the employment or other status of a Participant and the extent to which, and the period during which, the Participant, or the Participant's legal representative, conservator, guardian or Designated Beneficiary, may exercise rights under the Award.

e. Acquisition of the Company

(i) Consequences of an Acquisition. Upon the consummation of an Acquisition, the Board or the board of directors of the surviving or acquiring entity (as used in this Section 7(e)(i), also the "Board"), shall, as to outstanding Awards (on the same basis or on different bases as the Board shall specify), make appropriate provision for the continuation of such Awards by the Company or the assumption of such Awards by the surviving or acquiring entity and by substituting on an equitable basis for the shares then subject to such Awards either (a) the consideration payable with respect to the outstanding shares of Common Stock in connection with the Acquisition, (b) shares of stock of the surviving or acquiring corporation or (c) such other securities or other consideration as the Board deems appropriate, the fair market value of which (as determined by the Board in its sole discretion) shall not materially differ from the fair market value of the shares of Common Stock subject to such Awards immediately preceding the Acquisition. In addition to or in lieu of the foregoing, with respect to outstanding Options, the Board may, on the same basis or on different bases as the Board shall specify, upon written notice to the affected optionees, provide that one or more Options then outstanding must be exercised, in whole or in part, within a specified number of days of the date of such notice, at the end of which period such Options shall terminate, or provide that one or more Options then outstanding, in whole or in part, shall be terminated in exchange for a cash payment equal to the excess of the fair market value (as determined by the Board in its sole discretion) for the shares subject to such Options over the exercise price thereof; *provided, however,* that before terminating any portion of an Option that is not vested or exercisable (other than in exchange for a cash payment), the Board must first accelerate in full the exercisability of the portion that is to be terminated. Unless otherwise determined by the Board (on the same basis or on different bases as the Board shall specify), any repurchase rights or other rights of the Company that relate to an Option or other Award shall continue to apply to consideration, including cash, that has been substituted, assumed or amended for an Option or other Award pursuant to this paragraph. The Company may hold in escrow all or any portion of any such consideration in order to effectuate any continuing restrictions.

(ii) Acquisition Defined. An "Acquisition" shall mean: (x) the sale of the Company by merger in which the shareholders of the Company in their capacity as such no longer own a majority of the outstanding equity securities of the Company (or its successor); or (y) any sale of all or substantially all of the assets or capital stock of the Company (other than in a spin-off or similar transaction) or (z) any other acquisition of the business of the Company, as determined by the Board.

(iii) Assumption of Options Upon Certain Events. In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or stock of an entity, the Board may grant Awards under the Plan in substitution for stock and stock-based awards issued by such entity or an affiliate thereof. The substitute Awards shall be granted on such terms and conditions as the Board considers appropriate in the circumstances.

f. Withholding. Each Participant shall pay to the Company, or make provisions satisfactory to the Company for payment of, any taxes required by law to be withheld in connection with Awards to such Participant no later than the date of the event creating the tax liability. The Board may allow Participants to satisfy such tax obligations in whole or in part by transferring shares of Common Stock, including shares retained from the Award creating the tax obligation, valued at their fair market value (as determined by the Board or as determined pursuant to the applicable option agreement). The Company may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to a Participant.

g. Amendment of Awards. The Board may amend, modify or terminate any outstanding Award including, but not limited to, substituting therefor another Award of the same or a different type, changing the date of exercise or realization, and converting an Incentive Stock Option to a Nonstatutory Stock Option, *provided that* the Participant's consent to such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the Participant.

h. Conditions on Delivery of Stock. The Company will not be obligated to deliver any shares of Common Stock pursuant to the Plan or to remove restrictions from shares previously delivered under the Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules or regulations.

i. Acceleration. The Board may at any time provide that any Options shall become immediately exercisable in full or in part, that any Restricted Stock Awards shall be free of some or all restrictions, or that any other stock-based Awards may become exercisable in full or in part or free of some or all restrictions or conditions, or otherwise realizable in full or in part, as the case may be, despite the fact that the foregoing actions may (i) cause the application of Sections 280G and 4999 of the Code if a change in control of the Company occurs, or (ii) disqualify all or part of the Option as an Incentive Stock Option. In the event of the acceleration of the exercisability of one or more outstanding Options, including pursuant to paragraph (e)(i), the Board may provide, as a condition of full exercisability of any or all such Options, that the Common Stock or other substituted consideration, including cash, as to which exercisability has been accelerated shall be restricted and subject to forfeiture back to the Company at the option of the Company at the cost thereof upon termination of employment or other relationship, with the timing and other terms of the vesting of such restricted stock or other consideration being equivalent to the timing and other terms of the superseded exercise schedule of the related Option.

8. Miscellaneous

a. Definitions.

(i) "Company," for purposes of eligibility under the Plan, shall include any present or future subsidiary corporations of Brightcove Inc., as defined in Section 424(f) of the Code (a "Subsidiary"), and any present or future parent corporation of Brightcove Inc., as defined in Section 424(e) of the Code. For purposes of Awards other than Incentive Stock Options, the term "Company" shall include any other business venture in which the Company has a direct or indirect significant interest, as determined by the Board in its sole discretion.

(ii) "Code" means the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

(iii) "employee" for purposes of eligibility under the Plan (but not for purposes of Section 4(b)) shall include a person to whom an offer of employment has been extended by the Company.

b. No Right To Employment or Other Status. No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan.

c. No Rights As Stockholder. Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed with respect to an Award until becoming the record holder thereof.

d. Effective Date and Term of Plan. The Plan shall become effective on the date on which it is adopted by the Board. No Awards shall be granted under the Plan after the completion of ten years from the date on which the Plan was adopted by the Board, but Awards previously granted may extend beyond that date.

e. Amendment of Plan. The Board may amend, suspend or terminate the Plan or any portion thereof at any time.

f. Governing Law. The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of Delaware, without regard to any applicable conflicts of law.

Adopted by the Board of Directors on
December 17, 2004.

Approved by the stockholders on
December 17, 2004.

Brightcove Inc.

INCENTIVE STOCK OPTION AGREEMENT

Brightcove Inc. (the "Company") hereby grants the following stock option pursuant to its 2004 Stock Option and Incentive Plan. The terms and conditions attached hereto are also a part hereof.

Name of optionee (the "Optionee"):	
Date of this option grant:	
Number of shares of the Company's Common Stock subject to this option ("Shares"):	
Option exercise price per Share:	
Number, if any, of Shares that may be purchased on the grant date:	- 0 -
Shares that are subject to vesting schedule:	
Vesting Start Date:	

Vesting Schedule [(subject to partial acceleration as provided for in Section 3(b))]:

This option shall vest over 4 years, at a rate of 25% of the Shares on the one year anniversary of the Vesting Start Date (the "Anniversary Date") and as to an additional 2.083% of the Shares at the end of each successive month following the Anniversary Date until the four year anniversary of the Vesting Start Date, on which date all remaining Unvested Shares shall vest.	
All vesting is dependent on the continuation of a Business Relationship with the Company, as provided herein.	
Payment alternatives:	Section 7(a) (i) through (iii)

This option satisfies in full all commitments that the Company has to the Optionee with respect to the issuance of stock, stock options or other equity securities.

Brightcove Inc.

By: _____

Name of Officer:
Title:

_____
Signature of Optionee

_____
Street Address

_____
City/State/Zip Code

Brightcove Inc.

INCENTIVE STOCK OPTION AGREEMENT — INCORPORATED TERMS AND CONDITIONS

1. Grant Under Plan. This option is granted pursuant to and is governed by the Company's 2004 Stock Option and Incentive Plan (the "Plan") and, unless the context otherwise requires, terms used herein shall have the same meaning as in the Plan.

2. Grant as Incentive Stock Option. This option is intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code").

3. Vesting of Option.

(a) Vesting if Business Relationship Continues. The Optionee may exercise this option on the date of this option grant for the number of shares of Common Stock, if any, set forth on the cover page hereof. If the Optionee has continuously maintained a Business Relationship (as defined below) with the Company through the dates listed on the vesting schedule set forth on the cover page hereof, the Optionee may exercise this option for the additional number of shares of Common Stock set opposite the applicable vesting date. Notwithstanding the foregoing, the Board may, in its discretion, accelerate the date that any installment of this option becomes exercisable. The foregoing rights are cumulative and may be exercised only before the date which is ten years from the date of this option grant.

(b) [Accelerated Vesting Due to Acquisition. In the event an Acquisition that is not a Private Transaction occurs while the Optionee maintains a Business Relationship with the Company and this option has not fully vested, the vesting schedule shall be accelerated by 25 percent, such acceleration to occur immediately prior to the closing of the Acquisition, with vesting to otherwise continue after the closing at the rate/number set forth on the cover page as to the remainder of the Shares subject to vesting and on the same vesting dates, each as accelerated, *provided that* the Optionee continuously maintains a Business Relationship with the Company or its successor through the applicable vesting dates. If during the year following an Acquisition, the Company or the acquiror terminates the Business Relationship without Cause (as defined below), or if the Optionee resigns for Good Reason (as defined below), then the vesting schedule shall be accelerated by an additional 25 percent, such acceleration and vesting to occur upon the effective date of termination or resignation as the case may be, and this option shall thereafter expire (may no longer be exercised) after the passage of three months from such time, but in no event later than the scheduled expiration date.]

(c) Definitions. The following definitions shall apply:

"Acquisition" means (i) the sale of the Company by merger in which the shareholders of the Company in their capacity as such no longer own a majority of the outstanding equity securities of the Company (or its successor); or (ii) any sale of all or substantially all of the assets or capital stock of the Company (other than in a spin-off or similar transaction) or (iii) any other acquisition of the business of the Company, as determined by the Board.

"Business Relationship" means service to the Company or its successor in the capacity of an employee, officer, director or consultant.

"Cause" means: (i) gross negligence or willful malfeasance in the performance of the Optionee's work or a breach of fiduciary duty or confidentiality obligations to the Company by the Optionee; (ii) failure to follow the proper directions of the Optionee's direct or indirect supervisor after written notice of such failure; (iii) the commission by the Optionee of illegal conduct relating to the Company; (iv) disregard by the Optionee of the material rules or material policies of the Company which has not been cured within 15 days after notice thereof from the Company; or (v) intentional acts on the part of the Optionee that have generated material adverse publicity toward or about the Company.

["Good Reason" means: Within twelve months following the closing date of an Acquisition (i) a reduction or diminution, without the employee's consent, of the Optionee's annual compensation (ii) a material reduction or diminution, without the employee's consent, in the role, title, or responsibilities of the Optionee regarding the Company's business, or (iii) a requirement that the Optionee relocate his/her principal location of employment by more than 50 miles.]

"Private Transaction" means any Acquisition where the consideration received or retained by the holders of the then outstanding capital stock of the Company does not consist entirely of (i) cash or cash equivalent consideration, (ii) securities which are registered under the Securities Act and/or (iii) securities for which the Company or any other issuer thereof has agreed, including pursuant to a demand, to file a resale registration statement within ninety (90) days of completion of the transaction for resale to the public pursuant to the Securities Act.

4. Termination of Business Relationship.

(a) Termination. If the Optionee's Business Relationship with the Company ceases, voluntarily or involuntarily, with or without cause, no further installments of this option shall become exercisable, and this option shall expire (may no longer be exercised) after the passage of three months from the date of termination, but in no event later than the scheduled expiration date. Any determination under this agreement as to the status of a Business Relationship or other matters referred to above shall be made in good faith by the Board of Directors of the Company.

(b) Employment Status. For purposes hereof, with respect to employees of the Company, employment shall not be considered as having terminated during any leave of absence if such leave of absence has been approved in writing by the Company and if such written approval contractually obligates the Company to continue the employment of the Optionee after the approved period of absence; in the event of such an approved leave of absence, vesting of this option shall be suspended (and the period of the leave of absence shall be added to all vesting dates) unless otherwise provided in the Company's written approval of the leave of absence. For purposes hereof, a termination of employment followed by another Business Relationship shall be deemed a termination of the Business Relationship with all vesting to cease unless the Company enters into a written agreement related to such other Business Relationship in which it is specifically stated that there is no termination of the Business Relationship under this agreement. This option shall not be affected by any change of employment within or among the Company and its Subsidiaries so long as the Optionee continuously remains an employee of the Company or any Subsidiary.

(c) Termination for Cause. If the Business Relationship of the Optionee is terminated for Cause (as defined above), this option may no longer be exercised from and after the Optionee's receipt of written notice of such termination.

5. Death; Disability.

(a) Death. Upon the death of the Optionee while the Optionee is maintaining a Business Relationship with the Company, this option may be exercised, to the extent otherwise exercisable on the date of the Optionee's death, by the Optionee's estate, personal representative or beneficiary to whom this option has been transferred pursuant to Section 10, only at any time within 180 days after the date of death, but not later than the scheduled expiration date.

(b) Disability. If the Optionee ceases to maintain a Business Relationship with the Company by reason of his or her disability, this option may be exercised, to the extent otherwise exercisable on the date of cessation of the Business Relationship, only at any time within 180 days after such cessation of the Business Relationship, but not later than the scheduled expiration date. For purposes hereof, "disability" means "permanent and total disability" as defined in Section 22(e)(3) of the Code.

6. Partial Exercise. This option may be exercised in part at any time and from time to time within the above limits, except that this option may not be exercised for a fraction of a share.

7. Payment of Exercise Price.

(a) Payment Options. The exercise price shall be paid by one or any combination of the following forms of payment that are applicable to this option, as indicated on the cover page hereof:

(i) by check payable to the order of the Company; or

(ii) delivery of an irrevocable and unconditional undertaking, satisfactory in form and substance to the Company, by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Optionee to the Company of a copy of irrevocable and unconditional instructions, satisfactory in form and substance to the Company, to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price; or

(iii) subject to Section 7(b) below, if the Common Stock is then traded on a national securities exchange or on the Nasdaq National Market (or successor trading system), by delivery of shares of Common Stock having a fair market value equal as of the date of exercise to the option price.

In the case of (iii) above, fair market value as of the date of exercise shall be determined as of the last business day for which such prices or quotes are available prior to the date of exercise and shall mean (i) the last reported sale price (on that date) of the Common Stock on the principal national securities exchange on which the Common Stock is traded, if the Common Stock is then traded on a national securities exchange; or (ii) the last reported sale price (on that date) of the Common Stock on the Nasdaq National Market (or successor trading system), if the Common Stock is not then traded on a national securities exchange.

(b) Limitations on Payment by Delivery of Common Stock. If Section 7(a)(iii) is applicable, and if the Optionee delivers Common Stock held by the Optionee ("Old Stock") to the Company in full or partial payment of the exercise price and the Old Stock so delivered is subject

to restrictions or limitations imposed by agreement between the Optionee and the Company, an equivalent number of Shares shall be subject to all restrictions and limitations applicable to the Old Stock to the extent that the Optionee paid for the Shares by delivery of Old Stock, in addition to any restrictions or limitations imposed by this agreement. Notwithstanding the foregoing, the Optionee may not pay any part of the exercise price hereof by transferring Common Stock to the Company unless such Common Stock has been owned by the Optionee free of any substantial risk of forfeiture for at least six months.

8. Securities Laws Restrictions on Resale. Until registered under the Securities Act of 1933, as amended, or any successor statute (the "Securities Act"), the Shares will be illiquid and will be deemed to be "restricted securities" for purposes of the Securities Act. Accordingly, such shares must be sold in compliance with the registration requirements of the Securities Act or an exemption therefrom and may need to be held indefinitely. Unless the Shares have been registered under the Securities Act, each certificate evidencing any of the Shares shall bear a restrictive legend specified by the Company.

9. Method of Exercising Option. Subject to the terms and conditions of this agreement, this option may be exercised by written notice to the Company at its principal executive office, or to such transfer agent as the Company shall designate. Such notice shall state the election to exercise this option and the number of Shares for which it is being exercised and shall be signed by the person or persons so exercising this option. Such notice shall be accompanied by payment of the full purchase price of such shares, and the Company shall deliver a certificate or certificates representing such shares as soon as practicable after the notice shall be received. Such certificate or certificates shall be registered in the name of the person or persons so exercising this option (or, if this option shall be exercised by the Optionee and if the Optionee shall so request in the notice exercising this option, shall be registered in the name of the Optionee and another person jointly, with right of survivorship). In the event this option shall be exercised, pursuant to Section 5 hereof, by any person or persons other than the Optionee, such notice shall be accompanied by appropriate proof of the right of such person or persons to exercise this option.

10. Option Not Transferable. This option is not transferable or assignable except by will or by the laws of descent and distribution. During the Optionee's lifetime only the Optionee can exercise this option.

11. No Obligation to Exercise Option. The grant and acceptance of this option imposes no obligation on the Optionee to exercise it.

12. No Obligation to Continue Business Relationship. Neither the Plan, this agreement, nor the grant of this option imposes any obligation on the Company to continue the Optionee in employment or other Business Relationship.

13. Adjustments. Except as is expressly provided in the Plan with respect to certain changes in the capitalization of the Company, no adjustment shall be made for dividends or similar rights for which the record date is prior to such date of exercise.

14. Withholding Taxes. If the Company in its discretion determines that it is obligated to withhold any tax in connection with the exercise of this option, or in connection with the transfer of, or the lapse of restrictions on, any Common Stock or other property acquired pursuant to this option, the Optionee hereby agrees that the Company may withhold from the Optionee's wages or other remuneration the appropriate amount of tax. At the discretion of the Company, the amount required to be withheld may be withheld in cash from such wages or other remuneration or in kind from the Common Stock or other property otherwise deliverable to the Optionee on exercise of this option. The Optionee further agrees that, if the Company does not withhold an amount from the Optionee's wages or other remuneration sufficient to satisfy the withholding obligation of the Company, the Optionee will make reimbursement on demand, in cash, for the amount underwithheld.

15. Restrictions on Transfer; Company's Right of First Refusal.

(a) Exercise of Right. Shares may not be transferred without the Company's written consent except by will, by the laws of descent and distribution or in accordance with the further provisions of this Section 15. If the Optionee desires to transfer all or any part of the Shares to any person other than the Company (an "Offeror"), the Optionee shall: (i) obtain in writing an irrevocable and unconditional *bona fide* offer (the "Offer") for the purchase thereof from the Offeror; and (ii) give written notice (the "Option Notice") to the Company setting forth the Optionee's desire to transfer such shares, which Option Notice shall be accompanied by a photocopy of the Offer and shall set forth at least the name and address of the Offeror and the price and terms of the Offer. Upon receipt of the Option Notice, the Company shall have an assignable option to purchase any or all of such Shares (the "Offered Shares") specified in the Option Notice, such option to be exercisable by giving, within 15 days after receipt of the Option Notice, a written counter-notice to the Optionee. If the Company elects to purchase all of such Offered Shares, it shall be obligated to purchase, and the Optionee shall be obligated to sell to the Company or its assignee, such Offered Shares at the price and terms indicated in the Offer within 30 days from the date of delivery by the Company of such counter-notice. To the extent that the consideration proposed to be paid by the Offeror for the shares consists of property other than cash or a promissory note, the consideration required to be paid by the Company may consist of cash equal to the fair market value of such property, as determined in good faith by the Board of Directors of the Company.

(b) Sale of Shares to Offeror. The Optionee may, for 60 days after the expiration of the 30-day option period as set forth in Section 15(a), sell to the Offeror, pursuant to the terms of the Offer, all of such Offered Shares not purchased or agreed to be purchased by the Company or its assignee; *provided, however,* that the Optionee shall not sell such Shares to such Offeror if such Offeror is a competitor of the Company and the Company gives written notice to the Optionee, within 30 days of its receipt of the Option Notice, stating that the Optionee shall not sell his or her Shares to such Offeror; and *provided, further,* that prior to the sale of such Shares to an Offeror, such Offeror shall execute an agreement with the Company pursuant to which such Offeror agrees to be subject to the restrictions set forth in this Section 15. If any or all of such Shares are not sold pursuant to an Offer within the time permitted above, the unsold Shares shall remain subject to the terms of this Section 15.

(c) Failure to Deliver Shares. If the Optionee (or his or her legal representative) who has become obligated to sell Shares hereunder shall fail to deliver such shares to the Company in accordance with the terms of this agreement, the Company may, at its option, in addition to all other remedies it may have, mail to the Optionee the purchase price for such shares as is herein specified. Thereupon, the Company: (i) shall cancel on its books the certificate or certificates representing such Shares to be sold; and (ii) shall issue, in lieu thereof, a new certificate or certificates in the name of the Company representing such Shares (or cancel such Shares), and thereupon all of such Optionee's rights in and to such Shares shall terminate.

(d) Expiration of Company's Right of First Refusal and Transfer Restrictions. The first refusal rights of the Company and the transfer restrictions set forth in this Section 15 shall expire as to Shares on the earliest to occur of (i) the tenth anniversary of the date of this agreement, (ii) immediately prior to the closing of a public offering of Common Stock by the Company pursuant to an effective registration statement filed under the Securities Act, or (iii) the

occurrence of an Acquisition that is not a Private Transaction. In addition, if the Company and the Optionee are parties to an agreement containing first refusal provisions similar to the foregoing, such other agreement shall control.

16. Early Disposition. The Optionee agrees to notify the Company in writing immediately after the Optionee transfers any Shares, if such transfer occurs on or before the later of (a) the date that is two years after the date of this agreement or (b) the date that is one year after the date on which the Optionee acquired such Shares. The Optionee also agrees to provide the Company with any information concerning any such transfer required by the Company for tax purposes.

17. Lock-up Agreement. The Optionee agrees that in the event that the Company effects an initial underwritten public offering of Common Stock registered under the Securities Act, the Shares may not be sold, offered for sale or otherwise disposed of, directly or indirectly, without the prior written consent of the managing underwriter(s) of the offering, for 180 days after the execution of an underwriting agreement in connection with such offering, or for such longer period as all of the Company's then directors and executive officers agree to be similarly bound.

18. Drag Along Right.

(a) Exercise of Right. If one or more persons who own in the aggregate 51% or more of the then outstanding shares of the Common Stock of the Company obtains from an offeror (the "Offeror") a bona fide arms' length offer for an Acquisition of the Company, such person(s) shall have the right to require, by written notice (the "Drag Along Notice"), to any person who holds Shares issued pursuant to this Agreement (the "Notice Recipient") to cause all of the Shares acquired pursuant to this option to be transferred to the Offeror.

(b) Dissenters' Rights. The Optionee further agrees to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Acquisition of the Company.

(c) Adjustments for Changes in Capital Structure. If there shall be any change in the Common Stock of the Company through merger, consolidation, reorganization, recapitalization, stock dividend, split-up, combination or exchange of shares, or the like, the provisions contained in this Article 18 shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of the Optionee's ownership of, Shares.

(d) Failure to Deliver Shares. If the Notice Recipient fails or refuses to deliver on a timely basis duly endorsed certificates representing Shares to be sold pursuant to this Article 18, the Offeror shall have the right to deposit the purchase price for the Shares in a special account with any bank or trust company in the Commonwealth of Massachusetts, giving notice of such deposit to the Notice Recipient, whereupon such Shares shall be deemed to have been purchased by the Offeror and such purchase shall be duly noted upon the books and records of the Company and all Optionee's rights in and to such Shares shall be terminated. All such monies shall be held by the bank or trust company for the benefit of the Notice Recipient. All monies deposited with the bank or trust company but remaining unclaimed for two (2) years after the date of deposit shall be repaid by the bank or trust company to the Company on demand, and the Notice Recipient shall thereafter look only to the Company for payment.

(e) Expiration of Drag Along Right. The drag along right set forth above shall remain in effect until the effective date of the Company's first underwritten public offering of its Common Stock under the U.S. Securities Act of 1933, as amended.

(f) Voting Agreement. Notwithstanding the foregoing, if the Optionee is then party to and the Shares are then subject to the drag along right set forth in that certain Voting Agreement, dated as of December 17, 2004, by and among the Company and the several stockholders parties thereto from time to time (as the same may be amended, restated or otherwise modified from time to time, the "Voting Agreement"), then the Optionee shall be bound by the "drag along" provision set forth in the Voting Agreement in lieu of this Section 18.

19. Arbitration. Any dispute, controversy, or claim arising out of, in connection with, or relating to the performance of this agreement or its termination shall be settled by arbitration in the Commonwealth of Massachusetts, pursuant to the rules then obtaining of the American Arbitration Association. Any award shall be final, binding and conclusive upon the parties and a judgment rendered thereon may be entered in any court having jurisdiction thereof.

20. Provision of Documentation to Optionee. By signing this agreement the Optionee acknowledges receipt of a copy of this agreement and a copy of the Plan.

21. Miscellaneous.

(a) Notices. All notices hereunder shall be in writing and shall be deemed given when sent by mail, if to the Optionee, to the address set forth below or at the address shown on the records of the Company, and if to the Company, to the Company's principal executive offices, attention of the Corporate Secretary.

(b) Entire Agreement; Modification. This agreement constitutes the entire agreement between the parties relative to the subject matter hereof, and supersedes all proposals, written or oral, and all other communications between the parties relating to the subject matter of this agreement. This agreement may be modified, amended or rescinded only by a written agreement executed by both parties.

(c) Fractional Shares. If this option becomes exercisable for a fraction of a share because of the adjustment provisions contained in the Plan, such fraction shall be rounded down.

(d) Issuances of Securities; Changes in Capital Structure. Except as expressly provided herein or in the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares subject to this option. No adjustments need be made for dividends paid in cash or in property other than securities of the Company. If there shall be any change in the Common Stock of the Company through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, combination or exchange of shares, spin-off, split-up or other similar change in capitalization or event, the restrictions contained in this agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, Shares, except as otherwise determined by the Board.

(e) Severability. The invalidity, illegality or unenforceability of any provision of this agreement shall in no way affect the validity, legality or enforceability of any other provision.

(f) Successors and Assigns. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, subject to the limitations set forth in Section 10 hereof.

(g) Governing Law. This agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the principles of the conflicts of laws thereof.

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Brightcove Inc.

NON-QUALIFIED STOCK OPTION AGREEMENT

Brightcove Inc. (the "Company") hereby grants the following stock option pursuant to its 2004 Stock Option and Incentive Plan. The terms and conditions attached hereto are also a part hereof.

Name of optionee (the "Optionee"):	
Date of this option grant:	
Number of shares of the Company's Common Stock subject to this option ("Shares"):	
Option exercise price per Share:	
Number, if any, of Shares that may be purchased on the grant date:	- 0 -
Shares that are subject to vesting schedule:	
Vesting Start Date:	

Vesting Schedule [(subject to partial acceleration as provided for in Section 3(b))]:

This option shall vest over 4 years, at a rate of 25% of the Shares on the one year anniversary of the Vesting Start Date (the "Anniversary Date") and as to an additional 2.083% of the Shares at the end of each successive month following the Anniversary Date until the four year anniversary of the Vesting Start Date, on which date all remaining Unvested Shares shall vest.	
All vesting is dependent on the continuation of a Business Relationship with the Company, as provided herein.	
Payment alternatives:	Section 7(a) (i) through (iii)

This option satisfies in full all commitments that the Company has to the Optionee with respect to the issuance of stock, stock options or other equity securities.

Brightcove Inc.

By: _____
Name of Officer:
Title:

_____
Signature of Optionee

_____
Street Address

_____
City/State/Zip Code

Brightcove Inc.

NON-QUALIFIED STOCK OPTION AGREEMENT — INCORPORATED TERMS AND CONDITIONS

1. Grant Under Plan. This option is granted pursuant to and is governed by the Company's 2004 Stock Option and Incentive Plan (the "Plan") and, unless the context otherwise requires, terms used herein shall have the same meaning as in the Plan.

2. Grant as Non-Qualified Stock Option. This option is a non-statutory stock option and is not intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code").

3. Vesting of Option.

(a) Vesting if Business Relationship Continues. The Optionee may exercise this option on the date of this option grant for the number of shares of Common Stock, if any, set forth on the cover page hereof. If the Optionee has continuously maintained a Business Relationship (as defined below) with the Company through the dates listed on the vesting schedule set forth on the cover page hereof, the Optionee may exercise this option for the additional number of shares of Common Stock set opposite the applicable vesting date. Notwithstanding the foregoing, the Board may, in its discretion, accelerate the date that any installment of this option becomes exercisable. The foregoing rights are cumulative and may be exercised only before the date which is ten years from the date of this option grant.

(b) [Accelerated Vesting Due to Acquisition. In the event an Acquisition that is not a Private Transaction occurs while the Optionee maintains a Business Relationship with the Company and this option has not fully vested, the vesting schedule shall be accelerated by 25 percent, such acceleration to occur immediately prior to the closing of the Acquisition, with vesting to otherwise continue after the closing at the rate/number set forth on the cover page as to the remainder of the Shares subject to vesting and on the same vesting dates, each as accelerated, *provided that* the Optionee continuously maintains a Business Relationship with the Company or its successor through the applicable vesting dates. If during the year following an Acquisition, the Company or the acquiror terminates the Business Relationship without Cause (as defined below), or if the Optionee resigns for Good Reason (as defined below), then the vesting schedule shall be accelerated by an additional 25 percent, such acceleration and vesting to occur upon the effective date of termination or resignation as the case may be, and this option shall thereafter expire (may no longer be exercised) after the passage of three months from such time, but in no event later than the scheduled expiration date.]

(c) Definitions. The following definitions shall apply:

"Acquisition" means (i) the sale of the Company by merger in which the shareholders of the Company in their capacity as such no longer own a majority of the outstanding equity securities of the Company (or its successor); or (ii) any sale of all or substantially all of the assets or capital stock of the Company (other than in a spin-off or similar transaction) or (iii) any other acquisition of the business of the Company, as determined by the Board.

"Business Relationship" means service to the Company or its successor in the capacity of an employee, officer, director or consultant.

"Cause" means: (i) gross negligence or willful malfeasance in the performance of the Optionee's work or a breach of fiduciary duty or confidentiality obligations to the Company by the Optionee; (ii) failure to follow the proper directions of the Optionee's direct or indirect supervisor after written notice of such failure; (iii) the commission by the Optionee of illegal conduct relating to the Company; (iv) disregard by the Optionee of the material rules or material policies of the Company which has not been cured within 15 days after notice thereof from the Company; or (v) intentional acts on the part of the Optionee that have generated material adverse publicity toward or about the Company.

["Good Reason" means: Within twelve months following the closing date of an Acquisition (i) a reduction or diminution, without the employee's consent, of the Optionee's annual compensation (ii) a material reduction or diminution, without the employee's consent, in the role, title, or responsibilities of the Optionee regarding the Company's business, or (iii) a requirement that the Optionee relocate his/her principal location of employment by more than 50 miles.]

"Private Transaction" means any Acquisition where the consideration received or retained by the holders of the then outstanding capital stock of the Company does not consist entirely of (i) cash or cash equivalent consideration, (ii) securities which are registered under the Securities Act and/or (iii) securities for which the Company or any other issuer thereof has agreed, including pursuant to a demand, to file a resale registration statement within ninety (90) days of completion of the transaction for resale to the public pursuant to the Securities Act.

4. Termination of Business Relationship.

(a) Termination. If the Optionee's Business Relationship with the Company ceases, voluntarily or involuntarily, with or without cause, no further installments of this option shall become exercisable, and this option shall expire (may no longer be exercised) after the passage of three months from the date of termination, but in no event later than the scheduled expiration date. Any determination under this agreement as to the status of a Business Relationship or other matters referred to above shall be made in good faith by the Board of Directors of the Company.

(b) Employment Status. For purposes hereof, with respect to employees of the Company, employment shall not be considered as having terminated during any leave of absence if such leave of absence has been approved in writing by the Company and if such written approval contractually obligates the Company to continue the employment of the Optionee after the approved period of absence; in the event of such an approved leave of absence, vesting of this option shall be suspended (and the period of the leave of absence shall be added to all vesting dates) unless otherwise provided in the Company's written approval of the leave of absence. For purposes hereof, a termination of employment followed by another Business Relationship shall be deemed a termination of the Business Relationship with all vesting to cease unless the Company enters into a written agreement related to such other Business Relationship in which it is specifically stated that there is no termination of the Business Relationship under this agreement. This option shall not be affected by any change of employment within or among the Company and its Subsidiaries so long as the Optionee continuously remains an employee of the Company or any Subsidiary.

(c) Termination for Cause. If the Business Relationship of the Optionee is terminated for Cause (as defined above), this option may no longer be exercised from and after the Optionee's receipt of written notice of such termination.

5. Death; Disability.

(a) Death. Upon the death of the Optionee while the Optionee is maintaining a Business Relationship with the Company, this option may be exercised, to the extent otherwise exercisable on the date of the Optionee's death, by the Optionee's estate, personal representative or beneficiary to whom this option has been transferred pursuant to Section 10, only at any time within 180 days after the date of death, but not later than the scheduled expiration date.

(b) Disability. If the Optionee ceases to maintain a Business Relationship with the Company by reason of his or her disability, this option may be exercised, to the extent otherwise exercisable on the date of cessation of the Business Relationship, only at any time within 180 days after such cessation of the Business Relationship, but not later than the scheduled expiration date. For purposes hereof, "disability" means "permanent and total disability" as defined in Section 22(e)(3) of the Code.

6. Partial Exercise. This option may be exercised in part at any time and from time to time within the above limits, except that this option may not be exercised for a fraction of a share.

7. Payment of Exercise Price.

(a) Payment Options. The exercise price shall be paid by one or any combination of the following forms of payment that are applicable to this option, as indicated on the cover page hereof:

(i) by check payable to the order of the Company; or

(ii) delivery of an irrevocable and unconditional undertaking, satisfactory in form and substance to the Company, by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Optionee to the Company of a copy of irrevocable and unconditional instructions, satisfactory in form and substance to the Company, to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price; or

(iii) subject to Section 7(b) below, if the Common Stock is then traded on a national securities exchange or on the Nasdaq National Market (or successor trading system), by delivery of shares of Common Stock having a fair market value equal as of the date of exercise to the option price.

In the case of (iii) above, fair market value as of the date of exercise shall be determined as of the last business day for which such prices or quotes are available prior to the date of exercise and shall mean (i) the last reported sale price (on that date) of the Common Stock on the principal national securities exchange on which the Common Stock is traded, if the Common Stock is then traded on a national securities exchange; or (ii) the last reported sale price (on that date) of the Common Stock on the Nasdaq National Market (or successor trading system), if the Common Stock is not then traded on a national securities exchange.

(b) Limitations on Payment by Delivery of Common Stock. If Section 7(a)(iii) is applicable, and if the Optionee delivers Common Stock held by the Optionee ("Old Stock") to the Company in full or partial payment of the exercise price and the Old Stock so delivered is subject

to restrictions or limitations imposed by agreement between the Optionee and the Company, an equivalent number of Shares shall be subject to all restrictions and limitations applicable to the Old Stock to the extent that the Optionee paid for the Shares by delivery of Old Stock, in addition to any restrictions or limitations imposed by this agreement. Notwithstanding the foregoing, the Optionee may not pay any part of the exercise price hereof by transferring Common Stock to the Company unless such Common Stock has been owned by the Optionee free of any substantial risk of forfeiture for at least six months.

8. Securities Laws Restrictions on Resale. Until registered under the Securities Act of 1933, as amended, or any successor statute (the "Securities Act"), the Shares will be illiquid and will be deemed to be "restricted securities" for purposes of the Securities Act. Accordingly, such shares must be sold in compliance with the registration requirements of the Securities Act or an exemption therefrom and may need to be held indefinitely. Unless the Shares have been registered under the Securities Act, each certificate evidencing any of the Shares shall bear a restrictive legend specified by the Company.

9. Method of Exercising Option. Subject to the terms and conditions of this agreement, this option may be exercised by written notice to the Company at its principal executive office, or to such transfer agent as the Company shall designate. Such notice shall state the election to exercise this option and the number of Shares for which it is being exercised and shall be signed by the person or persons so exercising this option. Such notice shall be accompanied by payment of the full purchase price of such shares, and the Company shall deliver a certificate or certificates representing such shares as soon as practicable after the notice shall be received. Such certificate or certificates shall be registered in the name of the person or persons so exercising this option (or, if this option shall be exercised by the Optionee and if the Optionee shall so request in the notice exercising this option, shall be registered in the name of the Optionee and another person jointly, with right of survivorship). In the event this option shall be exercised, pursuant to Section 5 hereof, by any person or persons other than the Optionee, such notice shall be accompanied by appropriate proof of the right of such person or persons to exercise this option.

10. Option Not Transferable. This option is not transferable or assignable except by will or by the laws of descent and distribution. During the Optionee's lifetime only the Optionee can exercise this option.

11. No Obligation to Exercise Option. The grant and acceptance of this option imposes no obligation on the Optionee to exercise it.

12. No Obligation to Continue Business Relationship. Neither the Plan, this agreement, nor the grant of this option imposes any obligation on the Company to continue the Optionee in employment or other Business Relationship.

13. Adjustments. Except as is expressly provided in the Plan with respect to certain changes in the capitalization of the Company, no adjustment shall be made for dividends or similar rights for which the record date is prior to such date of exercise.

14. Withholding Taxes. If the Company in its discretion determines that it is obligated to withhold any tax in connection with the exercise of this option, or in connection with the transfer of, or the lapse of restrictions on, any Common Stock or other property acquired pursuant to this option, the Optionee hereby agrees that the Company may withhold from the Optionee's wages or other remuneration the appropriate amount of tax. At the discretion of the Company, the amount required to be withheld may be withheld in cash from such wages or other remuneration or in kind from the Common Stock or other property otherwise deliverable to the Optionee on exercise of this option. The Optionee further agrees that, if the Company does not withhold an amount from the Optionee's wages or other remuneration sufficient to satisfy the withholding obligation of the Company, the Optionee will make reimbursement on demand, in cash, for the amount underwithheld.

15. Restrictions on Transfer; Company's Right of First Refusal.

(a) Exercise of Right. Shares may not be transferred without the Company's written consent except by will, by the laws of descent and distribution or in accordance with the further provisions of this Section 15. If the Optionee desires to transfer all or any part of the Shares to any person other than the Company (an "Offeror"), the Optionee shall: (i) obtain in writing an irrevocable and unconditional *bona fide* offer (the "Offer") for the purchase thereof from the Offeror; and (ii) give written notice (the "Option Notice") to the Company setting forth the Optionee's desire to transfer such shares, which Option Notice shall be accompanied by a photocopy of the Offer and shall set forth at least the name and address of the Offeror and the price and terms of the Offer. Upon receipt of the Option Notice, the Company shall have an assignable option to purchase any or all of such Shares (the "Offered Shares") specified in the Option Notice, such option to be exercisable by giving, within 15 days after receipt of the Option Notice, a written counter-notice to the Optionee. If the Company elects to purchase all of such Offered Shares, it shall be obligated to purchase, and the Optionee shall be obligated to sell to the Company or its assignee, such Offered Shares at the price and terms indicated in the Offer within 30 days from the date of delivery by the Company of such counter-notice. To the extent that the consideration proposed to be paid by the Offeror for the shares consists of property other than cash or a promissory note, the consideration required to be paid by the Company may consist of cash equal to the fair market value of such property, as determined in good faith by the Board of Directors of the Company.

(b) Sale of Shares to Offeror. The Optionee may, for 60 days after the expiration of the 30-day option period as set forth in Section 15(a), sell to the Offeror, pursuant to the terms of the Offer, all of such Offered Shares not purchased or agreed to be purchased by the Company or its assignee; *provided, however,* that the Optionee shall not sell such Shares to such Offeror if such Offeror is a competitor of the Company and the Company gives written notice to the Optionee, within 30 days of its receipt of the Option Notice, stating that the Optionee shall not sell his or her Shares to such Offeror; and *provided, further,* that prior to the sale of such Shares to an Offeror, such Offeror shall execute an agreement with the Company pursuant to which such Offeror agrees to be subject to the restrictions set forth in this Section 15. If any or all of such Shares are not sold pursuant to an Offer within the time permitted above, the unsold Shares shall remain subject to the terms of this Section 15.

(c) Failure to Deliver Shares. If the Optionee (or his or her legal representative) who has become obligated to sell Shares hereunder shall fail to deliver such shares to the Company in accordance with the terms of this agreement, the Company may, at its option, in addition to all other remedies it may have, mail to the Optionee the purchase price for such shares as is herein specified. Thereupon, the Company: (i) shall cancel on its books the certificate or certificates representing such Shares to be sold; and (ii) shall issue, in lieu thereof, a new certificate or certificates in the name of the Company representing such Shares (or cancel such Shares), and thereupon all of such Optionee's rights in and to such Shares shall terminate.

(d) Expiration of Company's Right of First Refusal and Transfer Restrictions. The first refusal rights of the Company and the transfer restrictions set forth in this Section 15 shall expire as to Shares on the earliest to occur of (i) the tenth anniversary of the date of this agreement, (ii) immediately prior to the closing of a public offering of Common Stock by the Company pursuant to an effective registration statement filed under the Securities Act, or (iii) the

occurrence of an Acquisition that is not a Private Transaction. In addition, if the Company and the Optionee are parties to an agreement containing first refusal provisions similar to the foregoing, such other agreement shall control.

16. Early Disposition. The Optionee agrees to notify the Company in writing immediately after the Optionee transfers any Shares, if such transfer occurs on or before the later of (a) the date that is two years after the date of this agreement or (b) the date that is one year after the date on which the Optionee acquired such Shares. The Optionee also agrees to provide the Company with any information concerning any such transfer required by the Company for tax purposes.

17. Lock-up Agreement. The Optionee agrees that in the event that the Company effects an initial underwritten public offering of Common Stock registered under the Securities Act, the Shares may not be sold, offered for sale or otherwise disposed of, directly or indirectly, without the prior written consent of the managing underwriter(s) of the offering, for 180 days after the execution of an underwriting agreement in connection with such offering, or for such longer period as all of the Company's then directors and executive officers agree to be similarly bound.

18. Drag Along Right.

(a) Exercise of Right. If one or more persons who own in the aggregate 51% or more of the then outstanding shares of the Common Stock of the Company obtains from an offeror (the "Offeror") a bona fide arms' length offer for an Acquisition of the Company, such person(s) shall have the right to require, by written notice (the "Drag Along Notice"), to any person who holds Shares issued pursuant to this Agreement (the "Notice Recipient") to cause all of the Shares acquired pursuant to this option to be transferred to the Offeror.

(b) Dissenters' Rights. The Optionee further agrees to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Acquisition of the Company.

(c) Adjustments for Changes in Capital Structure. If there shall be any change in the Common Stock of the Company through merger, consolidation, reorganization, recapitalization, stock dividend, split-up, combination or exchange of shares, or the like, the provisions contained in this Article 18 shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of the Optionee's ownership of, Shares.

(d) Failure to Deliver Shares. If the Notice Recipient fails or refuses to deliver on a timely basis duly endorsed certificates representing Shares to be sold pursuant to this Article 18, the Offeror shall have the right to deposit the purchase price for the Shares in a special account with any bank or trust company in the Commonwealth of Massachusetts, giving notice of such deposit to the Notice Recipient, whereupon such Shares shall be deemed to have been purchased by the Offeror and such purchase shall be duly noted upon the books and records of the Company and all Optionee's rights in and to such Shares shall be terminated. All such monies shall be held by the bank or trust company for the benefit of the Notice Recipient. All monies deposited with the bank or trust company but remaining unclaimed for two (2) years after the date of deposit shall be repaid by the bank or trust company to the Company on demand, and the Notice Recipient shall thereafter look only to the Company for payment.

(e) Expiration of Drag Along Right. The drag along right set forth above shall remain in effect until the effective date of the Company's first underwritten public offering of its Common Stock under the U.S. Securities Act of 1933, as amended.

(f) Voting Agreement. Notwithstanding the foregoing, if the Optionee is then party to and the Shares are then subject to the drag along right set forth in that certain Voting Agreement, dated as of December 17, 2004, by and among the Company and the several stockholders parties thereto from time to time (as the same may be amended, restated or otherwise modified from time to time, the "Voting Agreement"), then the Optionee shall be bound by the "drag along" provision set forth in the Voting Agreement in lieu of this Section 18.

19. Arbitration. Any dispute, controversy, or claim arising out of, in connection with, or relating to the performance of this agreement or its termination shall be settled by arbitration in the Commonwealth of Massachusetts, pursuant to the rules then obtaining of the American Arbitration Association. Any award shall be final, binding and conclusive upon the parties and a judgment rendered thereon may be entered in any court having jurisdiction thereof.

20. Provision of Documentation to Optionee. By signing this agreement the Optionee acknowledges receipt of a copy of this agreement and a copy of the Plan.

21. Miscellaneous.

(a) Notices. All notices hereunder shall be in writing and shall be deemed given when sent by mail, if to the Optionee, to the address set forth below or at the address shown on the records of the Company, and if to the Company, to the Company's principal executive offices, attention of the Corporate Secretary.

(b) Entire Agreement; Modification. This agreement constitutes the entire agreement between the parties relative to the subject matter hereof, and supersedes all proposals, written or oral, and all other communications between the parties relating to the subject matter of this agreement. This agreement may be modified, amended or rescinded only by a written agreement executed by both parties.

(c) Fractional Shares. If this option becomes exercisable for a fraction of a share because of the adjustment provisions contained in the Plan, such fraction shall be rounded down.

(d) Issuances of Securities; Changes in Capital Structure. Except as expressly provided herein or in the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares subject to this option. No adjustments need be made for dividends paid in cash or in property other than securities of the Company. If there shall be any change in the Common Stock of the Company through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, combination or exchange of shares, spin-off, split-up or other similar change in capitalization or event, the restrictions contained in this agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, Shares, except as otherwise determined by the Board.

(e) Severability. The invalidity, illegality or unenforceability of any provision of this agreement shall in no way affect the validity, legality or enforceability of any other provision.

(f) Successors and Assigns. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, subject to the limitations set forth in Section 10 hereof.

(g) Governing Law. This agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the principles of the conflicts of laws thereof.

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Brightcove Inc.

RESTRICTED STOCK AGREEMENT

RESTRICTED STOCK AGREEMENT entered into as of [_____], between Brightcove Inc. a Delaware corporation (the "Company"), and [_____] (the "Stockholder"), pursuant to the terms of the Brightcove Inc. (formerly Video Marketplace, Inc.) 2004 Stock Option and Incentive Plan (the "Plan"). Capitalized terms used but not defined herein will have the meaning given such terms in the Plan.

WHEREAS, on [_____], the Stockholder purchased [_____] shares of the common stock, $0.001 par value, of the Company ("Common Stock") subject to certain restrictions, at a purchase price of $[_____] per share;

NOW THEREFORE, in consideration of the above recitals and the mutual covenants made herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Stockholder agree as follows:

1. Purchase of Shares.

The Shares have been validly issued and are fully-paid and non-assessable. The Stockholder agrees that the Shares shall be subject to the purchase options and restrictions on transfer and other requirements set forth in this Agreement.

2. Purchase Option.

(a) In the event that the Stockholder ceases to have a Business Relationship with the Company for any reason or no reason, with or without cause, prior to [_____], the Company shall have the right and option (the "Purchase Option") to purchase from the Stockholder, for a sum of $[__] per share (the "Option Price"), the Unvested Shares (as defined below). "Unvested Shares" means the total number of Shares that are not vested as determined in accordance with the following vesting schedule; provided, however, that the Stockholder must continue to have a Business Relationship (as defined below) on each vesting date in order for the Shares to become vested on such date:

Vesting Schedule:

The Shares shall vest over 4 years, at a rate of 25% of the Shares on the one year anniversary of the [ ] (the "Anniversary Date") and as to an additional 2.083% of the Shares at the end of each successive month following the Anniversary Date until the four year anniversary of the [ ], on which date all remaining Unvested Shares shall vest.

(b) [In the event an Acquisition that is not a Private Transaction occurs while the Stockholder maintains a Business Relationship with the Company and the Shares are not already fully vested, the vesting schedule shall be accelerated by 25 percent, such acceleration to occur immediately prior to the closing of the Acquisition, with vesting to otherwise continue after the closing in accordance with the vesting schedule as to the remainder of the Shares subject to vesting and on the same vesting dates, each as accelerated, *provided that* the Stockholder continuously maintains a Business Relationship with the Company or its successor through the applicable vesting dates. If during the year following an Acquisition,

the Company or the acquirer terminates the Business Relationship without Cause (as defined below), or if the Stockholder resigns for Good Reason (as defined below), then the vesting schedule shall be accelerated by an additional 25 percent, such acceleration and vesting to occur upon the effective date of termination or resignation as the case may be, and this Agreement shall thereafter expire as to any shares that remain unvested. For purposes of this Agreement, "Business Relationship" means service to the Company or its successor in the capacity of an employee, officer, director or consultant.

(c) For purposes of this Agreement, "Cause" means: (i) gross negligence or willful malfeasance in the performance of the Stockholder's work or a breach of fiduciary duty or confidentiality obligations to the Company by the Stockholder; (ii) failure to follow the proper directions of the Stockholder's direct or indirect supervisor after written notice of such failure; (iii) the commission by the Stockholder of illegal conduct relating to the Company; (iv) disregard by the Stockholder of the material rules or material policies of the Company which has not been cured within 15 days after notice thereof from the Company; or (v) intentional acts on the part of the Stockholder that have generated material adverse publicity toward or about the Company.

(d) For purposes of this Agreement, "Good Reason" means within twelve months following the closing date of an Acquisition (i) a reduction or diminution, without the employee's consent, of the Stockholder's annual compensation (ii) a material reduction or diminution, without the Stockholder's consent, in the role, title, or responsibilities of the Stockholder regarding the Company's business, or (iii) a requirement that the Stockholder relocate his/her principal location of employment by more than 50 miles.]

(e) For purposes of this Agreement, the term "Acquisition" means (i) the sale of the Company by merger in which the shareholders of the Company in their capacity as such no longer own a majority of the outstanding equity securities of the Company (or its successor); or (ii) any sale of all or substantially all of the assets or capital stock of the Company (other than in a spin-off or similar transaction) or (iii) any other acquisition of the business of the Company, as determined by the Board.

(f) For purposes of this Agreement, "Private Transaction" means any Acquisition where the consideration received or retained by the holders of the then outstanding capital stock of the Company does not consist entirely of (i) cash or cash equivalent consideration, (ii) securities which are registered under the Securities Act of 1933, as amended (the "Securities Act") and/or (iii) securities for which the Company or any other issuer thereof has agreed, including pursuant to a demand, to file a resale registration statement within ninety (90) days of completion of the transaction for resale to the public pursuant to the Securities Act.

3. Exercise of Purchase Option and Closing.

(a) The Company may exercise the Purchase Option by delivering or mailing to the Stockholder (or his estate), within 60 days after the termination of the Business Relationship of the Stockholder with the Company, a written notice of exercise of the Purchase Option. Such notice shall specify the number of Shares to be purchased. If and to the extent the Purchase Option is not so exercised by the giving of such a notice within such 60-day period, the Purchase Option shall automatically expire and terminate effective upon the expiration of such 60-day period.

(b) Within 10 days after delivery to the Stockholder of the Company's notice of the exercise of the Purchase Option pursuant to subsection (a) above, the Stockholder (or his estate) shall, pursuant to the provisions of the Joint Escrow Instructions referred to in Section 7, tender to the Company at its principal offices the certificate or certificates representing the Shares which the Company has elected to purchase in accordance with the terms of this Agreement, duly endorsed in blank or with duly endorsed

stock powers attached thereto, all in form suitable for the transfer of such Shares to the Company. Promptly following its receipt of such certificate or certificates, the Company shall pay to the Stockholder the aggregate Option Price for such Shares (provided that any delay in making such payment shall not invalidate the Company's exercise of the Purchase Option with respect to such Shares).

(c) After the time at which any Shares are required to be delivered to the Company for transfer to the Company pursuant to subsection (b) above, the Company shall not pay any dividend to the Stockholder on account of such Shares or permit the Stockholder to exercise any of the privileges or rights of a stockholder with respect to such Shares, but shall, in so far as permitted by law, treat the Company as the owner of such Shares.

(d) The Option Price may be payable, at the option of the Company, in cancellation of all or a portion of any outstanding indebtedness of the Stockholder to the Company or in cash (by check) or both.

(e) The Company shall not purchase any fraction of a Share upon exercise of the Purchase Option, and any fraction of a Share shall be rounded to the nearest whole Share (with any one-half Share being rounded upward).

(f) The Company may assign its Purchase Option to one or more persons or entities approved by the Board of Directors.

4. Right of First Refusal.

(a) Exercise of Right. Shares may not be transferred without the Company's written consent except by will, by the laws of descent and distribution or in accordance with the further provisions of this Section 4. Any proposed transfer of Shares not made in compliance with the requirements of this Agreement shall be null and void *ab initio*, shall not be recorded on the books of the Company or its transfer agent and shall not be recognized by the Company. If the Stockholder desires to transfer all or any part of the Shares to any person other than the Company (an "Offeror"), the Stockholder shall: (i) obtain in writing an irrevocable and unconditional *bona fide* offer (the "Offer") for the purchase thereof from the Offeror; and (ii) give written notice (the "Notice") to the Company setting forth the Stockholder's desire to transfer such shares, which Notice shall be accompanied by a photocopy of the Offer and shall set forth at least the name and address of the Offeror and the price and terms of the Offer. Upon receipt of the Notice, the Company shall have an assignable option to purchase any or all of such Shares (the "Offered Shares") specified in the Notice, such option to be exercisable by giving, within 15 days after receipt of the Notice, a written counter-notice to the Stockholder. If the Company elects to purchase all of such Offered Shares, it shall be obligated to purchase, and the Stockholder shall be obligated to sell to the Company or its assignee, such Offered Shares at the price and terms indicated in the Offer within 30 days from the date of delivery by the Company of such counter-notice. To the extent that the consideration proposed to be paid by the Offeror for the shares consists of property other than cash or a promissory note, the consideration required to be paid by the Company may consist of cash equal to the fair market value of such property, as determined in good faith by the Board of Directors of the Company.

(b) Sale of Shares to Offeror. The Stockholder may, for 60 days after the expiration of the 30-day option period as set forth in Section 4(a), sell to the Offeror, pursuant to the terms of the Offer, all of such Offered Shares not purchased or agreed to be purchased by the Company or its assignee; *provided, however*, that the Stockholder shall not sell such Shares to such Offeror if such Offeror is a competitor of the Company and the Company gives written notice to the Stockholder, within 30 days of its receipt of the Notice, stating that the Stockholder shall not sell his or her Shares to such Offeror; and *provided, further*,

that prior to the sale of such Shares to an Offeror, such Offeror shall execute an agreement with the Company pursuant to which such Offeror agrees to be subject to the restrictions set forth in this Section 4. If any or all of such Shares are not sold pursuant to an Offer within the time permitted above, the unsold Shares shall remain subject to the terms of this Section 4.

(c) Failure to Deliver Shares. If the Stockholder (or his or her legal representative) who has become obligated to sell Shares hereunder shall fail to deliver such shares to the Company in accordance with the terms of this Agreement, the Company may, at its option, in addition to all other remedies it may have, mail to the Stockholder the purchase price for such shares as is herein specified. Thereupon, the Company: (i) shall cancel on its books the certificate or certificates representing such Shares to be sold; and (ii) shall issue, in lieu thereof, a new certificate or certificates in the name of the Company representing such Shares (or cancel such Shares), and thereupon all of such Stockholder's rights in and to such Shares shall terminate.

(d) Expiration of Company's Right of First Refusal and Transfer Restrictions. The first refusal rights of the Company and the transfer restrictions set forth in this Section 4 shall expire as to Shares on the earliest to occur of (i) the tenth anniversary of the date of this Agreement, (ii) immediately prior to the closing of a public offering of Common Stock by the Company pursuant to an effective registration statement filed under the Securities Act, or (iii) the occurrence of an Acquisition that is not a Private Transaction. In addition, if the Company and the Stockholder are parties to an agreement containing first refusal provisions similar to the foregoing, such other agreement shall control.

5. Drag Along Right.

(a) Exercise of Right. If one or more persons who own in the aggregate 51% or more of the then outstanding shares of the Common Stock of the Company obtains from any person (the "Acquirer") a bona fide arms' length offer for an Acquisition of the Company, such person(s) shall have the right to require, by written notice (the "Drag Along Notice"), to any person who holds Shares issued pursuant to this Agreement (the "Notice Recipient") to cause all of the Shares acquired pursuant to this option to be transferred to the Acquirer.

(b) Dissenters' Rights. The Stockholder further agrees to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Acquisition of the Company.

(c) Adjustments for Changes in Capital Structure. If there shall be any change in the Common Stock of the Company through merger, consolidation, reorganization, recapitalization, stock dividend, split-up, combination or exchange of shares, or the like, the provisions contained in this Section 5 shall apply with equal force to additional and/or substitute securities, if any, received by the Stockholder in exchange for, or by virtue of the Stockholder's ownership of, Shares.

(d) Failure to Deliver Shares. If the Notice Recipient fails or refuses to deliver on a timely basis duly endorsed certificates representing Shares to be sold pursuant to this Section 5, the Acquirer shall have the right to deposit the purchase price for the Shares in a special account with any bank or trust company in the Commonwealth of Massachusetts, giving notice of such deposit to the Notice Recipient, whereupon such Shares shall be deemed to have been purchased by the Acquirer and such purchase shall be duly noted upon the books and records of the Company and all Stockholder's rights in and to such Shares shall be terminated. All such monies shall be held by the bank or trust company for the benefit of the Notice Recipient. All monies deposited with the bank or trust company but remaining unclaimed for two (2) years after the date of deposit shall be repaid by the bank or trust company to the Company on demand, and the Notice Recipient shall thereafter look only to the Company for payment.

(e) Expiration of Drag Along Right. The drag along right set forth above shall remain in effect until the effective date of the Company's first underwritten public offering of its Common Stock under the Securities Act.

(f) Voting Agreement. Notwithstanding the foregoing, if the Stockholder is then party to and the Shares are then subject to the drag along right set forth in that certain Second Amended and Restated Voting Agreement, dated as of January 17, 2007, by and among the Company and the several stockholders parties thereto from time to time (as the same may be amended, restated or otherwise modified from time to time, the "Voting Agreement"), then the Stockholder shall be bound by the "drag along" provision set forth in the Voting Agreement in lieu of this Section 5.

6. Agreement in Connection with Public Offering.

The Stockholder agrees, in connection with the initial underwritten public offering of the Company's securities pursuant to a registration statement under the Securities Act, (i) not to sell, make short sale of, loan, grant any options for the purchase of, or otherwise dispose of any shares of Common Stock held by the Stockholder (other than those shares included in the offering) without the prior written consent of the Company and the underwriters managing such initial underwritten public offering of the Company's securities for a period of 180 days from the effective date of such registration statement, and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering.

7. Escrow.

The Stockholder shall, upon the execution of this Agreement, execute Joint Escrow Instructions in the form attached to this Agreement as Exhibit A. The Joint Escrow Instructions shall be delivered to the Secretary of the Company, as escrow agent thereunder. The Stockholder shall deliver to such escrow agent a stock assignment duly endorsed in blank and hereby instructs the Company to deliver to such escrow agent, on behalf of the Stockholder, the certificate(s) evidencing the Shares issued hereunder and subject to the Purchase Option. Such materials shall be held by such escrow agent pursuant to the terms of such Joint Escrow Instructions.

8. Investment Representations.

In connection with the purchase and sale of the Shares contemplated by Section 1 above, the Stockholder hereby represents and warrants to the Company as follows:

(a) The Stockholder is purchasing the Shares for the Stockholder's own account for investment only, and not for resale or with a view to the distribution thereof.

(b) The Stockholder has had such an opportunity as he or she has deemed adequate to obtain from the Company such information as is necessary to permit him or her to evaluate the merits and risks of the Stockholder's investment in the Company and has consulted with the Stockholder's own advisers with respect to the Stockholder's investment in the Company.

(c) The Stockholder has sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(d) The Stockholder can afford a complete loss of the value of the Shares and is able to bear the economic risk of holding such Shares for an indefinite period.

(e) The Stockholder understands that the Shares are not registered under the Securities Act (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirements thereof). The Stockholder further acknowledges that certificates representing the Shares will bear restrictive legends reflecting the foregoing.

9. Restrictive Legends.

All certificates representing Shares shall have affixed thereto legends in substantially the following form, in addition to any other legends that may be required under federal or state securities laws:

> "The shares of stock represented by this certificate are subject to restrictions on transfer and an option to purchase set forth in a certain Restricted Stock Agreement between the corporation and the registered owner of these shares (or his predecessor in interest), and such Agreement is available for inspection without charge at the office of the Secretary of the corporation."
>
> "The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended, and may not be sold, transferred or otherwise disposed of in the absence of an effective registration statement under such Act or an opinion of counsel satisfactory to the corporation to the effect that such registration is not required."

10. Adjustments for Stock Splits, Stock Dividends, etc.

(a) If from time to time after the date hereof there is any stock split, stock dividend, stock distribution or other reclassification of the Common Stock of the Company, any and all new, substituted or additional securities to which the Stockholder is entitled by reason of his ownership of the Shares shall be immediately subject to the Purchase Option, the restrictions on transfer and the other provisions of this Agreement in the same manner and to the same extent as the Shares, and the Option Price shall be appropriately adjusted.

(b) Upon the occurrence of any merger or consolidation of the Company with or into another entity as a result of which all of the Common Stock of the Company is converted into or exchanged for the right to receive cash, securities or other property or any exchange of all of the Common Stock of the Company for cash, securities or other property pursuant to a share exchange transaction, the repurchase and other rights of the Company hereunder shall inure to the benefit of the Company's successor and shall apply to the cash, securities or other property which the Shares were converted into or exchanged for pursuant to such transaction in the same manner and to the same extent as they applied to the Shares under this Agreement. If, in connection with such a transaction, a portion of the cash, securities and/or other property received upon the conversion or exchange of the Shares is to be placed into escrow to secure indemnification or similar obligations, the mix between the vested and unvested portion of such cash, securities and/or other property that is placed into escrow shall be the same as the mix between the vested and unvested portion of such cash, securities and/or other property that is not subject to escrow.

11. Withholding Taxes.

The Stockholder acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Stockholder, or from the Shares held pursuant to Section 7 hereof, the minimum federal, state or local taxes of any kind required by law to be withheld with respect to the purchase of the Shares by the Stockholder. In furtherance of the foregoing, the Stockholder agrees to elect, in accordance with Section 83(b) of the Internal Revenue Code of 1986, as amended, to recognize ordinary income in the year of acquisition of the Shares, and to pay to the Company all withholding taxes shown as due on his or her Section 83(b) election form, or otherwise ultimately determined to be due with respect to such election, based on the excess, if any, of the fair market value of such Shares as of the date of the purchase of such Shares by the Stockholder over the purchase price for such Shares.

12. No Rights To Employment.

Nothing contained in this Agreement shall be construed as giving the Stockholder any right to be retained, in any position, as an employee of the Company. The Stockholder acknowledges and agrees that the vesting of the Shares pursuant to Section 2 hereof is earned only by continuing service as an employee at the will of the Company (not through the act of being hired or purchasing shares hereunder). The Stockholder further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee for the vesting period, for any period, or at all.

13. Severability.

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

14. Waiver.

Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

15. Binding Effect.

This Agreement shall be binding upon and inure to the benefit of the Company and the Stockholder and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Sections 4 and 5 of this Agreement.

16. Notice.

All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in a United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 16.

17. Pronouns.

Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

18. Entire Agreement.

This Agreement constitutes the entire agreement between the parties, and supersedes all prior agreements and understandings, relating to the subject matter of this Agreement.

19. Amendment.

This Agreement may be amended or modified only by a written instrument executed by both the Company and the Stockholder.

20. Governing Law.

This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws.

21. Stockholder's Acknowledgements.

The Stockholder acknowledges that he: (a) has read this Agreement; (b) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Stockholder's own choice or has voluntarily declined to seek such counsel; (c) understands the terms and consequences of this Agreement; (d) is fully aware of the legal and binding effect of this Agreement; and (e) understands that the law firm of Goodwin Procter LLP is acting as counsel to the Company in connection with the transactions contemplated by the Agreement, and is not acting as counsel for the Stockholder.

22. Arbitration.

Any dispute, controversy, or claim arising out of, in connection with, or relating to the performance of this Agreement or its termination shall be settled by arbitration in the Commonwealth of Massachusetts, pursuant to the rules then obtaining of the American Arbitration Association. Any award shall be final, binding and conclusive upon the parties and a judgment rendered thereon may be entered in any court having jurisdiction thereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BRIGHTCOVE INC.

By: _____
Name:
Title:

STOCKHOLDER

_____
Signature

_____
Street Address

_____
City/State/Zip Code

Exhibit A

Brightcove Inc.

JOINT ESCROW INSTRUCTIONS

Brightcove Inc.
Attention: Secretary
One Cambridge Center
Cambridge, MA 02142

Dear Sir:

As Escrow Agent for Brightcove Inc., a Delaware corporation, and its successors in interest (the "Company") under the Restricted Stock Agreement (the "Agreement") of even date herewith, to which a copy of these Joint Escrow Instructions is attached, and the undersigned person ("Holder"), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of the Agreement in accordance with the following instructions:

1. Appointment. Holder irrevocably authorizes the Company to deposit with you any certificates evidencing Unvested Shares (as defined below) to be held by you hereunder and any additions and substitutions to said Unvested Shares. For purposes of these Joint Escrow Instructions, "Unvested Shares" shall mean Shares (as defined in the Agreement) subject to the Purchase Option (as defined in the Agreement) and shall be deemed to include any additional or substitute property. Holder does hereby irrevocably constitute and appoint you as his attorney-in-fact and agent for the term of this escrow to execute with respect to such Unvested Shares all documents necessary or appropriate to make such Unvested Shares negotiable and to complete any transaction herein contemplated. Subject to the provisions of this paragraph 1 and the terms of the Agreement, Holder shall exercise all rights and privileges of a stockholder of the Company while the Unvested Shares are held by you.

2. Closing of Purchase.

(a) Upon any purchase by the Company of the Unvested Shares pursuant to the Agreement, the Company shall give to Holder and you a written notice specifying the purchase price for the Unvested Shares, as determined pursuant to the Agreement, and the time for a closing hereunder (the "Closing") at the principal office of the Company. Holder and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

(b) At the Closing, you are directed (a) to date the stock assignment form or forms necessary for the transfer of the Unvested Shares, (b) to fill in on such form or forms the number of Unvested Shares being transferred, and (c) to deliver same, together with the certificate or certificates evidencing the Unvested Shares to be transferred, to the Company against the simultaneous delivery to you of the purchase price for the Unvested Shares being purchased pursuant to the Agreement.

3. Withdrawal. The Holder shall have the right to withdraw from this escrow any Shares (as defined in the Agreement) as to which the Purchase Option has terminated or expired whereupon you are hereby authorized to deliver such shares to the Holder.

4. Duties of Escrow Agent.

(a) Your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

(b) You shall be obligated only for the performance of such duties as are specifically set forth herein and may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties. You shall not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact of Holder while acting in good faith and in the exercise of your own good judgment, and any act done or omitted by you pursuant to the advice of your own attorneys shall be conclusive evidence of such good faith.

(c) You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or Company, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you shall not be liable to any of the parties hereto or to any other person, firm or Company by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

(d) You shall not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver the Agreement or any documents or papers deposited or called for hereunder.

(e) You shall be entitled to employ such legal counsel and other experts as you may deem necessary to properly advise you in connection with your obligations hereunder and may rely upon the advice of such counsel.

(f) Your rights and responsibilities as Escrow Agent hereunder shall terminate if (i) you cease to be Secretary of the Company or (ii) you resign by written notice to each party. In the event of a termination under clause (i), your successor as Secretary shall become Escrow Agent hereunder; in the event of a termination under clause (ii), the Company shall appoint a successor Escrow Agent hereunder.

(g) If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto shall join in furnishing such instruments.

(h) It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities held by you hereunder, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute shall have been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you shall be under no duty whatsoever to institute or defend any such proceedings.

(i) These Joint Escrow Instructions set forth your sole duties with respect to any and all matters pertinent hereto and no implied duties or obligations shall be read into these Joint Escrow Instructions against you.

(j) The Company shall indemnify you and hold you harmless against any and all damages, losses, liabilities, costs, and expenses, including attorneys' fees and disbursements, for anything done or omitted to be done by you as Escrow Agent in connection with this Agreement or the performance of your duties hereunder, except such as shall result from your gross negligence or willful misconduct.

5. Notice. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in a United States Post Office, by registered or certified mail with postage and fees prepaid, addressed to each of the other parties thereunto entitled at the following addresses, or at such other addresses as a party may designate by ten days' advance written notice to each of the other parties hereto.

COMPANY:	Brightcove Inc. One Cambridge Center Cambridge, MA 02142 Attn: Chief Executive Officer
HOLDER:	Notices to Holder shall be sent to the address set forth below Holder's signature below.
ESCROW AGENT:	Brightcove Inc. One Cambridge Center Cambridge, MA 02142 Attn: Secretary

6. Miscellaneous.

(a) By signing these Joint Escrow Instructions, you become a party hereto only for the purpose of said Joint Escrow Instructions, and you do not become a party to the Agreement.

(b) This instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Very truly yours,

BRIGHTCOVE INC.

By: _____
Name:
Title:

STOCKHOLDER

_____
Signature

_____
Street Address

_____
City/State/Zip Code

_____
Date Signed

ESCROW AGENT

By: _____
Name:
Title:

IRREVOCABLE STOCK POWER

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to Brightcove Inc. (the "Company") _____ shares of the Common Stock, par value $0.001 per share, of the Company, represented by Certificate No. __ standing in the name of the undersigned on the books of the Company.

The undersigned does hereby irrevocably constitute and appoint _____ attorney to transfer the said stock on the books of said Company, with full power of substitution in the premises.

Dated:_____ Signature: _____
[Name]

Exhibit 10.6

ONE CAMBRIDGE CENTER
CAMBRIDGE, MASSACHUSETTS

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ONE CAMBRIDGE CENTER
CAMBRIDGE, MASSACHUSETTS

Lease Dated February 28, 2007

THIS INSTRUMENT IS AN INDENTURE OF LEASE in which the Landlord and the Tenant are the parties hereinafter named, and which relates to space in the building (the "Building") known as, and having an address at, One Cambridge Center, Cambridge, Massachusetts.

The parties to this instrument hereby agree with each other as follows:

ARTICLE I

Basic Lease Provisions and Enumerations of Exhibits

1.1 Introduction

The following sets forth the basic data and identifying Exhibits elsewhere hereinafter referred to in this Lease, and, where appropriate, constitute definitions of the terms hereinafter listed.

1.2 Basic Data

Date:	February 28, 2007
Landlord:	MORTIMER B. ZUCKERMAN, EDWARD H. LINDE AND MICHAEL A. CANTALUPA, AS TRUSTEES OF ONE CAMBRIDGE CENTER TRUST under Declaration of Trust dated May 14, 1985, recorded with the Middlesex South District Registry of Deeds in Book 16221, Page 413, as amended by instrument dated July 31, 1986 and recorded with said Registry of Deeds in Book 17438, Page 23 and by instrument dated June 14, 2005 and recorded with said Registry of Deeds in Book 45613, Page 322, but not individually.

Present Mailing Address of Landlord:	c/o Boston Properties Limited Partnership 111 Huntington Avenue, Suite 300 Boston, Massachusetts 02199-7610
Tenant:	Brightcove, Inc., a Delaware corporation
Present Mailing Address:	One Cambridge Center, Cambridge, MA 02142
Commencement Date:	May 1, 2007
Lease Term (sometimes called the "Original Lease Term"):	Sixty (60) calendar months commencing on the Commencement Date unless extended or sooner terminated as hereinafter provided.
Extension Option:	One (1) period of three (3) years as provided in and on the terms set forth in Section 3.2 hereof.
Lease Year:	A period of twelve (12) consecutive calendar months, commencing on the first day of January in each year, except that the first Lease Year of the Lease Term hereof shall be the period commencing on the Commencement Date and ending on the succeeding December 31, and the last Lease Year of the Lease Term hereof shall be the period commencing on January 1 of the calendar year in which the Lease Term ends, and ending with the date on which the Lease Term ends.
Premises:	The entire Rentable Floor Area of the twelfth (12th) floor of the Building, in accordance with the floor plan annexed hereto as Exhibit E and incorporated herein by reference, as further defined and limited in Section 2.1 hereof.
Rentable Floor Area of the Premises:	20,694 square feet, including proportionate share of common areas of the Building outside of the Premises.

Annual Fixed Rent:	(a) During the Original Lease Term at the annual rate of $807,066.00 being the product of (i) $39.00 and (ii) the "Rentable Floor Area of the Premises" (hereinabove defined in this Section 1.2. (b) During the extension option period (if exercised), as determined pursuant to Section 3.2.
Tenant Electricity:	Initially as provided in Section 5.1 hereof, subject to adjustment as provided in Section 5.2 and Section 7.5 hereof.
Additional Rent:	All charges and other sums payable by Tenant as set forth in this Lease, in addition to Annual Fixed Rent.
Initial Minimum Limits of Tenant's Commercial General Liability Insurance:	$5,000,000 per occurrence and $5,000,000 aggregate (in each case on a per location basis).
Total Rentable Floor Area of the Building:	215,686 rentable square feet.
Lot or Site:	All, and also any part of, the property described in Exhibit A, plus any additions or reductions thereto resulting from the change of any abutting street line. The terms Lot and Site are used interchangeably in this instrument.
Property:	The Building and Lot or Site.
Loading Dock:	The service dock and related driveways providing vehicular service access for the Building as specified by Landlord.
Development Area:	The area of the Cambridge Center development, as shown on Exhibit F.
Permitted Use:	General office use.
Broker:	The Columbia Group 30 Rowes Wharf, Suite 240 Boston, MA 02110

Security Deposit:	$336,278.00 subject to reduction as provided and on the terms and conditions set forth in Section 16.26 hereof.

1.3 Enumeration of Exhibits

The following Exhibits attached hereto are a part of this Lease, are incorporated herein by reference, and are to be treated as a part of this Lease for all purposes. Undertakings contained in such Exhibits are agreements on the part of Landlord and Tenant, as the case may be, to perform the obligations stated therein to be performed by Landlord and Tenant, as and where stipulated therein.

Exhibit A — Description of the Site

Exhibit B — Intentionally Omitted

Exhibit C — Intentionally Omitted

Exhibit D — Landlord's Services

Exhibit E — Floor Plan

Exhibit F — Development Area Map

Exhibit G — Intentionally Omitted

Exhibit H — Memorandum Re: Procedure for Adjustment of Electricity Costs

Exhibit I — Broker Determination of Prevailing Market Rent.

Exhibit J — Form of Letter of Credit

ARTICLE II

Premises

2.1 Demise and Lease of Premises

Landlord hereby demises and leases to Tenant, and Tenant hereby hires and accepts from Landlord, the Premises in the Building, excluding exterior faces of exterior walls, the common stairways and stairwells, elevators and elevator walls, mechanical rooms, electric and telephone closets, janitor closets, and pipes, ducts, shafts, conduits, wires and

appurtenant fixtures serving exclusively or in common other parts of the Building as shown on the plan of the Premises attached to this Lease as Exhibit A, and if the Premises includes less than the entire rentable area of any floor, excluding the common corridors, elevator lobbies and toilets located on such floor.

2.2 Appurtenant Rights and Reservations

Subject to Landlord's right to change or alter any of the following in Landlord's discretion as herein provided, Tenant shall have, as appurtenant to the Premises, the non-exclusive right to use in common with others, but not in a manner or extent that would materially interfere with the normal operation and use of the Building as a multi-tenant office building and subject to reasonable rules of general applicability to tenants of the Building from time to time made by Landlord of which Tenant is given notice: (a) the common lobbies, entrances, corridors, stairways, and elevators of the Building, and the pipes, ducts, shafts, conduits, wires and appurtenant meters and equipment serving the Premises in common with others, (b) the Loading Dock and the common walkways and driveways necessary for access to the Building, (c) the ramps, entrances, stairways, elevators, walkway, driveways and other facilities necessary for vehicular and pedestrian access to, and egress from, the Garage(s) and the Building (d) if the Premises include less than the entire rentable floor area of any floor, the common toilets, corridors and elevator lobby of such floor and (e) common areas within Parcel 4 of the Development Area. Tenant shall have the right to engage the services of a telecommunication service provider to install wire and cable for Tenant's telecommunications equipment installed in the Premises provided, however, that (i) Tenant first obtains Landlord's approval of such telecommunications service provider, which approval shall not be unreasonably withheld and (ii) such telecommunication service provider executes a license agreement reasonably acceptable to Landlord governing the terms and conditions of access to the Building and Premises to make the installations reasonably necessary for Tenant's telecommunications equipment.

Landlord reserves the right from time to time, without unreasonable interference with Tenant's use and enjoyment of, or access to, the Premises: (a) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, pipes, ducts, conduits, wires and appurtenant fixtures, and (b) to alter or relocate any other common facility, provided that substitutions are substantially equivalent or better. Installations, replacements and relocations referred to in clause (a) above shall be located so far as practicable in the central core area of the Building, above ceiling surfaces, below floor surfaces or within perimeter walls of the Premises. Except in the case of emergencies or for normal cleaning and maintenance work, Landlord agrees to use its best efforts to give Tenant reasonable advance notice of any of the foregoing activities which require work in the Premises.

ARTICLE III

Lease Term and Extension Options

3.1 Term

The Term of this Lease shall be the period specified in Section 1.2 hereof as the "Lease Term," unless sooner terminated or extended as herein provided. If Section 1.2 provides for a fixed Commencement Date, then the Commencement Date of the Lease Term hereof shall be such date.

3.2 Extension Option

(A) On the conditions (which conditions Landlord may waive by written notice to Tenant) that both at the time of exercise of the herein described option to extend and as of the commencement of the Extended Term in question (i) there exists no "Event of Default" (defined in Section 15.1); and (ii) this Lease is still in full force and effect and (iii) Tenant has not sublet any portion of the Premises (except for a subletting permitted without Landlord's consent under Section 12.2 hereof), Tenant shall have the right to extend the Term hereof upon all the same terms, conditions, covenants and agreements herein contained (except for the Annual Fixed Rent which shall be adjusted during the option period as hereinbelow set forth and except that there shall be no further option to extend) for one (1) period of three (3) years as hereinafter set forth. The option period is sometimes herein referred to as the "Extended Term." Notwithstanding any implication to the contrary, Landlord has no obligation to make any payment to Tenant in respect of any construction allowance or the like or to perform any work to the Premises as a result of the exercise by Tenant of the option to extend the Lease Term.

(B) If Tenant desires to exercise said option to extend the Term, then Tenant shall give notice to Landlord, not earlier than fifteen (15) months nor later than thirteen (13) months prior to the expiration of the Term of this Lease of Tenant's request for Landlord's quotation of a proposed annual rent for the Extended Term ("Landlord's Rent Quotation"). Landlord shall furnish Landlord's Rent Quotation to Tenant within twenty (20) days after Landlord's receipt of Tenant's request. If at the expiration of twenty (20) days after the date when Landlord provides such quotation to Tenant (the "Negotiation Period"), Landlord and Tenant have reached agreement on a determination of an annual rental for the Extended Term, Landlord and Tenant shall execute a written instrument extending the Term of this Lease pursuant to such agreement ("Landlord-Tenant Extension Agreement"). However, if at the expiration of the Negotiation Period, Landlord and Tenant shall not have reached agreement on a determination of an annual rental for the Extended Term and executed a Landlord-Tenant Extension Agreement, then in order for Tenant to exercise its option to extend the Term for the Extended Term, Tenant shall give written notice to Landlord within twenty (20) days following the expiration of the Negotiation Period (i) exercising Tenant's option to extend the Term for

the Extended Term and (ii) specifying that Tenant requires a broker determination (the "Broker Determination") of the Prevailing Market Rent (as defined in Exhibit I) for the Extended Term, which Broker Determination shall be made in the manner set forth in Exhibit I (Tenant's Exercise Notice"). If Tenant timely shall have given to Landlord Tenant's Exercise Notice (which to be valid must include Tenant's request that a Broker Determination be made), then the Term shall be extended for the Extended Term and Annual Fixed Rent for the Extended Term shall be the greater of (a) the Prevailing Market Rent as determined by the Broker Determination or (b) the Annual Fixed Rent in effect during the last twelve (12) month period of the Lease Term immediately prior to the Extended Term.

(C) Upon the execution of a Landlord-Tenant Extension Agreement or upon the giving of Tenant's Exercise Notice by Tenant to Landlord exercising Tenant's option to extend the Lease Term in accordance with the provisions of Section B above, as the case may be, then this Lease and the Lease Term hereof shall automatically be deemed extended, for the Extended Term, without the necessity for the execution of any additional documents, except that Landlord and Tenant agree to enter into an instrument in writing setting forth the Annual Fixed Rent for the Extended Term as determined in the relevant manner set forth in this Section 3.2; and in such event all references herein to the Lease Term or the term of this Lease shall be construed as referring to the Lease Term, as so extended, unless the context clearly otherwise requires, and except that there shall be no further option to extend the Lease Term hereof.

(D) Time is of the essence with respect to all time periods and expiration dates under this Section 3.2

ARTICLE IV

Condition of Premises; Alterations

4.1 Condition of Premises

Tenant shall accept the Premises in their as-is condition without any obligation on the Landlord's part (i) to perform any additions, alterations, improvements, demolition or other work therein or pertaining thereto or (ii) to make any payment or provide any allowance to or for Tenant.

4.2 Quality and Performance of Work

All construction work required or permitted by this Lease shall be done in a good and workmanlike manner and in compliance with all applicable laws, ordinances, rules, regulations, statutes, by-laws, court decisions, and orders and requirements of all public authorities ("Legal Requirements") and all Insurance Requirements (as defined in Section

9.1 hereof). All of Tenant's work shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations. Each party may inspect the work of the other at reasonable times and shall promptly give notice of observed defects. Each party authorizes the other to rely in connection with design and construction upon approval and other actions on the party's behalf by any Construction Representative of the party named in Section 1.2 or any person hereafter designated in substitution or addition by notice to the party relying.

ARTICLE V

Annual Fixed Rent and Electricity

5.1 Fixed Rent and Electricity Charges

Tenant agrees to pay to Landlord, or as directed by Landlord, at Landlord's Present Mailing Address specified in Section 1.2 hereof, or at such other place as Landlord shall from time to time designate by written notice, (1)(a) on the Commencement Date, and thereafter monthly, in advance, on the first day of each and every calendar month during the Original Lease Term, a sum equal to one-twelfth (1/12th) of the Annual Fixed Rent specified in Section 1.2 hereof and (1)(b) on the Commencement Date and thereafter monthly, in advance, on the first day of each and every calendar month during the Original Lease Term, an amount estimated by Landlord from time to time to cover Tenant's monthly payments for electricity under Section 5.2 hereinbelow (initially the monthly estimated amount shall be one twelve (1/12th) of the product of (i) $3.83 and (ii) the 20,694 square feet of Rentable Floor Area of the Premises) subject, however, to adjustment as provided in Section 5.2 and Section 7.5 hereof, and (2) on the first day of each and every calendar month during the Extended Term (if exercised), a sum equal to (a) one-twelfth of the Annual Fixed Rent as determined in Section 3.2 for the Extended Term plus (b) then applicable monthly electricity charges (subject to adjustment as provided in Section 5.2 and Section 7.5 hereof). Until notice of some other designation is given, fixed rent and all other charges for which provision is herein made shall be paid by remittance to or for the order of Boston Properties Limited Partnership either (i) by mail to P.O. Box 3557, Boston, Massachusetts 02241-3557, (ii) by wire transfer to Bank of America in Dallas, Texas, Bank Routing Number 0260-0959-3 or (iii) by ACH transfer to Bank of America in Dallas, Texas, Bank Routing Number 111 000 012, and in the case of (ii) or (iii) referencing Account Number 3756454460, Account Name of Boston Properties, LP, Tenant's name and the Property address. All remittances received by BOSTON PROPERTIES LIMITED PARTNERSHIP, as Agents as aforesaid, or by any subsequently designated recipient, shall be treated as a payment to Landlord.

The monthly payment of Annual Fixed Rent for any partial month of the Term shall be paid by Tenant to Landlord at the rate in effect under the immediately preceding paragraph of this Section 5.1 on a pro rata basis, and, if the Commencement Date shall be

other than the first day of a calendar month, the first payment of Annual Fixed Rent which Tenant shall make to Landlord shall be a payment equal to a fraction of such monthly Annual Fixed Rent proportionate to the fraction of the total days of such month that are included in the period from the Commencement Date to and including the last day of such calendar month, and, if the Term ends on a day other than the last day of a calendar month, then the last monthly payment of Annual Fixed Rent shall be a fraction of the full monthly payment proportionate to the fraction of the total days of such month that fall within the Term.

Additional Rent payable by Tenant on a monthly basis, as elsewhere provided in this Lease, likewise shall be prorated, and the first payment on account thereof shall be determined in similar fashion and shall commence on the Commencement Date and other provisions of this Lease calling for monthly payments shall be read as incorporating this undertaking by Tenant.

The Annual Fixed Rent and all other charges for which provision is made in this Lease shall be paid by Tenant to Landlord without setoff, deduction or abatement, except as otherwise specified in this Lease.

5.2 Reallocation of Electricity Charges

Notwithstanding the provisions of Section 5.1 relating to the payment by Tenant for the cost of electricity, if and to the extent that Landlord is permitted from time to time by then applicable law, ordinance, rule, regulation and utility company policy, Landlord may reallocate the cost of electricity to tenants of the Building (including, but not limited to, Tenant herein) in accordance with the procedure contained in Exhibit H, and Tenant shall pay for electricity as provided in said Exhibit H. If Landlord does not so reallocate the cost of electricity as aforesaid, Tenant shall pay the charge for electricity as specified in Section 5.1 hereof and additional adjustment payments shall be made in the manner specified in Section 7.5 hereof; provided, however, that if the Landlord shall reasonably determine that the cost of the electricity furnished to the Tenant at the Premises exceeds the amount being paid under Sections 5.1 and 7.5, then the Landlord may charge the Tenant for such excess and the Tenant shall promptly pay the same upon billing therefor.

ARTICLE VI

Taxes

6.1 Definitions

With reference to the real estate taxes referred to in this Article VI, it is agreed that terms used herein are defined as follows:

(a) "Tax Year" means the 12-month period beginning July 1 of each year during the Lease Term or if the appropriate Governmental tax fiscal period shall begin on any date other than July 1, such other date.

(b) "Landlord's Tax Expenses Allocable to the Premises" means the same proportion of Landlord's Tax Expenses as Rentable Floor Area of Tenant's Premises bears to 95% of the Total Rentable Floor Area of the Building.

(c) "Landlord's Tax Expenses" with respect to any Tax Year means the aggregate "real estate taxes" (hereinafter defined) with respect to that Tax Year, reduced by any net abatement receipts with respect to that Tax Year.

(d) "Real estate taxes" means all taxes and special assessments of every kind and nature and user fees and other like fees assessed by any Governmental authority on the Site or the Building or the Property which the Landlord shall be obligated to pay because of or in connection with the ownership, leasing and operation of the Site and the Building (including without limitation, if applicable, the excise prescribed by Mass Gen Laws (Ter Ed) Chapter 121A, Section 10 and amounts in excess thereof paid to the City of Cambridge pursuant to agreement between Landlord and the City) and reasonable expenses of and fees for any formal or informal proceedings for negotiation or abatement of taxes (collectively, "Abatement Expenses"), which Abatement Expenses shall be excluded from Base Taxes. The amount of special taxes or special assessments to be included shall be limited to the amount of the installment (plus any interest other than penalty interest payable thereon) of such special tax or special assessment required to be paid during the year in respect of which such taxes are being determined. There shall be excluded from such taxes all income, estate, succession, inheritance, capital stock and transfer taxes; provided, however, that if at any time during the Lease Term the present system of ad valorem taxation of real property shall be changed so that in lieu of, or in addition to, the whole or any part of the ad valorem tax on real property, there shall be assessed on Landlord a capital levy or other tax on the gross rents received with respect to the Site or Building, or a Federal, State, county, municipal, or other local income, franchise, excise or similar tax, assessment, levy or charge (distinct from any now in effect in the jurisdiction in which the Property is located) measured by or based, in whole or in part, upon any such gross rents, then any and all of such taxes, assessments, levies or charges, to the extent so measured or based, shall be deemed to be included within the term "real estate taxes" but only to the extent that the same would be payable if the Site or Building were the only property of Landlord. Real Estate Taxes shall not include any "penalty tax" assessed against Landlord and/or the Building incurred as a result of Landlord's negligence, unwillingness or inability to make payment and/or file timely tax returns with the appropriate taxing authority.

(e) "Base Taxes" means Landlord's Tax Expenses (hereinbefore defined) for fiscal tax year 2008 (that is the period beginning July 1, 2007 and ending June 30, 2008).

(f) "Base Taxes Allocable to the Premises" means the same proportion of Base Taxes as the Rentable Floor Area of Tenant's Premises bears to 95% of the Total Rentable Floor Area of the Building.

(g) If during the Lease Term the Tax Year is changed by applicable law to less than a full 12-month period, the Base Taxes and Base Taxes Allocable to the Premises shall each be proportionately reduced.

6.2 Tenant's Share of Real Estate Taxes

If with respect to any full Tax Year or fraction of a Tax Year falling within the Lease Term Landlord's Tax Expenses Allocable to the Premises for a full Tax Year exceed Base Taxes Allocable to the Premises or for any such fraction of a Tax Year exceed the corresponding fraction of Base Taxes Allocable to the Premises (such amount being hereinafter referred to as the "Tax Excess"), then Tenant shall pay to Landlord, as Additional Rent, the amount of such Tax Excess. Payments by Tenant on account of the Tax Excess shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. The amount so to be paid to Landlord shall be an amount from time to time reasonably estimated by Landlord to be sufficient to provide Landlord, in the aggregate, a sum equal to the Tax Excess, ten (10) days at least before the day on which tax payments by Landlord would become delinquent. Not later than ninety (90) days after Landlord's Tax Expenses Allocable to the Premises are determinable for the first such Tax Year or fraction thereof and for each succeeding Tax Year or fraction thereof during the Lease Term, Landlord shall render Tenant a statement in reasonable detail certified by a representative of Landlord showing for the preceding year or fraction thereof, as the case may be, real estate taxes on the Building and Lot, abatements and refunds, if any, of any such taxes and assessments, expenditures incurred in seeking such abatement or refund, the amount of the Tax Excess, the amount thereof already paid by Tenant and the amount thereof overpaid by, or remaining due from Tenant for the period covered by such statement. Within thirty (30) days after the receipt of such statement, Tenant shall pay any sum remaining due. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant if the Lease Term has then expired and Tenant has no further obligation to Landlord. Expenditures for legal fees and for other expenses incurred in obtaining an abatement or refund may be charged against the abatement or refund before the adjustments are made for the Tax Year.

To the extent that real estate taxes shall be payable to the taxing authority in installments with respect to periods less than a Tax Year, the statement to be furnished by Landlord shall be rendered and payments made on account of such installments.

ARTICLE VII

Landlord's Repairs and Services and Tenant's Escalation Payments

7.1 Structural Repairs

Subject to Article XIV of this Lease and normal and reasonable wear and use, Landlord shall, throughout the Lease Term, at Landlord's sole cost and expense, keep and maintain in good order, condition and repair the following portions of the Building: the structural portions of the roof, the exterior and load bearing walls, the foundation, the structural columns and floor slabs and other structural elements of the Building; provided however, that Tenant shall pay to Landlord, as Additional Rent, the cost of any and all repairs to such portions of the Building to the extent such repairs may be required as a result of repairs, alterations, or installations made by Tenant or any subtenant, assignee, licensee or concessionaire of Tenant or any agent, servant, employee or contractor of any of them or of any loss, destruction or damage caused by the act or negligence of Tenant, any assignee or subtenant or any agent, servant, employee, customer, visitor or contractor of any of them.

7.2 Other Repairs to be Made by Landlord

Subject to Article XIV of this Lease and normal and reasonable wear and use, and subject to provisions for reimbursement by Tenant as contained in Section 7.5, Landlord agrees to keep and maintain in good order, condition and repair the common areas and facilities of the Building, including, without limitation, the Common Facilities, the roof of the Building, and heating, ventilating, air conditioning, plumbing, electrical, elevators, mechanical, sprinkler, life-safety and other systems and equipment of the Building serving the Premises, except that Landlord shall in no event be responsible to Tenant for (a) the maintenance, repair or replacement of any heating, ventilating, air-conditioning electrical equipment, services or other systems installed by Tenant, (b) the condition of glass in and about the Premises (other than for glass in exterior walls for which Landlord shall be responsible unless the damage thereto is attributable to Tenant's negligence or misuse, in which event the responsibility therefor shall be Tenant's), or (c) for any condition in the Premises or the Building caused by any act or neglect of Tenant or any agent, employee, contractor, assignee, subtenant, licensee, concessionaire or invitee of Tenant. Without limitation, Landlord shall not be responsible to make any improvements or repairs to the Building or the Premises other than as provided in Section 7.1 or in this Section 7.2, unless otherwise provided in this Lease.

7.3 Services to be Provided by Landlord

In addition, and except as otherwise provided in this Lease and subject to provisions for reimbursement by Tenant as contained in Section 7.5 and Tenant's responsibilities in regard to electricity as provided in Section 5.2, Landlord agrees to furnish services,

utilities, facilities and supplies set forth in Exhibit D hereto equal in quality comparable to those customarily provided by landlords in first-class office buildings in Cambridge. In addition, Landlord agrees to furnish, at Tenant's expense, (i) reasonable additional Building operation services which are usual and customary in similar buildings in Cambridge, and (ii) such additional special services as may be mutually agreed upon by Landlord and Tenant, upon reasonable and equitable rates from time to time established by Landlord.

7.4 Operating Costs Defined

"Operating Expenses Allocable to the Premises" means the same proportion of the Operating Expenses for the Property as Rentable Floor Area of the Premises bears to 95% of the Total Rentable Floor Area of the Building. "Base Operating Expenses" means Operating Expenses for the Property (as hereinafter defined) for calendar year 2007 (that is the period beginning January 1, 2007 and ending December 31, 2007). Base Operating Expenses shall not include (i) market-wide cost increases due to extraordinary circumstances, including but not limited to, Force Majeure (as defined in Section 14.1), boycotts, strikes, conservation surcharges, embargoes or shortages and (ii) the cost of any "Permitted Capital Expenditures" (as defined hereinbelow in this Section 7.4). "Base Operating Expenses Allocable to the Premises" means the same proportion of Base Operating Expenses as the Rentable Floor Area of Tenant's Premises bears to 95% of the Total Rentable Floor Area of the Building. "Operating Expenses for the Property" means the cost of operation of the Property incurred by Landlord, including those incurred in discharging Landlord's obligations under Sections 7.2 and 7.3. Such costs shall exclude payments of debt service and any other mortgage charges, brokerage commissions, real estate taxes (to the extent paid pursuant to Section 6.2 hereof), and costs of special services rendered to tenants (including Tenant) for which a separate charge is made, but shall include, without limitation:

(a) compensation, wages and all fringe benefits, worker's compensation insurance premiums and payroll taxes paid to, for or with respect to all persons for their services in the operating, maintaining or cleaning of the Building or the Site, at or below the level of the Building's manager;

(b) payments under service contracts with independent contractors for operating, maintaining or cleaning of the Building or the Site;

(c) steam, water, sewer, gas, oil, electricity and telephone charges (excluding charges for telephone services for tenants of the Building, the cost of electricity consumed in the operation of lights, outlets, machinery, fixtures, equipment and the distribution of heating, ventilation and air-conditioning in leased or leasable premises in the Building and other utility charges separately chargeable to tenants for additional or separate services) but including the cost of all utilities required for or otherwise serving the lobby of the Building, the elevators, building systems and

other common areas of the Building and costs of maintaining letters of credit or other security as may be required by utility companies as a condition of providing such services;

(d) cost of maintenance, cleaning and repairs (other than repairs not properly chargeable against income or reimbursed from contractors under guarantees);

(e) cost of snow removal and care of landscaping;

(f) cost of building and cleaning supplies and equipment;

(g) premiums for insurance carried with respect to the Property (including, without limitation, liability insurance, insurance against loss in case of fire or casualty and of monthly installments of Annual Fixed Rent and any Additional Rent which may be due under this Lease and other leases of space in the Building for not more than twelve (12) months in the case of both Annual Fixed Rent and Additional Rent and, if there be any first mortgage on the Property, including such insurance as may be required by the holder of such first mortgage);

(h) management fees at reasonable rates for self managed buildings consistent with the type of occupancy and the services rendered;

(i) The Building's "Proportionate Share" of the costs of maintaining and repairing the Loading Dock and other common areas and facilities within Parcel 4 of the Development Area (including the plaza) for use of tenants of the Building in common with tenants of other buildings in the Development Area, for which purpose the Building's Proportionate Share shall be a fraction, the numerator of which shall be the Rentable Floor Area of the Building and the denominator of which shall be the sum of (x) the Rentable Floor Area of the Building and (y) the rentable floor area of the other buildings in Parcel 4 of the Development Area (including the hotel);

(j) depreciation for capital expenditures made by Landlord during the Lease Term (x) to reduce Operating Expenses if Landlord reasonably shall have determined that the annual reduction in Operating Expenses shall exceed depreciation therefor or (y) to comply with applicable Legal Requirements, (the capital expenditures described in subsections (x) and (y) being hereinafter referred to as "Permitted Capital Expenditures") plus, in the case of both (x) and (y), an interest factor, reasonably determined by Landlord, as being the interest rate then charged for long term mortgages by institutional lenders on like properties within the general locality in which the Building is located, and depreciation in the case of both (x) and

(y) shall be determined by dividing the original cost of such capital expenditure by the number of years of useful life of the capital item acquired, which useful life shall be determined reasonably by Landlord in accordance with generally accepted accounting principles and practices in effect at the time of acquisition of the capital item; and

(k) all other reasonable and necessary expenses paid in connection with the operating, cleaning and maintenance of the Building, the Site and said common areas and facilities and properly chargeable against income including transportation demand management payments or contributions allocable to the Building ("TDM Payments").

Notwithstanding any contrary provision in this Lease, the following charges and expenses shall be excluded from Operating Expenses:

(i) The costs of the initial construction of the Building (including any failure of the Building to comply with laws which are in effect as of the Commencement Date hereof). However, Permitted Capital Expenditures and interest thereon shall be included in Operating Expenses as provided in Section 7.4(j) hereof;

(ii) All capital expenditures and depreciation, except as otherwise explicitly provided in Section 7.4(j) above;

(iii) Leasing Fees or commissions, advertising and promotional expenses, legal fees, the cost of tenant improvements, build-out allowances, moving expenses, assumption of rent under existing leases and other concessions incurred in connection with the leasing of space in the Building, Site or Development Area;

(iv) Interest on indebtedness, debt amortization, ground rent, and refinancing costs for any mortgage or ground lease of the Building or the Site, provided however, that the foregoing shall not exclude the inclusion of the amortization and interest permitted to be included in the Operating Expenses for the Building on account of capital improvements under Section 7.4(j) above;

(v) Legal, auditing, consulting and professional fees and other costs (other than those legal, auditing, consulting and professional fees and other costs incurred in connection with the normal and routine maintenance and operation of the Building and/or the common areas), including, without limitation, those: (i) paid or incurred in connection with financing, refinancing or sales of any of Landlord's interests in the Building or the Site; and (ii) relating to specific disputes with tenants;

(vi) Costs incurred in performing work or furnishing services for any tenant (including Tenant), at such tenant's separate expense;

(vii) The cost of any item or service to the extent reimbursed or reimbursable to Landlord by insurance required to be maintained under the Lease, by any tenant, or by any third party, such as the cost of supplying electricity for plugs and lights in a tenant's premises;

(viii) The cost of repairs or replacements incurred by reason of fire or other casualty or condemnation other than costs not in excess of the deductible on any insurance maintained by Landlord which provides a recovery for such repair or replacement (which deductible shall be as determined by Landlord which shall be included in Operating Expenses);

(ix) Any advertising, promotional or marketing expenses for the Building, Site or Development Area;

(x) The cost of any service or materials provided by any party related to Landlord, to the extent such costs exceed the reasonable cost for such service or materials absent such relationship in buildings similar to the Building in the vicinity of the Building. However, management fees as provided in Section 7.4 (b) and an allocable portion of the property management office costs and expenses of Landlord or Boston Properties shall not be excluded.

(xi) Payments for rented equipment, the cost of which equipment would constitute a capital expenditure if the equipment were purchased to the extent that such payments exceed the amount which could have been included in Operating Expenses for the Building had Landlord purchased such equipment rather than leasing such equipment. However, Permitted Capital Expenditures (including interest and amortization thereon) under Section 7.4 (j) which shall include thereunder payments for rented equipment (if a constituting capital expenditure) in relation to matters covered by Section 7.4 (j).

(xii) Penalties, damages and interest for late payment or violations of any obligations of Landlord, including, without limitation, any of the same associated with late payment of taxes, insurance, equipment leases and other past due amounts;

(xiii) Contributions to charitable or political organizations but TDM Payments shall not be excluded.

(xiv) Costs incurred in removing the property of former tenants or other occupants of the Building;

(xv) The cost of testing, remediation or removal of "Hazardous Materials" in the Building, site or Development Area required by "Hazardous Materials Laws", provided, however, that with respect to the testing, remediation or removal of any material or substance which, as of the Commencement Date was not considered, as a matter of law, to be a Hazardous Material, but which is subsequently

determined to be a Hazardous Material as a matter of law, the costs thereof shall be included in Operating Expenses for the Building, subject, however to Section 7.4(j) to the extent that such cost is treated as a capital expenditure;

(xvi) The cost of acquiring, installing, moving or restoring objects of art;

(xvii) Wages, salaries, or other compensation paid to any executive employees above the grade of manager at the Building, Site or Development Area, except that if any such employee performs a service which would have been performed by an outside consultant, the compensation paid to such employee for performing such service shall be included in Operating Expenses for the Building, to the extent only that the cost of such service does not exceed the competitive cost of such service had such service been rendered by an outside consultant. However, management fees as provided in Section 7.4(b) and an allocable portion of the property management office costs and expenses of Landlord for Boston Properties shall not be excluded.

(xviii) Costs of operating, insuring, cleaning, repairing, replacing and maintaining the Garage(s) or any building now or hereafter located on the Site and/or Development Area (other than the Building and the common areas) and other than the Building's Proportionate Share of the matters set forth in Section 7.4 (i);

(xix) The net (i.e. net of the reasonable costs of collection) amount recovered by Landlord under any warranty or service agreement from any contractor or service provided; or

(xx) The costs of installation of, space preparation for, and rent applicable to any amenities of the Building or the Site (the parties hereby agreeing that this clause (xxi) shall not be deemed to exclude any health club located in the Building or elsewhere in the Development Area).

Notwithstanding the foregoing, in determining the amount of Operating Expenses for the Property for any calendar year or portion thereof falling within the Lease Term, if less than ninety-five percent (95%) of the Total Rentable Floor Area of the Building shall have been occupied by tenants at any time during the period in question, then, at Landlord's election, those components of Operating Expenses for the Property that vary based on occupancy for such period shall be adjusted to equal the amount such components of Operating Expenses for the Property would have been for such period had occupancy been ninety-five percent (95%) throughout such period.

7.5 Tenant's Escalation Payments

(A) If with respect to any calendar year falling within the Lease Term, or fraction of a calendar year falling within the Lease Term at the beginning or end thereof, the Operating Expenses Allocable to the Premises (as defined in Section 7.4) for a full

calendar year exceed Base Operating Expenses Allocable to the Premises (as defined in Section 7.4) or for any such fraction of a calendar year exceed the corresponding fraction of Base Operating Expenses Allocable to the Premises (such amount being hereinafter referred to as the "Operating Cost Excess"), then Tenant shall pay to Landlord, as Additional Rent, on or before the thirtieth (30th) day following receipt by Tenant of the statement referred to below in this Section 7.5, the amount of such excess. Base Operating Expenses (as defined in Section 7.4) do not include the tenant electricity to be paid by Tenant as part of the Annual Fixed Rent. However, if and so long as Landlord is not allocating the cost of electricity among tenants of the Building in accordance with Exhibit H, then the Base Operating Expenses shall be increased by Landlord's estimate of electrical costs for the Building.

(B) Payments by Tenant on account of the Operating Cost Excess shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. The amount so to be paid to Landlord shall be an equal amount from time to time reasonably estimated by Landlord (based on a reasonably detailed written statement which corresponds to Landlord's then most recent year-end statement of Operating Expenses for the Building reasonably extrapolated for the then applicable calendar year and which Landlord shall have delivered to Tenant) to be sufficient to cover, in the aggregate, a sum equal to the Operating Cost Excess for each calendar year (or fraction of a calendar year) during the Lease Term.

(C) No later than one hundred twenty (120) days after the end of the first calendar year or fraction thereof ending December 31 and of each succeeding calendar year during the Lease Term or fraction thereof at the end of the Lease Term, Landlord shall render Tenant a statement in reasonable detail and according to usual accounting practices certified by a representative of Landlord, showing for the preceding calendar year or fraction thereof, as the case may be, the Operating Expenses for the Property and the Operating Expenses Allocable to the Premises. Said statement to be rendered to Tenant also shall show for the preceding year or fraction thereof, as the case may be, the amounts already paid by Tenant on account of Operating Cost Excess and the amount of Operating Cost Excess remaining due from, or overpaid by, Tenant for the year or other period covered by the statement.

If such statement shows a balance remaining due to Landlord, Tenant shall pay same to Landlord on or before the thirtieth (30th) day following receipt by Tenant of said statement. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant if the Lease Term has then expired and Tenant has no further obligation to Landlord.

Any payment by Tenant for the Operating Cost Excess shall not be deemed to waive any rights of Tenant to claim that the amount thereof was not determined in accordance with the provisions of this Lease.

(D) Subject to the provisions of this paragraph, Tenant shall have the right, at

Tenant's cost and expense, to examine all documentation and calculations prepared by Landlord in the determination of Operating Cost Excess:

1. Such documentation and calculation shall be made available to Tenant at the offices where Landlord keeps such records during normal business hours within a reasonable time after Landlord receives a written request from Tenant to make such examination.

2. Tenant shall have the right to make such examination no more than once in respect of any period for which Landlord has given Tenant a statement of the actual amount of Operating Expenses for the Building.

3. Any request for examination with respect to any calendar year may be made no more than 180 days after Landlord advises Tenant of the actual amount of Operating Expenses for the Building with respect to such calendar year and provides to Tenant the year-end statement required under paragraph (C) of this Section 7.5, provided, however, if such examination results in a determination that Tenant was overcharged with respect to a calendar year, then Tenant shall have the right to review Landlord's books and records as to the erroneous items for the two (2) calendar years immediately prior to the calendar year in question. If such examination results in a determination that Tenant underpaid with respect to a calendar year, then within thirty (30) days following such determination, Tenant shall pay to Landlord the amount of such underpayment.

4. Such examination may be made only by an independent certified public accounting firm approved by Landlord, which approval shall not be unreasonably withheld. Without limiting Landlord's approval rights, Landlord may withhold its approval of any examiner of Tenant who is being paid by Tenant on a contingent fee basis.

5. As a condition of performing any such examination, Tenant and its examiners shall be required to execute and deliver to Landlord an agreement, if form reasonably acceptable to Landlord, agreeing to keep confidential any information which it discovers about Landlord or the Building in connection with such examination, provided, however, that Tenant shall be permitted to share such information with each of its permitted subtenants (if any) so long as such subtenants execute and deliver to Landlord similar confidentiality agreements. Without limiting the foregoing, if Tenant uses any examiner which is other than a nationally-recognized accounting firm, Tenant's examiner shall be required to agree that it will not represent any other tenant in the Building or in other buildings located on the Site which are owned by Landlord or an affiliate of Landlord in connection with reviewing operating expenses for such tenant.

7.5.1 Accounting. Operating Expenses for the Building shall be computed in accordance with generally accepted accounting principles consistently applied, except that capital items shall be computed as set forth above and Landlord's Operating Expenses and Landlord's Tax Expenses shall be computed on an accrual basis rather than a cash basis.

7.6 No Damage

Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of Landlord or its agents entering the Premises for any purposes in this Lease authorized, or for repairing the Premises or any portion of the Building however the necessity may occur; provided, however, that Landlord shall give Tenant reasonable advance notice (except in emergency) and shall use reasonable efforts to avoid material interference with Tenant's use and enjoyment of the Premises. In case Landlord is prevented or delayed from making any repairs, alterations or improvements, or furnishing any services or performing any other covenant or duty to be performed on Landlord's part, by reason of any cause reasonably beyond Landlord's control, including, without limitation, strike, lockout, breakdown, accident, order or regulation of or by any Governmental authority, or failure of supply, or inability by the exercise of reasonable diligence to obtain supplies, parts or employees necessary to furnish such services, or because of war or other emergency, or for any cause due to any act or negligence of Tenant or Tenant's servants, agents, employees, licensees or any person claiming by, through or under Tenant, Landlord shall not be liable to Tenant therefor, nor, except as expressly otherwise provided in this Lease, shall Tenant be entitled to any abatement or reduction of rent by reason thereof, or right to terminate this Lease, nor shall the same give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises.

7.7 Service Interruption

(A) In the event of any interruption, cessation, or failure of Landlord to provide any of the "Essential Services" (hereinafter defined) required to be provided by Landlord under this Lease ("Service Interruption") that results in the Premises or any portion thereof being unfit for Tenant's normal business operations for the Permitted Uses for more than seven (7) full and consecutive Business Days, then Annual Fixed Rent and all Additional Rent (or a just and proportionate part thereof in the event the Service Interruption affects less than all of the Premises) shall be abated commencing on the eighth (8th) Business Day following the occurrence of the Service Interruption and continuing for the duration of the Service Interruption. Landlord shall use reasonable efforts to restore or provide the affected Essential Services as soon as practicable. Notwithstanding anything herein contained to the contrary, Landlord shall not have any responsibility for the repair or replacement of, or any obligation under this Lease for, any transformers or other electrical equipment, lines and appurtenances of the electric service provider or supplier whether located in, on or off the site, the Building or elsewhere (collectively "Equipment of Utility Providers and Suppliers"). Further, provided Landlord has used reasonable efforts to restore the affected Essential Services, in no event shall any of the events referred to in this Section give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial eviction from the Premises. The

"Essential Services" consist of the following in the manner provided in the Lease; (i) the electric, heating, ventilating, air-conditioning of the building (excluding (a) any supplemental additional services or equipment installed by or for Tenant and (b) Equipment of Utility Providers and Suppliers) and (ii) all elevator service in the Building. Item (i) above with such exclusions is sometimes called "HVAC and Electrical Service and Equipment of Landlord".

(B) In the case of any Service Interruption continuing (without being restored) for six (6) months after the date of said interruption or suspension and in the case of an interruption or suspension of the "HVAC and Electrical Service and Equipment of Landlord", more than twenty-five percent (25%) of the Rentable Floor Area of the Premises is directly affected, then Tenant shall have the right to terminate this Lease by giving written notice to Landlord and the holder of any mortgage on the Building of Tenant's desire to do so within thirty (30) days after the expiration of said six (6) month period (time being of the essence) and upon the giving of such written notice, the Term of this Lease shall cease and come to an end without further liability or obligation on the part of either party unless, within forty-five (45) days after Landlord's and said mortgage holder's receipt of such written notice, the Essential Services And Systems so interrupted or suspended shall be restored in which case Tenant's notice of termination shall be null and void.

The provisions of this subparagraph (B) shall not apply in the case of damage caused by any fire or other casualty or damage caused as a result of any taking under the power of eminent domain, Tenant acknowledging and agreeing that the provisions of Article VI of this Lease shall exclusively control and govern in the case of fire, other casualty or taking under the power of eminent domain.

(C) However, Landlord reserves the right to stop any service or utility system, when necessary by reason of accident or emergency, or until necessary repairs have been completed; provided, however, that in each instance of stoppage, (i) Landlord shall exercise reasonable diligence to eliminate the cause thereof, (ii) except in case of emergency repairs, Landlord shall give Tenant reasonable advance notice of any contemplated stoppage, and (iii) Landlord shall use reasonable efforts to avoid unnecessary inconvenience to Tenant by reason thereof.

ARTICLE VIII

Tenant's Repairs

8.1 Tenant's Repairs and Maintenance

Tenant covenants and agrees that, from and after the date that possession of the Premises is delivered to Tenant and until the end of the Lease Term, Tenant will keep the Premises in neat and clean and maintain the Premises in good order, condition and repair as exists

as of the Commencement Date, excepting only reasonable wear and tear, or those repairs, replacements and maintenance for which Landlord is responsible under the terms of Article VII of this Lease and damage by fire or casualty and as a consequence of the exercise of the power of eminent domain. Tenant shall not permit or commit any waste, and Tenant shall be responsible for the cost of repairs which may be made necessary by reason of damage to common areas in the Building, to any other building located within the Development Area caused by Tenant, Tenant's agents, contractors, employees, sublessees, licensees, concessionaires or invitees. Tenant shall maintain all its equipment, furniture and furnishings in good order and repair.

If repairs are required to be made by Tenant pursuant to the terms hereof, Landlord may demand that Tenant make such repairs forthwith, and if Tenant refuses or neglects to commence such repairs within thirty (30) days (or, in the case of a condition presenting danger to persons or property, as soon as possible) and complete such repairs with reasonable diligence and continuity after such demand, Landlord may (but shall not be required to do so) make or cause such repairs to be made and shall not be responsible to Tenant for any loss or damage that may accrue to Tenant's stock or business by reason thereof; provided, however, that if there shall not then exist an Event of Default, Landlord shall give Tenant reasonable advance notice of Landlord's intention to enter the Premises and make such repairs and shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises. If Landlord makes or causes such repairs to be made, Tenant agrees that Tenant will within thirty (30) days after receiving a written demand, pay to Landlord as Additional Rent the cost of such repairs together with interest thereon at the rate specified in Section 16.21, and if Tenant shall default in such payment, Landlord shall have the remedies provided for non-payment of rent or other charges payable hereunder.

ARTICLE IX

Alterations

9.1 Landlord's Approval

Tenant covenants and agrees not to make alterations, additions or improvements to the Premises, whether before or during the Lease Term, except in accordance with plans and specifications therefor first approved by Landlord in writing, which approval shall not be unreasonably withheld or delayed; provided, however, that Tenant may, without obtaining Landlord's approval, make alterations, additions, or improvements, which (i) do not affect the structure of the Premises or the Building, (ii) have no adverse effect on the heating, ventilating, air-conditioning, plumbing, electrical, elevator, mechanical, sprinkler, life-safety and other systems and equipment of the Building, and (iii) do not cost in excess of $10,000 in any single instance or more than $30,000.00 in the aggregate. Landlord shall not be deemed unreasonable:

(a) for withholding approval of any alterations, additions or improvements which (i) in Landlord's reasonable opinion might adversely affect any

structural or exterior element of the Building or adversely affect any area or element outside of the Premises or any facility or base building mechanical system serving any area of the Building outside of the Premises, or (ii) involve or affect the exterior design, size, height or other exterior dimensions of the Building, or (iii) enlarge the Rentable Floor Area of the Premises, or (iv) are inconsistent, in Landlord's judgment, with alterations satisfying Landlord's standards for new alterations in the Building, or (v) will require unusual expense to readapt the Premises to normal office use upon Lease termination or expiration or increase the cost of construction or of insurance or taxes on the Building or of the services provided by Landlord herein unless Tenant first gives assurance acceptable to Landlord for payment of such increased cost and that such readaptation will be made prior to termination and or expiration without expense to Landlord; or

(b) for making its approval conditional on Tenant's agreement to restore the Premises to its condition prior to such alteration, addition, or improvement at the expiration or earlier termination of the Lease Term.

Landlord's review and approval of any such plans and specifications and consent to perform work described therein shall not be deemed an agreement by Landlord that such plans, specifications and work conform with applicable Legal Requirements and requirements of insurers of the Building and the other requirements of the Lease with respect to Tenant's insurance obligations (herein called "Insurance Requirements") nor deemed a waiver of Tenant's obligations under this Lease with respect to applicable Legal Requirements and Insurance Requirements nor impose any liability or obligation upon Landlord with respect to the completeness, design sufficiency or compliance of such plans, specifications and work with applicable Legal Requirements and Insurance Requirements. Further, Tenant acknowledges that Tenant is acting for its own benefit and account, and that Tenant shall not be acting as Landlord's agent in performing any work in the Premises, accordingly, no contractor, subcontractor or supplier shall have a right to lien Landlord's interest in the Property in connection with any such work. Within thirty (30) days after receipt of an invoice from Landlord, Tenant shall pay to Landlord as a fee for Landlord's review of any work or plans (excluding any review respecting initial improvements performed pursuant to Section 4.1 hereof for which a fee has previously been paid but including any review of plans or work relating to any assignment or subletting), as Additional Rent, an amount equal to the sum of: (i) $1,500.00, plus (ii) reasonable third party expenses incurred by Landlord to review Tenant's plans and Tenant's work.

9.2 Conformity of Work

Tenant covenants and agrees that any alterations, additions, improvements or installations

made by it to or upon the Premises shall be done in a good and workmanlike manner and in compliance with all applicable Legal Requirements and Insurance Requirements now or hereafter in force, that materials of first and otherwise good quality shall be employed therein, that the structure of the Building shall not be endangered or impaired thereby and that the Premises shall not be diminished in value thereby.

9.3 Performance of Work, Governmental Permits and Insurance.

All of Tenant's alterations and additions and installation of furnishings shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or Site or interfere with Building construction or operation and, except for installation of furnishings, shall be performed by Landlord's general contractor or by contractors or workers first approved by Landlord, which approval shall not be unreasonably withheld, delayed or conditioned. Except for work by Landlord's general contractor, Tenant shall procure all necessary governmental permits before making any repairs, alterations, other improvements or installations. Tenant agrees to save harmless and indemnify Landlord from any and all injury, loss, claims or damage to any person or property to the extent occasioned by or arising out of the doing of any such work whether the same be performed prior to or during the Term of this Lease, except to the extent such injury, loss, claims or damages arise out of the negligence or willful misconduct of Landlord, its agents, employees, contractors or invitees. At Landlord's election, Tenant shall cause its contractor to maintain a payment and performance bond in such amount and with such companies as Landlord shall reasonably approve. In addition, Tenant shall cause each contractor to carry worker's compensation insurance in statutory amounts covering the employees of all contractors and subcontractors, and commercial general liability insurance or comprehensive general liability insurance with a broad form comprehensive liability endorsement with such limits as Landlord may require reasonably from time to time during the Term of this Lease, but in no event less than the minimum amount of commercial general liability insurance or comprehensive general liability insurance Tenant is required to maintain as set forth in Section 1.2 hereof and as the same may be modified as provided in Section 13.2 hereof (all such insurance to be written in companies approved reasonably by Landlord and insuring Landlord, Landlord's managing agent and Tenant as additional insured's as well as contractors) and to deliver to Landlord certificates of all such insurance. Tenant shall also prepare and submit to Landlord a set of as-built plans, in both print and electronic forms, showing such work performed by Tenant to the Premises promptly after any such alterations, improvements or installations are substantially complete and promptly after any wiring or cabling for Tenant's computer, telephone and other communications systems is installed by Tenant or Tenant's contractor. Without limiting any of Tenant's obligations hereunder, Tenant shall be responsible, as Additional Rent, for the costs of any alterations, additions or improvements in or to the Building that are required in order to comply with Legal Requirements as a result of any work performed by Tenant. Landlord shall have the right to provide rules and regulations relative to the performance of any alterations, additions, improvements and installations by Tenant hereunder and Tenant shall abide by all such

reasonable rules and regulations and shall cause all of its contractors to so abide including, without limitation, payment for the costs of using Building services. Landlord shall use reasonable efforts in applying and enforcing such rules and regulations in a non-discriminatory manner. Tenant acknowledges and agrees that Landlord shall be the owner of any additions, alterations and improvements in the Premises or the Building to the extent paid for by Landlord.

9.4 Liens

Tenant covenants and agrees to pay promptly when due the entire cost of any work done on the Premises by Tenant, its agents, employees or contractors, and not to cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Premises or the Building or the Site and to discharge by payment of bond or otherwise any such liens which may so attach within ten (10) business days of Tenant receiving written notice of such liens.

9.5 Nature of Alterations

All work, construction, repairs, alterations, other improvements or installations made to or upon the Premises (including, but not limited to, the construction performed by Landlord under Article IV), shall become part of the Premises and shall become the property of Landlord and remain upon and be surrendered with the Premises as a part thereof upon the expiration or earlier termination of the Lease Term, except as follows:

(a) All trade fixtures whether by law deemed to be a part of the realty or not, installed at any time or times by Tenant or any person claiming under Tenant shall remain the property of Tenant or persons claiming under Tenant and may be removed by Tenant or any person claiming under Tenant at any time or times during the Lease Term or any occupancy by Tenant thereafter and shall be removed by Tenant at the expiration or earlier termination of the Lease Term if so requested by Landlord. Tenant shall repair any damage to the Premises occasioned by the removal by Tenant or any person claiming under Tenant of any such property from the Premises.

(b) At the expiration or earlier termination of the Lease Term, unless otherwise agreed in writing by Landlord, Tenant shall remove (i) any wiring for Tenant's computer, telephone and other communication systems and equipment whether located in the Premises or in any other portion of the Building, including all risers (collectively called "Wiring and Cables") installed by or for Tenant after the Date of this Lease provided, however, that Tenant shall not be obligated to remove any Wiring and Cables in the Premises (or elsewhere) in the Building existing on the Date of this Lease and (ii) any alterations, additions and improvements made with Landlord's consent during the Lease Term for which such removal was made a

condition of such consent under Section 9.1 (b), and (iii) any alterations, additions and improvements made with Landlord's consent during the Lease Term which Tenant reserved a right to remove at the time Tenant requested Landlord's consent to such alterations, additions and improvements. Upon such removal Tenant shall restore the Premises to their condition prior to such alterations, additions and improvements and repair any damage occasioned by such removal and restoration, reasonable wear and tear excepted.

(c) If Tenant shall make any alterations, additions or improvements to the Premises for which Landlord's approval is required under Section 9.1 without obtaining such approval, then at Landlord's request at any time during the Lease Term, and at any event at the expiration or earlier termination of the Lease Term, Tenant shall remove such alterations, additions and improvements and restore the Premises to their condition prior to same and repair any damage occasioned by such removal and restoration, reasonable wear and tear excepted. Nothing herein shall be deemed to be a consent to Tenant to make any such alterations, additions or improvements, the provisions of Section 9.1 being applicable to any such work.

9.6 Increases in Taxes

Tenant shall pay, as Additional Rent, one hundred percent (100%) of any increase in real estate taxes on the Property which shall, at any time after the Commencement Date, result from alterations, additions or improvements to the Premises made by Tenant if the taxing authority specifically determines such increase results from such alterations, additions or improvements made by Tenant.

ARTICLE X

Parking

10.1 Parking Privileges

Reference is made to the fact that affiliates of Landlord have constructed three (3) parking garages (hereinafter the "Garage" or the "Garages") within the Development Area shown on Exhibit F to serve the Building and other buildings constructed or to be constructed by Landlord or affiliates of Landlord within the Development Area. The existing Garage, with vehicular entrances from the south side of Broadway and the east side of Ames Street, is also sometimes hereinafter referred to as the "East Garage." The existing Garage, located on Parcel 2 of the Development Area with vehicular entrances from the north side of Broadway and the south side of Binney Street is also sometimes hereinafter referred to as the "North Garage." The existing Garage located on Parcel 3 of the Development Area with vehicular entrances from the west side of Ames Street and

the east side of Galileo Galilei Way, is also sometimes hereinafter referred to as the "West Garage". Landlord shall provide to Tenant monthly parking privileges in one or more of the Garages in number not to exceed parking for one and one half (1 1/2) passenger automobiles for each 1,000 square feet of Rentable Floor Area of the Premises (the "Parking Formula") for the parking of motor vehicles in unreserved stalls in one or more of the Garages by Tenant's employees commencing on the Commencement Date of the Lease Term. Such parking privileges may be shifted from time to time among the Garages by notice from Landlord; provided however that parking shall be provided in the East Garage for no less than two thirds (2/3rds) of the total number of automobiles for which Tenant elects to have parking privileges pursuant to this Section 10.1. Within thirty (30) days after the date of execution of this Lease, Tenant shall notify Landlord of the number of parking spaces which Tenant desires be made available in the Garage(s) for its use in accordance with this Section ("Tenant's Initial Election"). In the event that the Rentable Floor Area of the Premises decreases at any time during the Lease Term, the number of parking privileges provided to Tenant hereunder shall be reduced proportionately. If, in Tenant's Initial Election, Tenant elects less than the total number of parking spaces it is entitled to based on the Parking Formula, Tenant shall have the right, by written notice to Landlord given not later than sixty (60) days following Tenant's Initial Election (time being of the essence), to add such additional number of parking spaces as it desires so long as it does not exceed such Parking Formula. However, in no event shall Tenant have any right to (i) add any spaces after the aforesaid 60 day period (the "Spaces Added Within the 60 Day Period") nor (ii) the right to reduce either the initial number of parking spaces elected or the additional parking spaces elected except only as provided in the next sentence. Further, by written notice given to Landlord not later than one (1) year following Tenant's Initial Election of the number of parking spaces (time being of the essence), Tenant shall have the right to reduce the number of parking spaces by no more than 25% of the number of parking spaces set forth in Tenant's Initial Election (as same may have been increased by the Spaces Added Within the 60 Day Period), such reduction to take effect on the 30th day following Landlord's receipt of Tenant's notice.

10.2 Parking Charges

Tenant shall pay for parking privileges in Garages at prevailing monthly rates from time to time charged by the operator or operators of Garages, whether or not such operator is an affiliate of Landlord. Such monthly parking charges for parking privileges in the Garage or Garages shall constitute Additional Rent and shall be payable monthly as directed by Landlord upon billing therefor by Landlord or such operator. Tenant acknowledges that said monthly charges to be paid under this Section are for the use by the Tenant of the parking privileges referred to herein, and not for any other service. Tenant shall be responsible for payment of parking privileges for only that number of parking spaces which Tenant has notified Landlord it desires to use, which number of parking spaces Landlord acknowledges may increase as provided in Section 10.1 above.

10.3 Garage Operation

Unless otherwise determined by Landlord, each Garage is to be operated on a self-parking basis, and Tenant shall be obligated to park and remove its own automobiles. Tenant's parking shall be on an unreserved basis, Tenant having the right to park in any available stalls. Tenant's access and use privileges with respect to the Garage shall be in accordance with regulations of uniform applicability to the users of the Garage from time to time established by Landlord or the operator of the Garage. Tenant shall receive one (1) identification sticker or pass and one (1) magnetic card so-called, or other suitable device providing access to the Garage, for each parking privilege paid for by Tenant. Tenant shall supply Landlord with an identification roster listing, for each identification sticker or pass, the name of the employee and the make, color and registration number of the vehicle to which it has been assigned, and shall provide a revised roster to Landlord monthly indicating changes thereto. Any automobile found parked in the Garage during normal business hours without appropriate identification will be subject to being towed at said automobile owner's expense. The parking privileges granted herein are non-transferable (other than to a permitted assignee or subtenant pursuant to the applicable provisions of Article XII hereof). The door of the Garage will be open during normal business hours except during periods of severe inclement or cold weather. For periods during which an attendant is not on duty at the Garage entrance or when the door to the Garage is closed, or at any other periods as may from time to time be stipulated by the Garage Operator in accordance with its regulations, including normal business hours, the magnetic cards furnished to Tenant shall be used by Tenant to gain access to and egress from the Garage for motor vehicles.

10.4 Limitations

Tenant agrees that it and all persons claiming by, through and under it, shall at all times abide by all reasonable rules and regulations promulgated by Landlord or the operator of the parking facilities with respect to the use of the Garage or such on-grade parking facilities as may be provided by Landlord within the Development Area. Landlord shall use reasonable efforts to apply such rules in a uniform basis except as may otherwise be provided in other leases. Except to the extent of gross negligence or willful acts, neither the Landlord nor the operator of such parking facilities assumes any responsibility whatsoever for loss or damage due to fire or theft or otherwise to any automobile or to any personal property therein, however caused, and Tenant agrees, upon request from the Landlord, from time to time, to notify its officers, employees and agents then using any of the parking privileges provided for herein, of such limitation of liability. Tenant further acknowledges and agrees that a license only is hereby granted, and no bailment is intended or shall be created.

10.5 Interim On-Grade Parking

Notwithstanding the references to Garages in this Article X, Tenant acknowledges that, from time to time, Landlord may satisfy the requirements of providing Tenant with

parking hereunder (except for parking called for as to be provided in the East Garage) by providing such parking in on-grade parking lots within the Development Area, in which case such parking shall be paid for in accordance with the prevailing monthly rate from time to time charged by the operator or operators of such lots, whether or not such operator is an affiliate of Landlord, and in all other respects in accordance with the terms and conditions of this Article X.

ARTICLE XI

Certain Tenant Covenants

Tenant covenants and agrees to the following during the Lease Term and for such further time as Tenant occupies any part of the Premises:

11.1 To pay when due all Annual Fixed Rent and Additional Rent and, as further Additional Rent, all charges for additional and special services rendered pursuant to Section 7.3.

11.2 To use and occupy the Premises for the Permitted Use only, and not to injure or deface the Premises or the Property, not to permit in the Premises any auction sale, vending machine (except no more than two (2) vending machines for the exclusive use of Tenant's employees, agents, contractors or invitees) or flammable fluids or chemicals (except customary quantities of ordinary office and cleaning supplies), or nuisance, or the emission from the Premises of any objectionable noise or odor, nor to permit in the Premises anything which would in any way result in the leakage of fluid or the growth of mold, and not to use or devote the Premises or any part thereof for any purpose other than the Permitted Uses, nor any use thereof which is inconsistent with the maintenance of the Building as an office building of the first-class in the quality of its maintenance, use and occupancy, or which is improper, offensive, contrary to law or ordinance or liable to invalidate or increase the premiums for any insurance on the Building or its contents or liable to render necessary any alteration or addition to the Building. Further, (i) Tenant shall not, nor shall Tenant permit its employees, invitees, agents, independent contractors, contractors, assignees or subtenants to, keep, maintain, store or dispose of (into the sewage or waste disposal system or otherwise) or engage in any activity which might produce or generate any substance which is or may hereafter be classified as a hazardous material, waste or substance (collectively "Hazardous Materials"), under federal, state or local laws, rules and regulations, including, without limitation, 42 U.S.C. Section 6901 et seq., 42 U.S.C. Section 9601 et seq., 42 U.S.C. Section 2601 et seq., 49 U.S.C. Section 1802 et seq. and Massachusetts General Laws, Chapter 21E and the rules and regulations promulgated under any of the foregoing, as such laws, rules and regulations may be amended from time to time (collectively "Hazardous Materials Laws"); provided, however, that Tenant shall have the right to use customary quantities of ordinary office and cleaning supplies in connection with the Permitted Use. However, Tenant and its employees, invitees, agents, contractors, assignees and subtenants shall keep, maintain, store and dispose of such office and cleaning supplies in accordance with all applicable

Legal Requirements (including Hazardous Materials Laws) (ii) Tenant shall immediately notify Landlord of any incident in, on or about the Premises, the Building or the Site that would require the filing of a notice under any Hazardous Materials Laws, (iii) Tenant shall comply and shall cause its employees, invitees, agents, independent contractors, contractors, assignees and subtenants to comply with Hazardous Materials Laws applicable to Tenant's particular use of the Premises, and (iv) upon reasonable advance notice to Tenant and provided Landlord shall use reasonable efforts to avoid material interference with Tenant's use and occupancy, Landlord shall have the right to make such inspections (including testing) as Landlord shall elect from time to time to determine that Tenant is complying with this Section 11.2.

11.3 Not to obstruct in any manner any portion of the Building not hereby leased or any portion thereof or of the Site used by Tenant in common with others; not without prior consent of Landlord to permit the painting or placing of any signs, curtains, blinds, shades, awnings, aerials or flagpoles, or the like, visible from outside the Premises; and to comply with all reasonable rules and regulations now or hereafter made by Landlord, of which Tenant has been given notice, for the care and use of the Building and the Site and their facilities and approaches, but Landlord shall not be liable to Tenant for the failure of other occupants of the Building to conform to such rules and regulations, provided such rules and regulations are enforced uniformly and in a non-discriminatory manner.

11.4 To keep the Premises equipped with all safety appliances required by law or ordinance or any other regulation of any public authority because of any use made by Tenant other than normal office use, and to procure all licenses and permits so required because of any use made by Tenant other than normal office use, and if requested by Landlord to do any work so required because of such use, it being understood that the foregoing provisions shall not be construed to broaden in any way Tenant's Permitted Use.

11.5 Not to place a load upon any floor in the Premises exceeding an average rate of 70 pounds of live load (including partitions) per square foot of floor area; and not to move any safe, vault or other heavy equipment in, about or out of the Premises except in such manner and at such time as Landlord shall in each instance authorize, which authorization shall not be unreasonably withheld, delayed or conditioned. Tenant's business machines and mechanical equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient to absorb and prevent vibration or noise that may be transmitted to the Building structure or to any other space in the Building.

11.6 To pay promptly when due all taxes which may be imposed upon personal property (including, without limitation, fixtures and equipment) in the Premises to whomever assessed.

11.7 To pay, as Additional Rent, all reasonable costs, counsel and other fees incurred by Landlord in connection with the successful enforcement by Landlord of any obligations of Tenant under this Lease or in connection with any bankruptcy case involving Tenant or any guarantor.

11.8 Not to do or permit anything to be done in or upon the Premises, or bring in anything or keep anything therein, which shall increase the rate of insurance on the Premises or on the Building above the standard rate applicable to premises being occupied for the use to which Tenant has agreed to devote the Premises; and Tenant further agrees that, in the event that Tenant shall do any of the foregoing, Tenant will promptly pay to Landlord, on demand, any such increase resulting therefrom, which shall be due and payable as Additional Rent hereunder.

11.9 To comply with all applicable Legal Requirements now or hereafter in force which shall impose a duty on Landlord or Tenant relating to or as a result of Tenant's particular use of the Premises; provided that Tenant shall not be required to make any alterations or additions to the structure, roof, exterior and load bearing walls, foundation, structural floor slabs and other structural elements of the Building unless the same are required by such Legal Requirements as a result of or in connection with Tenant's particular use of the Premises beyond normal use for the Permitted Use. Tenant shall promptly pay all fines, penalties and damages that may arise out of or be imposed because of its failure to comply with the provisions of this Section 11.9.

11.10 Any vendors engaged by Tenant to perform services in or to the Premises including, without limitation, janitorial contractors and moving contractors shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or the Property or interfere with Building construction or operation and shall be performed by vendors first approved by Landlord.

11.11 As an inducement to Landlord to enter into this Lease, Tenant hereby represents and warrants that: (i) Tenant is not, nor is it owned or controlled directly or indirectly by, any person, group, entity or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC") pursuant to Executive Order 13224 or any similar list or any law, order, rule or regulation or any Executive Order of the President of the United States as a terrorist, "Specially Designated National and Blocked Person" or other banned or blocked person (any such person, group, entity or nation being hereinafter referred to as a "Prohibited Person"); (ii) Tenant is not (nor is it owned, controlled, directly or indirectly, by any person, group, entity or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) from and after the effective date of the above-referenced Executive Order, Tenant (and any person, group, or entity which Tenant controls, directly or indirectly) has not conducted nor will conduct business nor has engaged nor will engage in any transaction or dealing with any Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises or the making or receiving of any contribution of funds, goods or services to or for the benefit of a Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Tenant of the foregoing

representations and warranties shall be deemed an Event of Default by Tenant under Section 15.1(d) of this Lease and shall be covered by the indemnity provisions of Section 13.1 below, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease.

11.12 In order to reduce peak-hour trip generation of employees within the Development Area, Landlord encourages all employers at the Building to adopt flexible work schedules for their employees and to participate in transportation programs designed to encourage the use of mass transit by persons working in the Boston area. For example, numerous greater Boston companies provide subsidies for the purchase by the employees of monthly transit passes through the Corporate Pass Program of the Massachusetts Bay Transit Authority with subsidies ranging from 10% to 100% of the cost of the transit pass. The provision of transit pass subsidies may also offer certain benefits to employers under tax law. Landlord encourages all employers at the Building to participate in programs of this nature and to inform their employees of the benefits of using monthly transit.

ARTICLE XII

Assignment and Subletting

12.1 Restrictions on Transfer

Except as otherwise expressly provided herein, Tenant covenants and agrees that it shall not assign, mortgage, pledge, hypothecate or otherwise transfer this Lease and/or Tenant's interest in this Lease or sublet (which term, without limitation, shall include granting of concessions, licenses or the like) the whole or any part of the Premises. Any assignment, mortgage, pledge, hypothecation, transfer or subletting not expressly permitted in or consented to by Landlord under this Article XII shall be void, ab initio; shall be of no force and effect; and shall confer no rights on or in favor of third parties. In addition, Landlord shall be entitled to seek specific performance of or other equitable relief with respect to the provisions hereof.

12.2 Exceptions for Parent or Subsidiary

Notwithstanding the foregoing provisions of Section 12.1 above and the provisions of Section 12.4 below, but subject to the provisions of Sections 12.5, 12.6 and 12.7 below, Tenant shall have the right to assign this Lease or to sublet the Premises (in whole or in part) to (i) any corporation or other entity which, directly or indirectly, controls Tenant or is controlled by Tenant or is under common control with Tenant, or (ii) any successor to Tenant by merger, consolidation or operation of law; or (iii) any corporation or other entity to whom all or substantially all of Tenant's assets are conveyed; provided that the corporation or other entity to which this Lease is so assigned or which so sublets the Premises has a credit worthiness (e.g. assets on a pro forma basis using generally accepted accounting principles consistently applied and using the most recent financial statements)

which is the same or better than the Tenant as of the Date of this Lease. If any parent or subsidiary corporation of Tenant to which this Lease is assigned or the Premises sublet (in whole or in part) shall cease to be such a parent or subsidiary corporation, such cessation shall be considered an assignment or subletting requiring Landlord's consent.

12.3 Landlord's Termination Right - Assignment

(A) Notwithstanding the provisions of Section 12.1 above, in the event Tenant desires to assign this Lease, Tenant shall give Landlord a written notice advising Landlord that Tenant desires to assign this Lease ("Tenant's Initial Assignment Notice"). Tenant's Initial Assignment Notice need not set forth any information required by the first paragraph of Section 12.5 hereof. Landlord shall have the right, at its sole option, to be exercised by written notice to Tenant within thirty (30) days after receipt of Tenant's Initial Assignment Notice (the "Acceptance Period"), to terminate this Lease as of a date specified by Landlord in a notice to Tenant, which date shall not be earlier than sixty (60) days nor later than one hundred and twenty (120) days after Landlord's notice to Tenant (the "Termination Date"). If Landlord exercises such right by delivering a timely written notice of such exercise to Tenant, the Lease shall terminate as of the Termination Date, and all obligations of Landlord and Tenant under this Lease relating to the period after such Termination Date (but not those relating to the period before such Termination Date) shall cease and promptly upon being billed therefor by Landlord, Tenant shall make final payment of all Annual Fixed Rent and Additional Rent due from Tenant through the Termination Date.

(B) In the event Landlord shall not exercise its termination right as provided in Section 12.3 (A) above, and if following the expiration of the Acceptance Period Tenant still desires to assign this Lease, then Tenant shall give Landlord a "Proposed Transfer Notice" (as defined in Section 12.5 below) respecting the assignment of this Lease and thereupon the provisions of Section 12.3.1 and Sections 12.5 through 12.7 shall be applicable. However, notwithstanding the foregoing, or anything contained in Sections 12.3.1 or 12.5 through 12.7, if Tenant shall not give to Landlord such a Proposed Transfer Notice within thirty (30) days following the expiration of Acceptance Period, the provisions of Section 12.3(A) shall once again apply.

(C) This Section 12.3 shall not be applicable to an assignment pursuant to Section 12.2 but Section 12.5 shall apply to assignments under Section 12.2 as provided in Section 12.5.

12.3.1 Consent of Landlord - Assignment

Notwithstanding the provisions of Section 12.1 above, but subject to the provisions of this Section 12.3.1 and the provisions of Sections 12.5, 12.6 and 12.7 below, in the event that Landlord shall not have exercised the termination right as set forth in Section 12.3, or shall have failed to give any or timely notice under Section 12.3(A), then for a period of ninety (90) days (i) after the receipt of Landlord's notice stating that Landlord does not

elect the termination right, or (ii) after the expiration of the Acceptance Period, in the event Landlord shall not give any or timely notice under Section 12.3 as the case may be, Tenant shall have the right to assign this Lease in accordance with the Proposed Transfer Notice provided that, in each instance, Tenant first obtains the express prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Without limiting the foregoing standard, Landlord shall not be deemed to be unreasonably withholding its consent to such a proposed assignment if:

(a) the proposed assignee (i) is a tenant in the Building or elsewhere in the Development Area and Landlord (or an affiliate of Landlord) has space which meets such proposed assignee's space size and term requirements in the Building or elsewhere in the Development Area or (ii) is in active negotiation with Landlord or an affiliate of Landlord for premises in the Building or elsewhere in the Development Area or (iii) is not of a character consistent with the operation of a first class office building (by way of example Landlord shall not be deemed to be unreasonably withholding its consent to an assignment to any governmental or quasi-governmental agency), or

(b) the proposed assignee is not of good character and reputation, or

(c) the proposed assignee does not possess adequate financial capability to perform the Tenant obligations as and when due or required, or

(d) the assignee proposes to use the Premises (or part thereof) for a purpose other than the purpose for which the Premises may be used as stated in Section 1.2 hereof, or

(e) in Landlord's reasonable judgment, the character of the business to be conducted or the proposed use of the Premises by the proposed assignee shall (i) to increase Operating Expenses for the Property materially above that which Landlord then incurs for use by Tenant; (ii) increase materially the burden on elevators or other Building systems or equipment over the burden prior to such proposed subletting or assignment; or (iii) violate any provisions or restrictions contained herein relating to the use or occupancy of the Premises, or

(f) there shall be existing an Event of Default (defined in Section 15.1); or

(g) any part of the rent payable under the proposed assignment or shall be based in whole or in part on the income or profits derived from the proposed assignee's or proposed subtenant's operation in or use of Premises or if any proposed assignment shall potentially have material adverse effect on the real estate investment trust qualification requirements applicable to Landlord and its affiliates, or

12.4 Landlord's Termination Right - Subleasing

(A) Notwithstanding the provisions of Section 12.1 above, in the event Tenant desires to sublet the Premises (but in no event shall Tenant have any right under this Lease to sublet less than 10,000 square feet of Rentable Floor Area of the Premises other than as provided in Section 12.2), Tenant shall give Landlord a written notice ("Tenant's Initial Sublet Notice") advising Landlord that Tenant desires to sublet and specifying in reasonable detail the portion (or all) of the Premises Tenant desires to sublet but in no event less than 10,000 square feet of Rentable Floor Area of the Premises (the "Applicable Sublet Premises"). Tenant's Initial Sublet Notice need not set forth any information required by the first paragraph of Section 12.5 hereof other than identifying in reasonable detail the Applicable Sublet Premises Tenant desires to sublet. Landlord shall have the right at its sole option, to be exercised by written notice to Tenant within thirty (30) days after receipt of Tenant's Initial Sublet Notice (the "Acceptance Period"), to terminate this Lease as to such portion of the Premises then proposed to be sublet (herein called a "Terminated Portion of the Premises"). If Landlord exercises such right by delivering a timely written notice of such exercise to Tenant, then upon the termination date as set forth in Landlord's notice, all of Landlord's and Tenant's obligations as to the Terminated Portion of the Premises relating to the period after such termination date (but not those relating to the period before such termination date) shall cease and promptly upon being billed therefore by Landlord, Tenant shall make final payment of all Annual Fixed Rent and Additional Rent due from Tenant through the termination date provided, further, that this Lease shall remain in full force and effect as to the remainder of the Premises, except that from and after the termination date the Rentable Floor Area of the Premises shall be reduced to the rentable floor area of the remainder of the Premises and the definition of Rentable Floor Area of the Premises shall be so amended and after such termination all references in this Lease to the "Premises" or the "Rentable Floor Area of the Premises" shall be deemed to be references to the remainder of the Premises and accordingly Tenant's payments for Annual Fixed Rent, operating costs, real estate taxes and electricity and parking shall be reduced on a pro rata basis to reflect the size of the remainder of the Premises, and provided further that Tenant shall pay to Landlord, as Additional Rent, within thirty (30) days after demand the reasonable cost to separately demise the Terminated Portion of the Premises.

(B) In the event Landlord shall not exercise its termination right as provided in Section 12.4(A) above, and if following the expiration of the Acceptance Period Tenant still desires to sublet the Applicable Sublet Premises as described in Tenant's Initial Sublet Notice, then Tenant shall give Landlord a "Proposed Transfer Notice" (as defined in Section 12.5 below) but only as to the Applicable Sublet Premises and thereupon the provisions of Section 12.4.1 and Sections 12.5 through 12.7 shall be applicable. However, notwithstanding the foregoing, or anything contained in Sections 12.4.1 or 12.5 through 12.7, if Tenant shall not give to Landlord a Proposed Transfer Notice as to the Applicable Sublet Premises within thirty (30) days following the Acceptance Period, the provisions of Section 12.4(A) shall once again apply.

(C) This Section 12.4 shall not be applicable to an assignment or sublease pursuant to Section 12.2 but Section 12.5 shall apply to subleases under Section 12.2 as provided in Section 12.5

12.4.1 Subletting

Notwithstanding the provisions of Section 12.1 above, but subject to the provisions of this Section 12.4.1 and the provisions of Sections 12.5, 12.6 and 12.7 below, in the event that Landlord shall not have exercised the termination right as set forth in Section 12.3, or shall have failed to give any or timely notice under Section 12.3, then for a period of ninety (90) days (i) after the receipt of Landlord's notice stating that Landlord does not elect the termination right, or (ii) after the expiration of the Acceptance Period, in the event Landlord shall not give any or timely notice under Section 12.3 as the case may be, Tenant shall have the right to sublet (but not less than 10,000 square feet of Rentable Floor Area thereof) the Premises but only in accordance with the Proposed Transfer Notice provided that, in each instance, Tenant first obtains the express prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Without limiting the foregoing standard, Landlord shall not be deemed to be unreasonably withholding or conditioning its consent to such a proposed subleasing if:

(a) the proposed subtenant (i) is a tenant in the Building or elsewhere in the Development Area and Landlord (or an affiliate of Landlord) has space which meets such proposed subtenant's space size and term requirements in the Building or elsewhere in the Development Area or (ii) is in active negotiation with Landlord or an affiliate of Landlord for premises in the Building or elsewhere in the Development Area or (iii) is not of a character consistent with the operation of a first class office building (by way of example Landlord shall not be deemed to be unreasonably withholding its consent to an assignment or subleasing to any governmental or quasi-governmental agency), or

(b) the proposed subtenant is not of good character and reputation, or

(c) the proposed subtenant does not possess adequate financial capability to perform the Tenant obligations as and when due or required, or

(d) the subtenant proposes to use the Premises (or part thereof) for a purpose other than the purpose for which the Premises may be used as stated in Section 1.2 hereof, or

(e) in Landlord's reasonable judgment, the character of the business to be conducted or the proposed use of the Premises by the proposed subtenant or assignee shall (i) to increase Operating Expenses for the Property materially above that which Landlord then incurs for use by Tenant; (ii)

increase materially the burden on elevators or other Building systems or equipment over the burden prior to such proposed subletting or assignment; or (iii) violate any provisions or restrictions contained herein relating to the use or occupancy of the Premises, or

(f) there shall be existing an Event of Default (defined in Section 15.1); or

(g) any part of the rent payable under the proposed sublease shall be based in whole or in part on the income or profits derived from the proposed subtenant's operation in or use of Premises or if any proposed sublease shall potentially have material adverse effect on the real estate investment trust qualification requirements applicable to Landlord and its affiliates,

12.5 Tenant's Notice

Tenant shall give Landlord notice (the "Proposed Transfer Notice") of any proposed sublease or assignment, and said notice shall specify the provisions of the proposed assignment or subletting, including (a) the name and address of the proposed assignee or subtenant, (b) in the case of a proposed assignment or subletting pursuant to Section 12.3.1 or Section 12.4.1, as the case may be, such information as to the proposed assignee's or proposed subtenant's net worth and financial capability and standing as may reasonably be required for Landlord to make the determination referred to in Section 12.3.1 or Section 12.4.1, as the case may be, (provided, however, that Landlord shall hold and shall cause its agents, officers, accountants, attorneys and mortgage lenders to hold such information confidential, having the right to release such information only to its officers, accountants, attorneys and mortgage lenders who have agreed in writing to hold such information confidential), (c) all of the terms and provisions upon which the proposed assignment or subletting is to be made; provided, however, Tenant need only furnish a copy of a written letter of intent or other written proposal signed by Tenant and the prospective assignee or subtenant, (d) in the case of a proposed assignment or subletting pursuant to Section 12.3.1 or Section 12.4.1, as the case may be, all such other information as is reasonably necessary to make the determination referred to in Section 12.3.1 or Section 12.4.1, as the case may be, and (e) in the case of a proposed assignment or subletting pursuant to Section 12.2 above, such information as may be reasonably required by Landlord to determine that such proposed assignment or subletting complies with the requirements of said Section 12.2.

If Landlord shall consent to the proposed assignment or subletting pursuant to Section 12.3.1 or Section 12.4.1, as applicable (other than an assignment or sublease in accordance with Section 12.2 of this Lease for which Landlord's consent shall not be required), then, in such event, Tenant may thereafter sublease the Applicable Sublet Premises (identified in both Tenant's Initial Sublet Notice and the Tenant's Proposed Transfer Notice) pursuant to Tenant's Proposed Transfer Notice as given under Section 12.4. and this Section 12.5 or assign pursuant to Tenant's Proposed Transfer Notice, as given under Section 12.3. and this Section 12.5; provided, however, that if such assignment or sublease shall not be executed and delivered to Landlord within ninety (90) days after the date of Landlord's consent, the consent shall be deemed null and void and the provisions of Section 12.3 or Section 12.4 shall again be applicable.

12.6 Profit on Subleasing or Assignment

In addition, in the case of any assignment or subleasing as to which Landlord may consent (other than an assignment or subletting permitted under Section 12.2 hereof) such consent shall be upon the express and further condition, covenant and agreement, and Tenant hereby covenants and agrees that, in addition to the Annual Fixed Rent, Additional Rent and other charges to be paid pursuant to this Lease, fifty percent (50%) of the "Assignment/Sublease Profits" (as hereinafter defined), if any, shall be paid to Landlord.

The "Assignment/Sublease Profits" shall be the excess, if any, of (a) the "Assignment/Sublease Net Revenues" as hereinafter defined over (b) the Annual Fixed Rent, Additional Rent and other charges provided in this Lease (provided, however, that for the purpose of calculating the Assignment/Sublease Profits in the case of a sublease, the applicable Annual Fixed Rent, Additional Rent and other charges under this Lease shall be pro-rated based on the percentage of the Rentable Floor Area of the Premises subleased and on the terms of the sublease). The "Assignment/Sublease Net Revenues" shall be the fixed rent and Additional Rent and all other charges and sums attributable to the assignment or subletting, as the case may be, payable by the assignee or sublessee to Tenant either initially or over the term of the sublease or assignment, less (i) the reasonable costs of Tenant incurred in such subleasing or assignment (including, without limitation, (i) third party brokerage commissions, legal fees and costs, expenses and (ii) allowance for alterations, improvement and installations in the Premises in connection with the assignment or subletting, the cost of which alterations, improvements and installations (or allowances therefor) shall be amortized in equal monthly installments over the term of the sublease or in the case of an assignment, the balance of the Term, as set forth in a statement certified by an appropriate officer of Tenant and delivered to Landlord within thirty (30) days of the full execution of the sublease or assignment document.

All payments of the Assignment/Sublease Profits due Landlord shall be made within ten (10) days of receipt of same by Tenant.

12.7 Additional Conditions

(A) It shall be a condition of the validity of any assignment of right under Section 12.2 above, or consented to under Section 12.3.1 above, that both Tenant and the assignee enter into a separate written instrument directly with Landlord in a form and containing terms and provisions reasonably satisfactory to Landlord to be bound by all the obligations of the Tenant under this Lease arising or accruing after the date of such assignment, including, without limitation, the obligation (a) to pay the Annual Fixed Rent, Additional Rent, and other amounts provided for under this Lease, and (b) to

comply with the provisions of Sections 12.1 through 12.7 hereof. Such assignment shall not relieve the Tenant named herein of any of the obligations of the Tenant hereunder and Tenant shall remain fully and primarily liable therefor and the liability of Tenant and such assignee (or subtenant, as the case may be) shall be joint and several. Further, and notwithstanding the foregoing, the provisions hereof shall not constitute a recognition of the sublease or the subtenant thereunder and at Landlord's option, upon the termination or expiration of the Lease (whether such termination is based upon a cause beyond Tenant's control, a default of Tenant, the agreement of Tenant and Landlord or any other reason), the sublease shall be terminated.

(B) As Additional Rent, Tenant shall pay to Landlord as a fee for Landlord's review of any proposed assignment or sublease requested by Tenant and the preparation of any associated documentation in connection therewith, within thirty (30) days after receipt of an invoice from Landlord, an amount equal to the sum of (i) $1,000.00 and/or (ii) reasonable out of pocket legal fees or other expenses incurred by Landlord in connection with such request, not in excess of $2,500.00 for any single transaction.

(C) If this Lease be assigned, or if the Premises or any part thereof be sublet or occupied by anyone other than Tenant, Landlord may, at any time after an Event of Default, upon prior notice to Tenant, collect Annual Fixed Rent, Additional Rent, and other charges from the assignee, sublessee or occupant and apply the amount collected to the Annual Fixed Rent, Additional Rent and other charges herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or a waiver of the provisions of Sections 12.1 through 12.7 hereof, or the acceptance of the assignee, sublessee or occupant as a tenant or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained, the Tenant herein named to remain primarily liable under this Lease.

The consent by Landlord to an assignment or subletting under any of the provisions of Sections 12.2, 12.3.1 or 12.4.1 shall in no way be construed to relieve Tenant from complying with Sections 12.3 and 12.4 as to any further assignment or subletting or from obtaining the express consent in writing of Landlord to any further assignment or subletting.

Without limiting Tenant's obligations under Article IX, Tenant shall be responsible, at Tenant's sole cost and expense, for performing all work necessary to comply with Legal Requirements and Insurance Requirements in connection with any assignment or subletting hereunder including, without limitation, any work in connection with such assignment or subletting.

ARTICLE XIII

Indemnity And Commercial General Liability Insurance

13.1 Tenant's Indemnity

To the maximum extent this agreement may be made effective according to law, Tenant agrees to indemnify and save harmless Landlord and Landlord's managing agent, beneficiaries, partners, subsidiaries, officers, directors, agents and employees ("Landlord Parties") from and against all claims of whatever nature to the extent arising from (i) any breach of this Lease by Tenant or (ii) any act or negligence of Tenant, or Tenant's contractors, licensees, invitees, agents, servants, independent contractors or employees; (iii) any accident, injury or damage whatsoever caused to any person, or to the property of any person, occurring in the Premises after the date that possession of the Premises is first delivered to Tenant and until the end of the Lease Term and thereafter, provided that during any such period after the Lease Term Tenant or anyone acting by, through or under Tenant is in occupancy of the Premises or any portion thereof; or (iv) any accident, injury or damage occurring outside the Premises but within the Building, the Garage or on the Site, to the extent such accident, injury or damage results from the act or negligence on the part of Tenant or Tenant's contractors, licensees, invitees, agents, servants, independent contractors or employees; provided, however, Tenant shall have no obligation to indemnity and save Landlord harmless from and against all such claims to the extent arising from the act or negligence of Landlord, its contractors, licensees, invitees, agents, servants, independent contractors or employees.

Tenant shall also indemnify and hold Landlord harmless from and against all costs, expenses and liabilities incurred in or in connection with any claim for which Tenant is obligated to indemnity Landlord under this Section 13.1, or any proceeding brought on such claim, and the defense of any such claim.

13.2 Commercial General Liability Insurance

Tenant agrees to maintain in full force from the date upon the earlier of (i) the date on which Tenant first enters the Premises for any reason, or (ii) the Commencement Date throughout the Lease Term of this Lease, and thereafter, so long as Tenant is in occupancy of any part of the Premises, (a) a policy of commercial general liability insurance written on an occurrence basis (including coverages or endorsements for contractual liability, products/completed operations premises liability) under which Tenant is the named insured and Landlord and Landlord's managing agent (and such other persons as are in privity of estate with Landlord and Landlord's managing agent as may be designated by notice to Tenant from time to time) are named as additional

insureds, in the broadest form of such coverage from time to time available in the jurisdiction in which the Premises are located and (b) workers' compensation insurance and employers' liability insurance as may be required by applicable state law (the limits for workers' compensation being statutory limits and the coverage for employers' liability insurance being $1,000,000. Any policy which Tenant is required to maintain under this Lease shall be non-cancelable and non-amendable with respect to Landlord and Landlord's said designees without thirty (30) days' prior notice to Landlord, and a certificate of such insurance, in a form reasonably acceptable to Landlord, shall be delivered to Landlord. The minimum limits of liability of such insurance shall be as specified in Section 1.2 and from time to time during the Lease Term for such higher limits, if any, as are carried customarily in the Greater Boston Area with respect to similar properties. In addition, in the event Tenant hosts a function in the Premises, Tenant agrees to obtain and maintain, and cause any persons or parties providing services for such function to obtain, the appropriate insurance coverages as determined by Landlord (including liquor liability, if applicable) and provide Landlord with evidence of the same. All insurance required to be maintained by Tenant pursuant to this Lease shall be maintained with responsible companies qualified to do business, and in good standing, in the Commonwealth of Massachusetts and which have a rating of at least "A-" and are within a financial size category of not less than "Class VIII" in the most current Best's Key Rating Guide or such similar rating as may be reasonably selected by Landlord if such Guide is no longer published.

13.3 Tenant's Property Insurance

Tenant, at Tenant's expense, shall maintain at all times during the Term of the Lease business interruption insurance and insurance against loss or damage covered by so-called "all risk" type insurance coverage with respect to Tenant's fixtures, equipment, goods, wares and merchandise, and other personal property of Tenant (collectively "Tenant's Property"). Such insurance shall be in an amount at least equal to the full replacement cost of Tenant's Property. Tenant shall maintain all of its equipment, furniture and furnishings in good order and repair. In addition, during such time as Tenant is performing work in or to the Premises, Tenant, at Tenant's expense, shall also maintain builder's risk insurance for the full insurable value of such work.

13.3.1 Landlord's Insurance

Landlord shall carry at all times during the Term of this Lease (i) commercial general liability insurance with respect to the Building in an amount as determined by Landlord from time to time, (ii) insurance against loss or damage with respect to the Building covered by the so-called "all risk" type insurance coverage (including loss of rents as determined by Landlord) in an amount equal to at least the replacement value of the Building (provided, however, the determination as to whether or not and in what amounts to maintain coverage for terrorism, the decision as to the amount of the full replacement coverage for "all risk" type insurance coverage and the amount of the deductible shall all be in Landlord's sole discretion). Landlord may also maintain such other insurance as

may from time to time be required by a mortgagee holding a mortgage lien on the Building or as Landlord shall reasonably determine to be consistent with properties of the type similar to the Property. Further, Landlord may also maintain such insurance against loss of annual fixed rent and additional rent and such other risks and perils as Landlord deems proper. Any and all such insurance (i) may be maintained under a blanket policy affecting other properties of Landlord and/or its affiliated business organizations, (ii) may be written with deductibles as determined by Landlord and (iii) shall be subject to escalation reimbursement in accordance with Sections 7.4 and 7.5.

13.4 Non-Subrogation

Any insurance carried by either party with respect to the Premises or the Building or any property therein or occurrences thereon shall, if it can be so written without additional premium or with an additional premium which the other party agrees to pay, include a clause or endorsement denying to the insurer rights of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of injury or loss. Each party, notwithstanding any provisions of this Lease to the contrary, hereby waives any rights of recovery against the other for injury or loss due to hazards covered by such insurance (or which would have been covered had such party carried the insurance required to be carried by it under the Lease) to the extent of the indemnification received under such insurance policy. This waiver of rights by Tenant shall apply to, and be for the benefit of, the Landlord Parties.

13.5 Tenant's Risk

To the maximum extent that this agreement may be made effective according to law, Tenant agrees to use and occupy the Premises and to use such other portions of the Building, the Garage or Garages, the Site and the Development Area as Tenant is herein given the right to use at Tenant's own risk; and Landlord shall have no responsibility or liability for any loss of or damage to fixtures or other personal property of Tenant.

ARTICLE XIV

Fire, Casualty and Taking

14.1 Damage Resulting from Casualty

In case during the Lease Term the Building or the Site are damaged by fire or casualty, and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within two hundred and ten (210) days from the time that repair work would commence, Landlord may, at its election, terminate this Lease by notice given to Tenant within sixty (60) days after the date of such fire or other casualty, specifying the effective date of termination. Whether or not Landlord so terminates this Lease,

Landlord shall notify Tenant, in writing, of Landlord's reasonable estimate of the time required to complete any such damage to the Building. If Tenant's means of access to the Premises is damage by fire or casualty, and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within 210 days from the date of such fire or casualty as reasonably determined by Landlord according to such notification to Tenant, Tenant may, at its election, terminate this Lease written notice to Landlord within thirty (30) days of receiving such notification from Landlord, which notice shall specify the effective date of termination. If the Building is damaged by fire or other casualty, and if (x) the holder of any mortgage which includes the Building refuses to allow the net insurance proceeds to be applied to be applied to the restoration of the Building, or (y) Landlord reasonably determines that the net proceeds of insurance shall be insufficient to pay for the cost of restoring the Building and Landlord determines not to provide the insufficiency from its own or other sources, Landlord shall notify Tenant of such refusal or insufficiency in writing, whereupon Tenant may, at its election, terminate this Lease by notice given to Landlord, which notice shall specify the effective date of termination. The effective date of termination specified by Landlord or Tenant shall not be less than thirty (30) days nor more than forty-five (45) days after the date of notice of such termination. Unless terminated pursuant to the foregoing provisions, this Lease shall remain in full force and effect following any such damage subject, however, to the following provisions.

If the Building or the Site or any part thereof are damaged by fire or casualty and this Lease is not so terminated, or Landlord and Tenant have no right to terminate this Lease, and in either such case the holder of any mortgage which includes the Building as a part of the mortgaged premises or any ground lessor of any ground lease which includes the Site as part of the demised premises allows the net insurance proceeds to be applied to the restoration of the Building (and/or the Site), Landlord, promptly after such damage and the determination of the net amount of insurance proceeds available shall use due diligence to restore the Premises and the Building in the event of damage thereto (excluding Tenant's Property) into proper condition for use and occupation similar to that which existed before such damage and a just proportion of the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess according to the nature and extent of the injury to the Premises shall be abated from the date of casualty until the Premises shall have been put by Landlord substantially into such condition. Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repairs and restoration any amount in excess of the net insurance proceeds.

Where Landlord is obligated or otherwise elects to effect restoration of the Premises, unless such restoration is completed within one (1) year from the date of the casualty or taking, such period to be subject, however, to extension where the delay in completion of such work is due to Force Majeure, as defined hereinbelow, (but in no event beyond eighteen (18) months from the date of the casualty or taking), Tenant, as its sole and exclusive remedy, shall have the right to terminate this Lease at any time after the expiration of such one-year (as extended) period until the restoration is substantially completed, such termination to take effect as of the thirtieth (30th) day after the date of

receipt by Landlord of Tenant's notice, with the same force and effect as if such date were the date originally established as the expiration date hereof unless, within such thirty (30) day period such restoration is substantially completed, in which case Tenant's notice of termination shall be of no force and effect and this lease and the Lease Term shall continue in full force and effect. When used herein, "Force Majeure" shall mean any prevention, delay or stoppage due to governmental regulation, strikes, lockouts, acts of God, acts of war, terrorists acts, civil commotions, unusual scarcity of or inability to obtain labor or materials, labor difficulties, casualty or other causes reasonably beyond Landlord's control or attributable to Tenant's action or inaction.

14.2 Uninsured Casualty

Notwithstanding anything to the contrary contained in this Lease, if the Building or the Premises shall be substantially damaged by fire or casualty as the result of a risk not covered by the forms of casualty insurance at the time required to be maintained by Landlord and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within ninety (90) days from the time that repair work would commence, Landlord may, at its election, terminate the Term of this Lease by notice to Tenant given within sixty (60) days after such loss. If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

14.3 Rights Of Termination For Taking

If the Building, or such portion thereof as to render the balance (if reconstructed to the maximum extent practicable in the circumstances) unsuitable for Tenant's purposes, shall be taken by condemnation or right of eminent domain, Landlord or Tenant shall have the right to terminate this Lease by notice to the other of its desire to do so, provided that such notice is given not later than thirty (30) days after Tenant has been deprived of possession. If either party shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Further, if so much of the Building shall be so taken that continued operation of the Building would be uneconomic, Landlord shall have the right to terminate this Lease by giving notice to Tenant of Landlord's desire to do so not later than thirty (30) days after Tenant has been deprived of possession of the Premises (or such portion thereof as may be taken). If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Should any part of the Premises be so taken or condemned during the Lease Term hereof, and should this Lease not be terminated in accordance with the foregoing provisions, and the holder of any mortgage which includes the Premises as part of the mortgaged

premises or any ground lessor of any ground lease which includes the Site as part of the demised premises allows the net condemnation proceeds to be applied to the restoration of the Building, Landlord agrees that after the determination of the net amount of condemnation proceeds available to Landlord, Landlord shall use due diligence to put what may remain of the Premises into proper condition for use and occupation as nearly like the condition of the Premises prior to such taking as shall be practicable (excluding Tenant's Property). Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repair and restoration any amount in excess of the net condemnation proceeds made available to it.

If the Premises shall be affected by any exercise of the power of eminent domain and neither Landlord nor Tenant shall terminate this Lease as provided above, then the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess shall be justly and equitably abated and reduced according to the nature and extent of the loss of use thereof suffered by Tenant; and in case of a taking which permanently reduces the Rentable Floor Area of the Premises, a just proportion of the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess shall be abated for the remainder of the Lease Term.

14.4 Award

Except as otherwise provided in this Section 14.4, Landlord shall have and hereby reserves and excepts, and Tenant hereby grants and assigns to Landlord, all rights to recover for damages to the Building, the Site and the Garage or Garages and the leasehold interest hereby created, and compensation accrued or hereafter to accrue by reason of such taking, damage or destruction, as aforesaid, and by way of confirming the foregoing, Tenant hereby grants and assigns, and covenants with Landlord to grant and assign to Landlord, all rights to such damages or compensation.

However, nothing contained herein shall be construed to prevent Tenant from prosecuting in any such proceedings a claim for its trade fixtures so taken or relocation, moving and other dislocation expenses, provided that such action shall not affect the amount of compensation otherwise recoverable by Landlord from the taking authority.

ARTICLE XV

Default

15.1 Tenant's Default

This Lease and the term of this Lease are subject to the limitation that Tenant shall be in default if, at any time during the Lease Term, any one or more of the following events (herein called an "Event of Default" a "default of Tenant" or similar reference) shall

occur and not be cured prior to the expiration of the grace period (if any) herein provided, as follows:

(a) Tenant shall fail to pay any installment of the Annual Fixed Rent, or any Additional Rent or any other monetary amount due under this Lease on or before the date on which the same becomes due and payable, and such failure continues for five (5) days after notice from Landlord thereof; or

(b) Landlord having rightfully given the notice specified in (a) above to Tenant twice in any twelve (12) month period, Tenant shall fail thereafter to pay the Annual Fixed Rent, Additional Rent or any other monetary amount due under this Lease on or before the date on which the same becomes due and payable; or

(c) Tenant shall assign its interest in this Lease or sublet any portion of the Premises in violation of the requirements of Article XII of this Lease; or

(d) Tenant shall fail to perform or observe some term or condition of this Lease which, because of its character, would immediately jeopardize Landlord's interest (such as, but without limitation, failure to maintain general liability insurance, or the employment of labor and contractors within the Premises which interfere with Landlord's work, in violation of Section 4.3 or Section 9.3), and such failure continues for three (3) days after notice from Landlord to Tenant thereof; or

(e) Tenant shall fail to perform or observe any other requirement, term, covenant or condition of this Lease (not hereinabove in this Section 15.1 specifically referred to) on the part of Tenant to be performed or observed and such failure shall continue for thirty (30) days after notice thereof from Landlord to Tenant, or if said default shall reasonably require longer than thirty (30) days to cure, if Tenant shall fail to commence to cure said default within thirty (30) days after notice thereof and/or fail to continuously prosecute the curing of the same to completion with due diligence; or

(f) The estate hereby created shall be taken on execution or by other process of law; or

(g) Tenant shall make an assignment or trust mortgage arrangement, so-called, for the benefit of its creditors; or

(h) Tenant shall judicially be declared bankrupt or insolvent according to law; or

(i) a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of all or any substantial part of Tenant's property by a court of competent jurisdiction; or

(j) any petition shall be filed against Tenant in any court, whether or not pursuant to any statute of the United States or of any State, in any bankruptcy, reorganization, insolvency or other similar proceeding, and such proceedings shall not be fully and finally dismissed within sixty (60) days after the institution of the same; or

(k) Tenant shall file any petition in any court, whether or not pursuant to any statute of the United States or any State, in any bankruptcy, reorganization, insolvency or other similar proceeding; or

(l) Tenant otherwise abandons or vacates the Premises.

15.2 Termination; Re-Entry

Upon the happening of any one or more of the aforementioned Events of Default (notwithstanding any license of a former breach of covenant or waiver of the benefit hereof or consent in a former instance), Landlord or Landlord's agents or servants may give to Tenant a notice (hereinafter called "notice of termination") terminating this Lease on a date specified in such notice of termination (which shall be not less than five (5) days after the date of the mailing of such notice of termination), and this Lease and the Lease Term, as well as any and all of the right, title and interest of the Tenant hereunder, shall wholly cease and expire on the date set forth in such notice of termination (Tenant hereby waiving any rights of redemption) in the same manner and with the same force and effect as if such date were the date originally specified herein for the expiration of the Lease Term, and Tenant shall then quit and surrender the Premises to Landlord.

In addition or as an alternative to the giving of such notice of termination, Landlord or Landlord's agents or servants may, by any suitable action or proceeding at law, immediately or at any time thereafter re-enter the Premises and remove therefrom Tenant, its agents, employees, servants, licensees, and any subtenants and other persons, and all or any of its or their property therefrom, and repossess and enjoy the Premises, together with all additions, alterations and improvements thereto; but, in any event under this Section 15.2, Tenant shall remain liable as hereinafter provided.

The words "re-enter" and "re-entry" as used throughout this Article XV are not restricted to their technical legal meanings.

15.3 Continued Liability; Re-Letting

In the event of the termination of this Lease, or of re- entry, by or under any proceeding or action or any provision of law by reason of an Event of Default hereunder on the part of Tenant, Tenant covenants and agrees forthwith to pay and be liable for, on the days originally fixed herein for the payment thereof, amounts equal to the several installments of Annual Fixed Rent, all Additional Rent and other charges reserved as they would, under the terms of this Lease, become due if this Lease had not been terminated or if Landlord had not entered or re-entered, as aforesaid, and whether the Premises be relet or remain vacant, in whole or in part, or for a period less than the remainder of the Lease Term, or for the whole thereof, but, in the event the Premises be relet by Landlord, Tenant shall be entitled to a credit in the net amount of rent and other charges received by Landlord in reletting, after deduction of all reasonable expenses incurred in reletting the Premises (including, without limitation, remodeling costs, brokerage fees and the like), and in collecting the rent in connection therewith, in the following manner:

Amounts received by Landlord after reletting shall first be applied against such Landlord's expenses (including, without limitation remodeling costs and brokerage fees), until the same are recovered, and until such recovery, Tenant shall pay, as of each day when a payment would fall due under this Lease, the amount which Tenant is obligated to pay under the terms of this Lease (Tenant's liability prior to any such reletting and such recovery not in any way to be diminished as a result of the fact that such reletting might be for a rent higher than the rent provided for in this Lease); when and if such expenses have been completely recovered, the amounts received from reletting by Landlord as have not previously been applied shall be credited against Tenant's obligations as of each day when a payment would fall due under this Lease, and only the net amount thereof shall be payable by Tenant. Further, Tenant shall not be entitled to any credit of any kind for any period after the date when the term of this Lease is scheduled to expire according to its terms.

Landlord agrees to use reasonable efforts to relet the Premises after Tenant vacates the same in the event this Lease is terminated based upon an Event of Default by Tenant hereunder. The marketing of the Premises in a manner similar to the manner in which Landlord markets other premises within Landlord's control within the Building shall be deemed to have satisfied Landlord's obligation to use "reasonable efforts" hereunder. In no event shall Landlord be required to (i) solicit or entertain negotiations with any other prospective tenant for the Premises until Landlord obtains full and complete possession of the Premises (including, without limitation, the final and unappealable legal right to relet the Premises free of any claim of Tenant), (ii) relet the Premises before leasing other vacant space in the Building, or (iii) lease the Premises for a rental less than the current fair market rent then prevailing for similar office space in the Building.

15.4 Liquidated Damages

Landlord may elect, as an alternative, to have Tenant pay liquidated damages, which election may be made by notice given to Tenant at any time after the termination of this

Lease under Section 15.2, above, and whether or not Landlord shall have collected any damages as hereinbefore provided in this Article XV, and in lieu of all other such damages beyond the date of such notice. Upon such notice, Tenant shall promptly pay to Landlord, as liquidated damages, in addition to any damages collected or due from Tenant from any period prior to such notice, such a sum as at the time of such notice represents the amount of the excess, if any, of (a) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges which would have been payable by Tenant under this Lease for the remainder of the Lease Term if the Lease terms had been fully complied with by Tenant, over and above (b) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges that would be received by Landlord if the Premises were released at the time of such notice for the remainder of the Lease Term at the fair market value (including provisions regarding periodic increases in Annual Fixed Rent if such are applicable) prevailing at the time of such notice.

For the purposes of this Article, if Landlord elects to require Tenant to pay liquidated damages in accordance with this Section 15.4, the total rent shall be computed by assuming the Tax Excess under Section 6.1 and the Operating Cost Excess under Section 7.4 to be the same as were payable for the twelve (12) calendar months (or if less than twelve (12) calendar months have been elapsed since the date hereof, the partial year) immediately preceding such termination of re-entry.

Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceeds in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

In lieu of any other damages or indemnity and in lieu of the recovery by Landlord of all sums payable under all the foregoing provisions of this Section 15.4, Landlord may elect to collect from Tenant, by notice to Tenant, at any time after this Lease is terminated under any of the provisions contained in this Article XV or otherwise terminated by breach of any obligation of Tenant and before full recovery under such foregoing provisions, and Tenant shall thereupon pay, as liquidated damages, an amount equal to the sum of the Annual Fixed Rent and all Additional Rent payable for the twelve (12) months ended next prior to such termination plus the amount of Annual Fixed Rent and Additional Rent of any kind accrued and unpaid at the time of such election plus any and all expenses which the Landlord may have incurred for and with respect to the collection of any such rent.

15.5 Waiver of Redemption

Tenant, for itself and any and all persons claiming through or under Tenant, including its creditors, upon the termination of this Lease and of the term of this Lease in accordance

with the terms hereof, or in the event of entry of judgment for the recovery of the possession of the Premises in any action or proceeding, or if Landlord shall enter the Premises by process of law or otherwise, hereby waives any right of redemption provided or permitted by any statute, law or decision now or hereafter in force, and does hereby waive, surrender and give up all rights or privileges which it or they may or might have under and by reason of any present or future law or decision, to redeem the Premises or for a continuation of this Lease for the term of this Lease hereby demised after having been dispossessed or ejected therefrom by process of law, or otherwise.

15.6 Landlord's Default

Landlord shall in no event be in default in the performance of any of Landlord's obligations hereunder unless and until Landlord shall have failed to perform such obligations within thirty (30) days, or such additional time as is reasonably required to correct any such default with diligence and continuity provided that Landlord commences such correction with such 30-day period, after notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation. The Tenant shall not assert any right to deduct the cost of repairs or any monetary claim against the Landlord from rent thereafter due and payable, but shall look solely to the Landlord for satisfaction of such claim. Landlord shall pay to Tenant all reasonable out of pocket costs, counsel and other fees incurred by Tenant in connection with the successful enforcement by Tenant of any obligations of Landlord under this Lease.

ARTICLE XVI

Miscellaneous Provisions

16.1 Waiver

Failure on the part of Landlord or Tenant to complain of any action or non-action on the part of the other, no matter how long the same may continue, shall never be a waiver by Tenant or Landlord, respectively, of any of its rights hereunder.

Further, no waiver at any time of any of the provisions hereof by Landlord or Tenant shall be construed as a waiver of any of the other provisions hereof, and a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of any subsequent similar act by the other.

No payment by Tenant, or acceptance by Landlord, of a lesser amount than shall be due from Tenant to Landlord shall be treated otherwise than as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment

in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant. Further, the acceptance by Landlord of Annual Fixed Rent, Additional Rent or any other charges paid by Tenant under this Lease shall not be or be deemed to be a waiver by Landlord of any default by Tenant, whether or not Landlord knows of such default, except for such defaults as to which such payment relates.

16.2 Cumulative Remedies

Except as expressly provided in this Lease, the specific remedies to which Landlord and Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress which they may be lawfully entitled to seek in case of any breach or threatened breach of any provisions of this Lease. In addition to the other remedies provided in this Lease, Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the covenants, conditions or provisions of this Lease or to seek specific performance of any such covenants, conditions or provisions, provided, however, that the foregoing shall not be construed as a confession of judgment by Tenant.

16.3 Quiet Enjoyment

This Lease is subject and subordinate to all matters of record. Landlord agrees that, upon Tenant's paying the Annual Fixed Rent and Additional Rent, and performing and observing the covenants, conditions and agreements hereof upon the part of Tenant to be performed and observed, Tenant shall and may peaceably hold and enjoy the Premises during the term of this Lease (exclusive of any period during which Tenant is holding over after the termination or expiration of this Lease without the consent of Landlord), without interruption or disturbance from Landlord or persons claiming through or under Landlord, subject, however, to the terms of this Lease. This covenant shall be construed as running with the land to and against subsequent owners and successors in interest, and is not, nor shall it operate or be construed as, a personal covenant of Landlord, except to the extent of the Landlord's interest in the Premises, and this covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and upon such subsequent owners and successors in interest of Landlord's interest under this Lease including ground or master lessees, to the extent of their respective interests, as and when they shall acquire same and then only for so long as they shall retain such interest.

16.4 Surrender

(A) No act or thing done by Landlord during the Lease Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Premises as an acceptance of a surrender of the Premises prior to the termination of this Lease; provided, however, that the foregoing shall not apply to the delivery of keys to Landlord or its

agents in its (or their) capacity as managing agent or for purpose of emergency access. In any event, however, the delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of the Lease or a surrender of the Premises.

(B) Upon the expiration or earlier termination of the Lease Term, Tenant shall surrender the Premises to Landlord in the condition as required by Sections 8.1 and 9.5, first removing all goods and effects of Tenant and completing such other removals as may be permitted or required pursuant to Section 9.5.

16.5 Brokerage

Tenant warrants and represents that Tenant has not dealt with any broker in connection with the consummation of this Lease other than the broker, person or firm designated in Section 1.2 hereof; and in the event any claim is made against the Landlord relative to dealings with brokers other than the broker designated in Section 1.2 hereof, Tenant shall defend the claim against Landlord with counsel of Landlord's selection and save harmless and indemnify Landlord on account of loss, cost or damage which may arise by reason of such claim. Landlord agrees that it shall be solely responsible for the payment of brokerage commissions to the broker, person or firm designated in Section 1.2 hereof in connection with the Original Lease Term.

16.6 Invalidity of Particular Provisions

If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

16.7 Provisions Binding, Etc

The obligations of this Lease shall run with the land, and except as herein otherwise provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant and, if Tenant shall be an individual, upon and to his heirs, executors, administrators, successors and assigns. The reference contained to successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant, but has reference only to those instances in which Landlord may have later given consent to a particular assignment as required by the provisions of Article XII hereof.

16.8 Recording; Confidentiality

Each of Landlord and Tenant agree not to record the within Lease, but each party hereto agrees, on the request of the other, to execute a so-called Notice of Lease or short form

lease in form recordable and complying with applicable law and reasonably satisfactory to Landlord's and Tenant's attorneys. In no event shall such document set forth the rent or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

Tenant agrees that this Lease and the terms contained herein will be treated as strictly confidential and except as required by law (or except with the written consent of Landlord) Tenant shall not disclose the same to any third party except for Tenant's partners, lenders, accountants and attorneys who have been advised of the confidentiality provisions contained herein and agree to be bound by the same. In the event Tenant is required by law to provide this Lease or disclose any of its terms, Tenant shall give Landlord prompt notice of such requirement prior to making disclosure so that Landlord may seek an appropriate protective order. If failing the entry of a protective order Tenant is compelled to make disclosure, Tenant shall only disclose portions of the Lease which Tenant is required to disclose and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to the information so disclosed.

16.9 Notices and Time for Action

Whenever, by the terms of this Lease, notice shall or may be given either to Landlord or to Tenant, such notices shall be in writing and shall be sent by hand, registered or certified mail, or overnight or other nationally recognized commercial courier, postage or delivery charges, as the case may be, prepaid as follows:

If intended for Landlord, addressed to Landlord at the address set forth in Article I of this Lease (or to such other address or addresses as may from time to time hereafter be designated by Landlord by like notice).

If intended for Tenant, addressed to Tenant at the address set forth in Article I of this Lease except that from and after the Commencement Date the address of Tenant shall be the Premises, with a copy to Sherin and Lodgen LLP, 101 Federal Street, Boston, Massachusetts 02110, Attn: Luis A. Vidal, Esq. (or to such other address or addresses as may from time to time hereafter be designated by Tenant by like notice).

Except as otherwise provided herein, all such notices shall be effective when received; provided, that (i) if receipt is refused, notice shall be effective upon the first occasion that such receipt is refused, (ii) if the notice is unable to be delivered due to a change of address of which no notice was given, notice shall be effective upon the date such delivery was attempted, (iii) if the notice address is a post office box number, notice shall be effective the day after such notice is sent as provided hereinabove or (iv) if the notice is to a foreign address, notice shall be effective two (2) days after such notice is sent as provided hereinabove.

Any notice given by an attorney on behalf of Landlord or Tenant or by Landlord's managing agent shall be considered as given by Landlord or Tenant, as the case may be, and shall be fully effective.

Where provision is made for the attention of an individual or department, the notice shall be effective only if the wrapper in which such notice is sent is addressed to the attention of such individual or department.

Time is of the essence with respect to any and all notices and periods for giving of notice or taking any action thereto under this Lease.

16.10 When Lease Becomes Binding

Employees or agents of Landlord have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein and may be modified or altered only by written agreement between Landlord and Tenant, and no act or omission of any employee or agent of Landlord or Tenant shall alter, change or modify any of the provisions hereof.

16.11 Paragraph Headings

The paragraph headings throughout this instrument are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Lease.

16.12 Rights of Mortgagee

This Lease shall be subject and subordinate to any mortgage now or hereafter on the Site or the Building, or both, and to all renewals, modifications, consolidations, replacements and extensions thereof and all substitutions therefor, provided that the holder of such mortgage agrees to recognize the right of Tenant to use and occupy the Premises upon the payment of rent and other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations hereunder. In confirmation of such subordination and recognition, Tenant shall execute and deliver such instruments of subordination as such mortgagee may reasonably request, provided that Tenant receives such instruments of recognition and non-disturbance from such mortgagee in form and substance as Tenant, Landlord and the mortgagee may reasonably agree on recognizing Tenant's rights under this Lease and agreeing not to disturb Tenant's occupancy of the Premises except as provided in this Lease (the "Non-Disturbance Agreement"). In the event that any mortgagee or its respective successor in title shall succeed to the interest of

Landlord, then this Lease shall nevertheless continue in full force and effect and Tenant shall and does hereby agree to attorn to such mortgagee or successor and to recognize such mortgagee or successor as its landlord in accordance with the terms and conditions of the Non-Disturbance Agreement. If any holder of a mortgage which includes the Premises, executed and recorded prior to the Date of this Lease, shall so elect, this Lease, and the rights of Tenant hereunder, shall be superior in right to the rights of such holder, with the same force and effect as if this Lease had been executed, delivered and recorded and a statutory Notice of Lease recorded, prior to the execution, delivery and recording of any such mortgage. The election of any such holder shall become effective upon either notice from such holder to Tenant in the same fashion as notices from Landlord to Tenant are to be given hereunder or by the recording in the appropriate registry or recorder's office of an instrument in which such holder subordinates its rights under such mortgage to this Lease.

16.13 Rights of Ground Lessor

If Landlord's interest in property (whether land only or land and buildings) which includes the Premises is acquired by another party and simultaneously leased back to Landlord herein, the holder of the ground lessor's interest in such lease shall enter into a recognition agreement with Tenant simultaneously with the sale and leaseback, wherein the ground lessor will agree to recognize the right of Tenant to use and occupy the Premises upon the payment of Annual Fixed Rent, Additional Rent and other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations hereunder, and wherein Tenant shall agree to attorn to such ground lessor as its Landlord and to perform and observe all of the tenant obligations hereunder, in the event such ground lessor succeeds to the interest of Landlord hereunder under such ground lease.

16.14 Notice to Mortgagee and Ground Lessor

After receiving notice from any person, firm or other entity that it holds a mortgage which includes the Premises as part of the mortgaged premises, or that it is the ground lessor under a lease with Landlord as ground lessee, which includes the Premises as a part of the demised premises, no notice from Tenant to Landlord shall be effective unless and until a copy of such notice is given to such holder or ground lessor at the address as specified in said notice (as it may from time to time be changed by written notice to Tenant), and the curing of any of Landlord's defaults by such holder or ground lessor within a reasonable time after such notice (including a reasonable time to obtain possession of the premises if the mortgagee or ground lessor elects to do so) the periods of time specified under Section 15.6 of this Lease shall be treated as performance by Landlord. For the purposes of this Section 16.14, the term "mortgage" includes a mortgage on a leasehold interest of Landlord (but not one on Tenant's leasehold interest).

16.15 Assignment Of Rents

With reference to any assignment by Landlord of Landlord's interest in this Lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of a mortgage or ground lease on property which includes the Premises, Tenant agrees:

(a) That the execution thereof by Landlord, and the acceptance thereof by the holder of such mortgage, or the ground lessor, shall never be treated as an assumption by such holder or ground lessor of any of the obligations of Landlord hereunder, unless such holder, or ground lessor, shall, by notice sent to Tenant, specifically otherwise elect; and

(b) That, except as aforesaid, such holder (or the applicable Mortgagee) or ground lessor shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure (in the case of Mortgagee) of such holder's mortgage or the taking of possession of the Premises, or, in the case of a ground lease, the termination of such ground lease or the acquisition of Landlord's interest by such ground lessor. In no event shall the acquisition of title to the Building and the land on which the same is located by a purchaser which, simultaneously therewith, leases the entire Building or such land back to the seller thereof be treated as an assumption, by operation of law or otherwise, of Landlord's obligations hereunder, but Tenant shall look solely to such seller-lessee, and its successors from time to time in title, for performance of Landlord's obligations hereunder. In any such event, this Lease shall be subject and subordinate to the lease to such purchaser provided that such purchaser-lessor acknowledges and delivers to Tenant a leasehold Non-Disturbance Agreement simultaneously with such sale-leaseback and otherwise agrees to recognize the right of Tenant to use and occupy the Premises upon Tenant's compliance with its obligations under this Lease. For all purposes, such seller-lessee, and its successors in title, shall be the landlord hereunder unless and until such lease shall terminate or such purchaser-lessor acquires or assumes Landlord's interest in this Lease.

16.16 Status Report and Financial Statements

Recognizing that Landlord may find it necessary to establish to third parties, such as accountants, banks, potential or existing mortgagees, potential purchasers or the like, the then current status of performance hereunder, Tenant on the written request of Landlord made from time to time, will promptly furnish to Landlord, or any existing or potential holder of any mortgage encumbering the Premises, the Building, the Site and/or the Complex or any potential purchaser of the Premises, the Building, the Site and/or the Complex (each an "Interested Party") a statement, to the best of Tenant's knowledge, of the status of any facts pertaining to this Lease, including, without limitation, statements

that (or the extent to which) each party is in compliance with its obligations under the terms of this Lease. In addition, Tenant shall deliver to Landlord or any Interested Party designated by Landlord, financial statements of Tenant as reasonably requested by Landlord. Any such status statement or financial statement delivered by Tenant pursuant to this Section 16.16 may be relied upon by any Interested Party.

16.17 Self-Help

If Tenant shall at any time fail to make any payment or perform any act which Tenant is obligated to make or perform under this Lease and (except in the case of emergency) if the same continues unpaid or unperformed after notice and beyond applicable grace periods, then Landlord may, but shall not be obligated so to do, after ten (10) days' notice to and demand upon Tenant, or without notice to or demand upon Tenant in the case of any emergency, and without waiving, or releasing Tenant from, any obligations of Tenant in this Lease contained, make such payment or perform such act which Tenant is obligated to perform under this Lease in such manner and to such extent as may be reasonably necessary, and, in exercising any such rights, pay any reasonable costs and expenses, employ counsel and incur and pay reasonable attorneys' fees. All sums so paid by Landlord and all reasonable and necessary costs and expenses of Landlord incidental thereto, together with interest thereon at the annual rate equal to the sum of (a) the Base Rate from time to time announced by Bank of America, N.A (or its successor) as its Base Rate and (b) two percent (2%) (but in no event greater than the maximum rate permitted by applicable law), from the date of the making of such expenditures by Landlord, shall be deemed to be Additional Rent and, except as otherwise in this Lease expressly provided, shall be payable to the Landlord on demand, and if not promptly paid shall be added to any rent then due or thereafter becoming due under this Lease, and Tenant covenants to pay any such sum or sums with interest as aforesaid, and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of Annual Fixed Rent.

16.18 Holding Over

Any holding over by Tenant after the expiration of the term of this Lease shall be treated as a tenancy at sufferance and shall be on the terms and conditions as set forth in this Lease, as far as applicable, except that Tenant shall pay as a use and occupancy charge an amount equal to the greater of (x) 150% of the Annual Fixed Rent and Additional Rent calculated (on a daily basis) at the payable by Tenant under the terms of this Lease immediately before such expiration, or (y) the fair market rental value of the Premises, in each case for the period measured from the day on which Tenant's hold-over commences and terminating on the day on which Tenant vacates the Premises. In addition, Tenant shall save Landlord, its agents and employees harmless and will exonerate, defend and indemnify Landlord, its agents and employees from and against any and all damages which Landlord may suffer on account of Tenant's hold over in the Premises that continues for more than two (2) months after the expiration or earlier termination of the

term of this Lease. Nothing in the foregoing nor any other term or provision of this Lease shall be deemed to permit Tenant to retain possession of the Premises or hold over in the Premises after the expiration or earlier termination of the Lease Term. All property which remains in the Building or the Premises after the expiration or termination of this Lease shall be conclusively deemed to be abandoned and may either be retained by Landlord as its property or sold or otherwise disposed of in such manner as Landlord may see fit. If any part thereof shall be sold, then Landlord may receive the proceeds of such sale and apply the same, at its option against the expenses of the sale, the cost of moving and storage, any arrears of rent or other charges payable hereunder by Tenant to Landlord and any damages to which Landlord may be entitled under this Lease and at law and in equity.

16.19 Entry by Landlord

Landlord, and its duly authorized representatives, shall, upon reasonable prior notice (except in the case of emergency), have the right to enter the Premises at all reasonable times (except at any time in the case of emergency) for the purposes of inspecting the condition of same and making such repairs, alterations, additions or improvements thereto as may be necessary if Tenant fails to do so as required hereunder (but the Landlord shall have no duty whatsoever to make any such inspections, repairs, alterations, additions or improvements except as otherwise provided in Sections 4.1, 4.3, 7.1 and 7.2), and to show the Premises to prospective tenants during the twelve (12) months preceding expiration of the term of this Lease as it may have been extended and at any reasonable time during the Lease Term to show the Premises to prospective purchasers and mortgagees.

16.20 Tenant's Payments

Each and every payment and expenditure due from Tenant to Landlord, other than Annual Fixed Rent, shall be deemed to be Additional Rent hereunder, whether or not the provisions requiring payment of such amounts specifically so state, and shall be payable, unless otherwise provided in this Lease, within thirty (30) days after Tenant receives a written demand from Landlord, and in the case of the non-payment of any such amount, Landlord shall have, in addition to all of its other rights and remedies, all the rights and remedies available to Landlord hereunder or by law in the case of non-payment of Annual Fixed Rent. Unless expressly otherwise provided in this Lease, the performance and observance by Tenant of all the terms, covenants and conditions of this Lease to be performed and observed by Tenant shall be at Tenant's sole cost and expense. Subject to Tenant's rights under Section 7.5(D) hereof, if Tenant has not objected to any statement of Additional Rent which is rendered by Landlord to Tenant within ninety (90) days after Landlord has rendered the same to Tenant, then the same shall be deemed to be a final account between Landlord and Tenant not subject to any further dispute. In the event that Tenant shall seek Landlord's consent or approval under this Lease, then Tenant shall reimburse Landlord, upon demand, as Additional Rent, for all reasonable costs and expenses, including legal and architectural costs and expenses, incurred by Landlord in processing such request, whether or not such consent or approval shall be given.

16.21 Late Payment

If Landlord shall not have received any payment or installment of Annual Fixed Rent or Additional Rent (the "Outstanding Amount") on or before the date on which the same first becomes payable under this Lease (the "Due Date"), the amount of such payment or installment shall incur a late charge equal to the sum of: (a) five percent (5%) of the Outstanding Amount for administration and bookkeeping costs associated with the late payment and (b) interest on the Outstanding Amount from the Due Date through and including the date such payment or installment is received by Landlord, at a rate equal to the lesser of (i) the rate announced by Bank of America, N.A. (or its successor) from time to time as its prime or base rate (or if such rate is no longer available, a comparable rate reasonably selected by Landlord), plus two percent (2%), or (ii) the maximum applicable legal rate, if any. Such interest shall be deemed Additional Rent and shall be paid by Tenant to Landlord upon demand.

16.22 Counterparts

This Lease may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

16.23 Entire Agreement

This Lease constitutes the entire agreement between the parties hereto, Landlord's managing agent and their respective affiliates with respect to the subject matter hereof and thereof and supersedes all prior dealings between them with respect to such subject matter, and there are no verbal or collateral understandings, agreements, representations or warranties not expressly set forth in this Lease. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant, unless reduced to writing and signed by the party or parties to be charged therewith.

16.24 Landlord Liability

Tenant shall neither assert nor seek to enforce any claim for breach of this Lease against any of Landlord's assets other than Landlord's interest in the Building, and Tenant agrees to look solely to such interest for the satisfaction of any liability of Landlord under this Lease, it being specifically agreed that neither Landlord, nor any successor holder of Landlord's interest hereunder, nor any beneficiary of any trust of which any person from time to time holding Landlord's interest is trustee, nor any such trustee nor any member, manager, partner, director or stockholder, nor Landlord's managing agent, shall ever be personally liable for any such liability. This paragraph shall not limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or Landlord's successors-in-interest, or to take any other action which shall not involve the personal liability of Landlord, or of any successor holder of Landlord's interest hereunder, or of

any beneficiary of any trust of which any person from time to time holding Landlord's interest is trustee, or of any such trustee, or of any manager, member, partner, director or stockholder of Landlord or Landlord's managing agent to respond in monetary damages from Landlord's assets other than Landlord's interest in said Building, as aforesaid, but in no event shall Tenant have the right to terminate or cancel this Lease or to withhold rent or to set-off any claim or damages against rent as a result of any default by Landlord or breach by Landlord of its covenants or any warranties or promises hereunder, except in the case of a wrongful eviction of Tenant from the demised premises (constructive or actual) by Landlord continuing after notice to Landlord thereof and a reasonable opportunity for Landlord to cure the same. In no event shall Landlord ever be liable for any indirect or consequential damages or loss of profits or the like. In the event that Landlord shall be determined to have acted unreasonably in withholding any consent or approval under this Lease, the sole recourse and remedy of the Tenant in respect thereof shall be to specifically enforce Landlord's obligation to grant such consent or approval, and in no event shall the Landlord be responsible for any damages of whatever nature in respect of its failure to give such consent or approval nor shall the same otherwise affect the obligations of the Tenant under this Lease or act as any termination of this Lease.

16.25 No Partnership

The relationship of the parties hereto is that of landlord and tenant and no partnership, joint venture or participation is hereby created.

16.26 Security Deposit

(A) Concurrently with the execution of this Lease, Tenant shall pay to Landlord a security deposit in the amount of Three Hundred Thirty Six Thousand Two Hundred Seventy Eight and no/100 Dollars ($336.278.00) and Landlord shall hold the same, throughout the Term of this Lease (including the Extended Term, if Tenant exercises its extension option), unless sooner returned to Tenant as provided in this Section 16.26, as security for the performance by Tenant of all obligations on the part of Tenant to be performed under this Lease. Such deposit shall be in the form of an irrevocable, unconditional, negotiable letter of credit (the "Letter of Credit"). The Letter of Credit shall (i) be issued by and drawn on a bank reasonably approved by Landlord and at a minimum having a corporate credit rating from Standard and Poor's Professional Rating Service of BBB- or a comparable minimum rating from Moody's Professional Rating Service, (ii) be substantially in the form attached hereto as Exhibit J, (iii) permit one or more draws thereunder to be made accompanied only by certification by Landlord or Landlord's managing agent that pursuant to the terms of this Lease, Landlord is entitled to draw upon such Letter of Credit, (iv) permit transfers at any time without charge, (v) permit presentment in Boston, Massachusetts and (vi) provide that any notice to Landlord be sent to the notice address provided for Landlord in this Lease. If the credit rating for the issuer of such Letter of Credit falls below the standard set forth in (i) above or if the financial condition of such issuer changes in any other material adverse way, Landlord shall have the right to require that Tenant provide a substitute letter of credit that

complies in all respects with the requirements of this Section, and Tenant's failure to provide the same within ten (10) days following Landlord's written demand therefor shall entitle Landlord to immediately draw upon the Letter of Credit. Any such Letter of Credit shall be for a term of two (2) years (or for one (1) year if the issuer thereof regularly and customarily only issues letters of credit for a maximum term of one (1) year) and shall in either case provide for automatic renewals through the date which is ninety (90) days subsequent to the scheduled expiration of this Lease (as the same may be extended) or if the issuer will not grant automatic renewals, the Letter of Credit shall be renewed by Tenant each year and each such renewal shall be delivered to and received by Landlord not later than thirty (30) days before the expiration of the then current Letter of Credit (herein called a "Renewal Presentation Date"). In the event of a failure to so deliver any such renewal Letter of Credit on or before the applicable Renewal Presentation Date, Landlord shall be entitled to present the then existing Letter of Credit for payment and to receive the proceeds thereof, which proceeds shall be held as Tenant's security deposit, subject to the terms of this Section 16.26. Any failure or refusal of the issuer to honor the Letter of Credit shall be at Tenant's sole risk and shall not relieve Tenant of its obligations hereunder with regard to the security deposit. Upon the occurrence of any Event of Default, Landlord shall have the right from time to time without prejudice to any other remedy Landlord may have on account thereof, to draw on all or any portion of such deposit held as a Letter of Credit and to apply the proceeds of such Letter of Credit or any cash held as such deposit, or any part thereof, to Landlord's damages arising from such Event of Default on the part of Tenant under the terms of this Lease. If Landlord so applies all or any portion of such deposit, Tenant shall within seven (7) days after notice from Landlord deposit cash with Landlord in an amount sufficient to restore such deposit to the full amount stated in this Section 16.26. While Landlord holds any cash deposit Landlord shall have no obligation to pay interest on the same and shall have the right to commingle the same with Landlord's other funds. Neither the holder of a mortgage nor the Landlord in a ground lease on property which includes the Premises shall ever be responsible to Tenant for the return or application of any such deposit, whether or not it succeeds to the position of Landlord hereunder, unless such deposit shall have been received in hand by such holder or ground Landlord.

(B) If but only if Tenant's total cash revenues actually received by Tenant for calendar year 2008 are equal to or greater than Twenty Million Dollars ($20,000,000.00) (herein called the "First Benchmark"), then Tenant shall have the right to reduce the amount of the Letter of Credit not earlier than May 1, 2009 to Two Hundred Sixty Nine Thousand Twenty Two and no/100 Dollars ($269,022.00). In addition, if but only if (i) Tenant has achieved the First Benchmark and (ii) for any calendar quarter during calendar year 2009 Tenant has achieved "Positive Quarterly Cash Flow' (hereinafter defined) for such quarter (the "Second Benchmark"), then Tenant shall have the right to reduce the amount of the Letter of Credit not earlier than May 1, 2010 from Two Hundred Sixty Nine Thousand Twenty Two and no/100 Dollars ($269,022.00) to Two Hundred One Thousand Seven Hundred Sixty Seven and no/100 Dollars ($201,767.00). For purposes hereof "Positive Quarterly Cash Flow" shall mean Tenant's actual earnings for a given calendar quarter within calendar year 2009 before taxes, depreciation and amortization

but after interest expense but in no event shall the calculation thereof be less than zero. The First Benchmark and the Second Benchmark are collectively herein called the "Applicable Financial Tests" and each is herein called an "Applicable Financial Test". There shall be no further reduction in the Letter of Credit. It shall be a condition precedent to any reduction that at the time of each scheduled reduction, Tenant shall be required to submit written documentation reasonably satisfactory to Landlord (including audited financial statements for the applicable calendar year or calendar quarter) demonstrating satisfaction with the then Applicable Financial Test for the reduction date in question. However, if Tenant shall not satisfy the Applicable Financial Test for the reduction and reduction date in question (the "Prior Reduction Date") but if thereafter (the "Current Reduction Date") Tenant shall so satisfy the Applicable Financial Test, then Tenant shall then be entitled to the applicable reduction in the Letter of Credit. It shall be an express condition to any reduction in the Letter of Credit pursuant to this Paragraph that Tenant has not ever been in default under the terms of this Lease without the benefit of notice or grace.

(C) Tenant not then being in default and having performed all of its obligations under this Lease, including the payment of all Annual Fixed Rent, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied or reduced in accordance with the terms of this Section 16.26, to Tenant on the expiration or earlier termination of the term of this Lease (as the same may have been extended) and surrender possession of the Premises by Tenant to Landlord in the condition required in the Lease at such time.

16.27 Waiver of Trial by Jury

To induce Landlord to enter into this Lease, Tenant hereby waives any right to trial by jury in any action, proceeding or counterclaim brought by either Landlord or Tenant on any matters whatsoever arising out of or any way connected with this Lease, the relationship of the Landlord and the Tenant, the Tenant's use or occupancy of the Premises and/or any claim of injury or damage, including but not limited to, any summary process eviction action.

16.28 Governing Law

This Lease shall be governed exclusively by the provisions hereof and by the law of The Commonwealth of Massachusetts, as the same may from time to time exist.

16.29 Landlord's Representations and Warranties

Landlord represents and warrants to Tenant that:

(A) As of the date of this Lease, One Cambridge Center Trust, is the holder of the title to the Building and the Premises therein in fee simple and the holder of landlord's rights and interests therein;

(B) As of the date of this Lease, Landlord is not in default or has not received any notice of default from any mortgagee holding a mortgage to the Building and/or the Premises, and Landlord has received no notice of a transfer, assignment, or termination of Landlord's rights, title or interests to the Building or the Premises;

(C) As of the date of this Lease, there are no outstanding written notices to Landlord alleging Hazardous Materials violations at the Premises or Building.

EXECUTED as a sealed instrument in two or more counterparts by persons or officers hereunto duly authorized on the Date set forth in Section 1.2 above.

/s/ Illegible

LANDLORD:

/s/ David C. Provost
David C. Provost,
for the Trustees of One Cambridge Center
Trust, pursuant to written delegation,
but not individually

TENANT:

ATTEST:

By: /s/ Christopher Keenan
Name: Christopher Keenan
Title: Secretary or Assistant Secretary

BRIGHTCOVE, INC.

By: /s/ Jeremy Allaire
Name: Jeremy Allaire
Title: President or Vice President
Hereunto duly authorized

By: /s/ Jeremy Allaire
Name: Jeremy Allaire
Title: Treasurer or Assistant Treasurer
Hereunto duly authorized

EXHIBIT A

DESCRIPTION OF SITE

A certain tract of land situated on the southerly side of Broadway in the City of Cambridge, in the County of Middlesex, Commonwealth of Massachusetts, bounded and described as follows:

Beginning at a point in the southerly line of Broadway at the northwesterly corner of the Premises S 60° - 30' – 18"E a distance of Six Hundred Sixty-Six and Eighty-One Hundredths feet (666.81') from the point of curvature of the southerly sideline of Broadway and the easterly line of Sixth Street; thence

S 60° - 30' – 18" E a distance of Two Hundred Six and Eighty-Three Hundredths feet (206.83') bounding on the southerly line of Broadway to a point; thence

Along the arc of a curve, curving to the right with a radius of Five Hundred Eighty-One and Eighty-Eight Hundredths feet (581.88'), a distance of Fifty-Five and Fifty Hundredths (55.50') to a point, thence

S 49° - 20' – 28" E a distance of Seventy and No Hundredths feet (70.00') along a certain parcel of land, now or formerly owned by the Cambridge Redevelopment Authority for the next four (4) courses to a point; thence

S 34°- 35' – 57" W a distance of Thirty-Four and Fifty-Five Hundredths feet (34.55') to a point; thence

N 81°- 44' – 36" W a distance of One Hundred Ten and No Hundredths feet (110.00') to a point; thence

N 05° - 30' – 53" E a distance of Forty-Four and Fifty-Nine Hundredths feet (44.59') to a point; thence

N 84° - 29' – 07" W a distance of One Hundred Seventy-Six and Forty-One Hundredths feet (176.41') to a point; thence

N 05° - 34' – 07" E a distance of Twenty-Four and Five Hundredths feet (24.05') along the outside face of a brick building for the next four (4) courses to a point; thence

N 84° - 15' – 14" W a distance of Nine and Ninety-Five Hundredths feet (9.95') to a point; thence

N 05° - 29' – 37" E	a distance of Fifty-Six and Ninety-Two Hundredths feet (56.92') to a point; thence
S 84° - 25' – 46" E	a distance of Twenty and Two Hundredths feet (20.02') to a point; thence
N 05° - 27' – 58" E	a distance of Fifty-Three and Forty-Four Hundredths feet (53.44') to the point of beginning.

The above-described tract of land contains 26,325 square feet, more or less, as shown on a plan entitled "Kendall Sq. Urban Renewal Area, Cambridge, Mass."; Dated November 19, 1985, Revised August 19, 1986; Prepared by Allen & Demurjian, Inc., Scale 1"-40'. (Sheet 1 of 4).

The Site has appurtenant thereto and is subject to all rights, easements and restrictions of record, whether currently existing or to be hereafter created.

EXHIBIT B

INTENTIONALLY OMITTED

EXHIBIT C

INTENTIONALLY OMITTED

EXHIBIT D

LANDLORD SERVICES

I. CLEANING

Cleaning and janitorial services shall be provided as needed Monday through Friday, exclusive of holidays observed by the cleaning company and Saturdays and Sundays.

A. OFFICE AREAS

Cleaning and janitorial services to be provided in the office areas shall include:

1. Vacuuming, damp mopping of resilient floors and trash removal.
2. Dusting of horizontal surfaces within normal reach (tenant equipment to remain in place).
3. High dusting and dusting of vertical blinds to be rendered as needed.

B. LAVATORIES

Cleaning and janitorial services to be provided in the common area lavatories of the building shall include:

1. Dusting, damp mopping of resilient floors, trash removal, sanitizing of basins, bowls and urinals as well as cleaning of mirrors and bright work.
2. Refilling of soap, towel, tissue and sanitary dispensers to be rendered as necessary.
3. High dusting to be rendered as needed.

C. MAIN LOBBIES, ELEVATORS, STAIRWELLS AND COMMON CORRIDORS

Cleaning and janitorial services to be provided in the common areas of the building shall include:

1. Trash removal, vacuuming, dusting and damp mopping of resilient floors and cleaning and sanitizing of water fountains.

2. High dusting to be rendered as needed.

D. WINDOW CLEANING

All exterior windows shall be washed on the inside and outside surfaces at a frequency necessary to maintain a first class appearance.

II. HVAC

A. Heating, ventilating and air conditioning equipment will be provided with sufficient capacity to accommodate a maximum population density of one (1) person per one hundred fifty (150) square feet of useable floor area served, and a combined lighting and standard electrical load of 3.0 watts per square foot of useable floor area. In the event Tenant introduces into the Premises personnel or equipment which overloads the system's ability to adequately perform its proper functions, Landlord shall so notify Tenant in writing and supplementary system(s) may be required and installed by Landlord at Tenant's expense, if within fifteen (15) days Tenant has not modified its use so as not to cause such overload.

Operating criteria of the basic system shall not be less than the following:

(i) Cooling season indoor temperatures of not in excess of 73 - 79 degrees Fahrenheit when outdoor temperatures are 91 degrees Fahrenheit ambient.

(ii) Heating season minimum room temperature of 68 - 75 degrees Fahrenheit when outdoor temperatures are 6 degrees Fahrenheit ambient.

B. Landlord shall provide heating, ventilating and air conditioning as normal seasonal charges may require during the hours of 8:00 a.m. to 6:00 p.m., Monday through Friday (legal holidays in all cases excepted).

If Tenant shall require air conditioning (during the air conditioning season) or heating or ventilating during any other time period, Landlord shall use landlord's best efforts to furnish such services for the area or areas specified by written request of Tenant delivered to the Building Superintendent or the Landlord before 3:00 p.m. of the business day preceding the extra usage. Landlord shall charge Tenant for such extra-hours usage at reasonable rates customary for first-class office buildings in the East Cambridge/Kendall Square market, and Tenant shall pay Landlord, as Additional Rent, upon receipt of billing therefor.

III. ELECTRICAL SERVICES

A. Landlord shall provide electric power for a combined load of 3.0 watts per square foot of useable area for lighting and for office machines through standard receptacles for the typical office space.

B. In the event that Tenant has special equipment (such as computers and reproduction equipment) that requires either 3-phase electric power or any voltage other than 120, or for any other usage in excess of 3.0 watts per square foot, Landlord may at its option require the installation of separate metering (Tenant being solely responsible for the costs of any such separate meter and the installation thereof) and direct billing to Tenant for the electric power required for any such special equipment.

C. Landlord will furnish and install, at Tenant's expense, all replacement lighting tubes, lamps and ballasts required by Tenant. Landlord will clean lighting fixtures on a regularly scheduled basis at Tenant's expense.

IV. ELEVATORS

Provide passenger and freight elevator service.

V. WATER

Provide hot water for lavatory purposes and cold water for drinking, lavatory and toilet purposes.

VI. CARD ACCESS SYSTEM

Landlord will provide a card access system at one entry door of the building.

EXHIBIT E


EXHIBIT E
ONE CAMBRIDGE CENTER
12TH FLOOR
20,694 SF
Boston Properties

EXHIBIT F

DEVELOPMENT AREA MAP

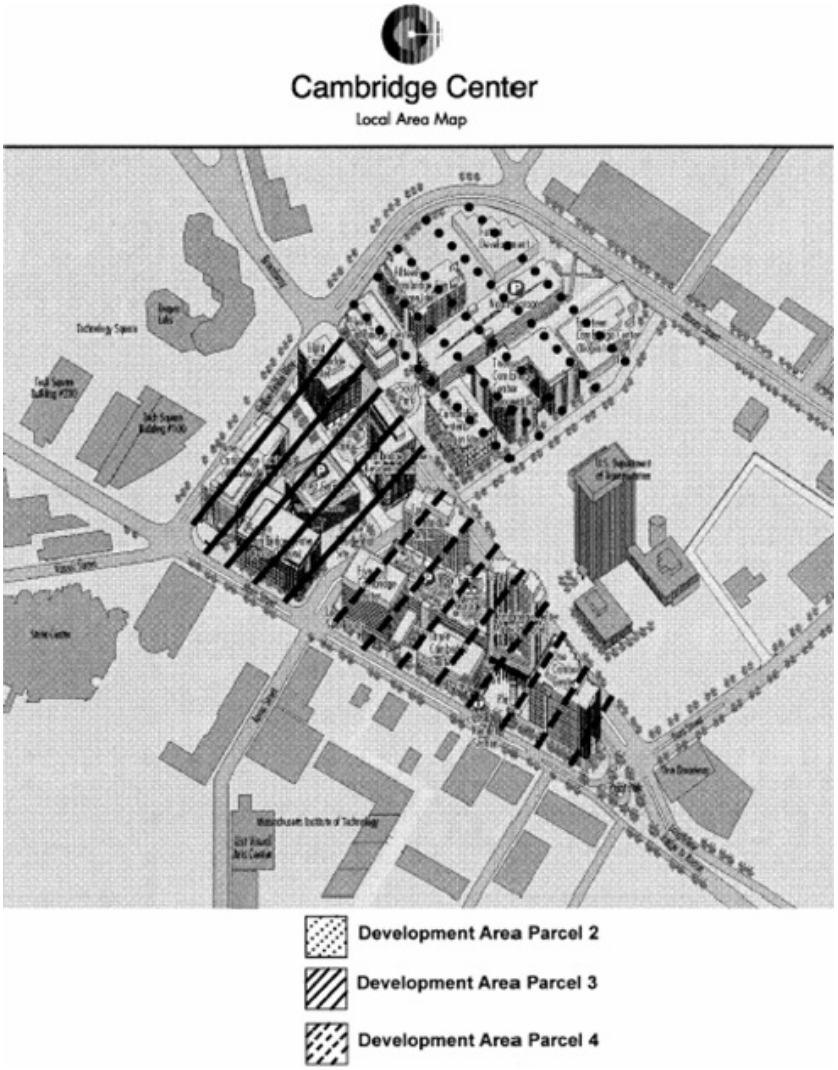


EXHIBIT G

Intentionally Omitted.

EXHIBIT H

MEMORANDUM REGARDING PROCEDURE FOR ADJUSTMENT OF ELECTRICITY COSTS

This memo outlines the procedure for adjusting charges for electric power to tenants at the office building to be known as One Cambridge Center.

1. Main electric service to this building will be provided by the utility company or companies that provide and deliver electricity. The same shall be delivered to a single main meter. All charges by the utility will be read from this meter and billed to and paid by Landlord at rates established by the utility company.

2. All office tenants shall pay for electricity as part of their rental payments, including electricity for both common areas of the building and for tenant occupied areas. Each lease shall also contain a provision making such tenant responsible for its proportionate share of any increases in the cost of electricity used in the building over the base year amounts established in the Lease.

3. In order to assure that charges for electric service are apportioned fairly among tenants in relation to the relative amounts of electricity used by each tenant, additional meters (known as "check meters") will be installed by Landlord to permit periodic evaluations of electric usage to be made. On each office floor there will be one meter serving all of the floor.

4. Each meter shall be installed so that it will measure all of the electricity provided to the floor governed by that meter, including all lights and power in both tenant and common core areas (restroom, corridors, HVAC equipment room, etc.). This shall not, however, include the following, which shall be wired from the main building service and not through the check meters: stairwell and emergency lights; elevators; lighting and HVAC in the building lobby and main service areas; exterior lighting; and all main building mechanical systems. (Common areas on each floor, including the elevator lobby, corridors, and bathrooms will have service through and check meters on each floor.) In addition, further modification to the number and location of check meters may be made by Landlord if required to improve the quality of information obtained thereby.

5. The Landlord will cause the check meters to be read periodically by its employees and will perform an analysis of information for the purpose of determining whether any adjustments are required to achieve an equitable allocation of the costs of electric service among the tenants in the building in relation to the respective amounts of usage of electricity for those tenants. For this purpose, the Landlord shall, as far as possible in each case, read the meters to determine usage for periods that include one or more entire periods used by the utility company for the reading of the main building meter (so that the Landlord may, in its discretion, choose periods that are longer than those used by the utility company—for example, quarterly, semi-annual or annual periods).

6. A rent adjustment shall be made by Landlord on the following basis:

   a. The total kilowatt hour usage for the period under evaluation shall be established for each check meter and for each floor and also for the building as a whole by a reading of the main building meter for that period.

   b. The cost of the total amount of electricity supplied for usage by tenants during the period (herein called "Tenant Electricity") shall be determined by multiplying the total cost of electricity as invoiced by the utility company or companies for the same period by a fraction, the numerator of which is the total amount of kilowatt hour usage as measured by all of the check meters in the building (Tenant Electricity) and the denominator of which is the total amount of kilowatt hour usage for the entire building as measured by the main building electric meter.

   c. Where one or more floors is occupied entirely by one tenant, its allocable share of Tenant Electricity cost for the period shall be determined by multiplying the total costs of Tenant Electricity by a fraction, the numerator of which is the kilowatt hour usage of tenant electricity by said tenant (calculated as the sum of kilowatt hour usage during the period measured by all check meters serving its premises) and the denominator of which is the total kilowatt hour usage of Tenant Electricity for the same period.

   d. Where a floor is occupied by more than one tenant, the cost of Tenant Electricity for that floor shall first be determined by the same procedure as set forth in paragraph (c) above, and then the allocable share of each tenant on that floor shall be determined by multiplying the costs of Tenant Electricity for that floor by a fraction, the numerator of which is the rentable area leased to each tenant (respectively for each tenant) and the denominator of which is the total rentable area from time to time under lease to tenants on said floor; provided, however, that, if any portion of a floor is vacant or unoccupied the denominator shall consist solely of the space on the floor which is leased and occupied.

   e. Where part or all of the rentable area on a floor has been occupied for less than all of the period for which adjustments are being made, appropriate and equitable modifications shall be made to the allocation formula so that each tenant's allocable share of costs equitable reflects its period of occupancy, provided that in no event shall the total of all costs as allocated to tenants be less than the total costs of Tenant Electricity for said period.

7. The results of the cost adjustment analysis made by Landlord under paragraph (6) above shall be compared to the schedule of amounts due from tenants in regard to Tenant Electricity in accordance with the leases in effect during the period in question. Where the payment due pursuant to the lease is less than the cost as determined by the cost adjustment analysis, each tenant shall be billed for the difference by Landlord. Where the payment due pursuant to the lease is greater than the cost as determined by the cost adjustment analysis, the tenant shall be provided with a credit in the amount of such difference applicable to the rental payment next due (or in the case of tenants no longer in occupancy, Landlord shall refund such amount to such tenants).

   In addition, where the leases call for tenants to make periodic payments to Landlord based on estimates by Landlord of their allocable share of Tenant Electricity, such estimates by Landlord shall, so far as possible, be based on the effective distribution of costs among tenants during prior periods resulting from the application of the cost adjustment procedures established herein.

8. All costs of electricity billed to Landlord through the main electric meter for use in and around the building other than the costs of Tenant Electricity allocated pursuant to the procedures established herein, shall be treated as part of the Operating Expenses for the Property for purposes of determining the allocation of those costs.

EXHIBIT I

BROKER DETERMINATION OF PREVAILING MARKET RENT

Where in the Lease to which this Exhibit is attached provision is made for a Broker Determination of Prevailing Market Rent, the following procedures and requirements shall apply:

1. Tenant's Request. Tenant shall send a notice to Landlord by the time set for such notice in the applicable section of the Lease, requesting a Broker Determination of the Prevailing Market Rent, which notice to be effective must (i) make explicit reference to the Lease and to the specific section of the Lease pursuant to which said request is being made, (ii) include the name of a broker selected by Tenant to act for Tenant, which broker shall be affiliated with a Boston commercial real estate brokerage firm selected by Tenant and which broker shall have at least ten (10) years experience dealing in properties of a nature and type generally similar to the Building located in the Cambridge-Boston Downtown Market, and (iii) explicitly state that Landlord is required to notify Tenant within thirty (30) days of an additional broker selected by Landlord.

2. Landlord's Response. Within thirty (30) days after Landlord's receipt of Tenant's notice requesting the Broker Determination and stating the name of the broker selected by Tenant, Landlord shall give written notice to Tenant of Landlord's selection of a broker having at least the affiliation and experience referred to above.

3. Selection of Third Broker. Within ten (10) days thereafter the two (2) brokers so selected shall select a third such broker also having at least the affiliation and experience referred to above.

4. Rental Value Determination. Within thirty (30) days after the selection of the third broker, the three (3) brokers so selected, by majority opinion, shall make a determination of the annual fair market rental value of the Premises for the period referred to in the Lease. Such annual fair market rental value determination (x) may include provision for annual increases in rent during said term if so determined, (y) shall take into account the as-is condition of the Premises and (z) shall take account of, and be expressed in relation to, the tax and operating cost bases and provisions for paying for so-called tenant electricity as contained in the Lease. The brokers shall advise Landlord and Tenant in writing by the expiration of said thirty (30) day period of the annual fair market rental value which as so determined shall be referred to as the Prevailing Market Rent.

5. Resolution of Broker Deadlock. If the Brokers are unable to agree at least by majority on a determination of annual fair market rental value, then the brokers shall send a notice to Landlord and Tenant by the end of the thirty (30) day period for making said determination setting forth their individual determinations of such annual fair market rental value, and the highest such determination and the lowest such determination shall be disregarded and the remaining determination shall be deemed to be the determination of annual fair market rental value and shall be referred to as the Prevailing Market Rent.

6. Costs. Each party shall pay the costs and expenses of the broker selected by it and each shall pay one half (1/2) of the costs and expenses of the Third Broker.

7. Failure to Select Broker or Failure of Broker to Serve. If Tenant shall have requested a Broker Determination and Landlord shall not have designated a broker within the time period provided therefor above, then Tenant's Broker shall alone make the determination of Prevailing Market Rent in writing to Landlord and Tenant within thirty (30) days after the expiration of Landlord's right to designate a broker hereunder. If Tenant and Landlord have both designated brokers but the two brokers so designated do not, within a period of fifteen (15) days after the appointment of the second broker, agree upon and designate the Third Broker willing so to act, the Tenant, the Landlord or either broker previously designated may request the Boston Bar Association (or such organization as may succeed to the Boston Bar Association) to designate the Third Broker willing so to act and a broker so appointed shall, for all purposes, have the same standing and powers as though he had been seasonably appointed by the brokers first appointed. In case of the inability or refusal to serve of any person designated as a broker, or in case any broker for any reason ceases to be such, a broker to fill such vacancy shall be appointed by the Tenant, the Landlord, the brokers first appointed or the Boston Bar Association as the case may be, whichever made the original appointment, or if the person who made the original appointment fails to fill such vacancy, upon application of any broker who continues to act or by the Landlord or Tenant such vacancy may be filled by the Boston Bar Association and any broker so appointed to fill such vacancy shall have the same standing and powers as though originally appointed.

EXHIBIT J

FORM OF LETTER OF CREDIT

BENEFICIARY:

ISSUANCE DATE:

_____ 200____

_____
_____
_____
_____

IRREVOCABLE STANDBY
LETTER OF CREDIT NO. _____

ACCOUNTEE/APPLICANT:

_____

MAXIMUM/AGGREGATE
CREDIT AMOUNT: US$_____
USD: _____

LADIES AND GENTLEMEN:

We hereby establish our irrevocable letter of credit in your favor for account of the applicant up to an aggregate amount not to exceed _____ and ____/100 US Dollars (US $_____) available by your draft(s) drawn on ourselves at sight accompanied by:

Your statement, signed by a purportedly authorized officer/official certifying that the holder of the tenant's interest under that certain Lease between One Cambridge Center Trust, as Landlord and Brightcove, Inc, as Tenant (the "Lease") is in default under the Lease and that the Beneficiary is entitled to draw upon this Letter of Credit (in the amount of the draft submitted herewith) pursuant to Section 16.26 of the Lease, together with the original copy of this Letter of Credit and any amendments thereto which have been accepted by you.

Draft(s) must indicate name and issuing bank and credit number and must be presented at this office.

You shall have the right to make partial draws against this Letter of Credit, from time to time.

This Letter of Credit is transferable at any time and from time to time without cost to Beneficiary.

Except as otherwise expressly stated herein, this Letter of Credit is subject to the "Uniform Customs and practice for Documentary Credits, International Chamber of Commerce, Publication No. 500 (1993 Revision)."

This Letter of Credit shall expire at our office on _____ ____, 200__(the "Stated Expiration Date"). It is a condition of this Letter of Credit that the Stated Expiration Date shall be deemed automatically extended without amendment for successive one (1) year period s from such Stated Expiration Date, unless at least forty-five (45) days prior to such Stated Expiration Date) (or any anniversary thereof) we shall notify you at the address specified in this Letter of Credit (or at such other address of which you may have notified us in writing) and the Accountee/Applicant in writing by registered mail (return receipt) that we elect not to consider this Letter of Credit extended for any such additional one (1) year period.

FIRST AMENDMENT TO LEASE

FIRST AMENDMENT TO LEASE dated as of this 30th day of May, 2010, by and between Mortimer B. Zuckerman, Edward H. Linde and Michael A. Cantalupa as TRUSTEES OF ONE CAMBRIDGE CENTER TRUST under Declaration of Trust dated May 14, 1985, recorded with the Middlesex South District Registry of Deeds in Book 16221, Page 413, as amended, but not individually ("Landlord") and BRIGHTCOVE INC., a Delaware corporation ("Tenant").

R E C I T A L S

By Lease dated February 28, 2007 (the "Lease"), Landlord did lease to Tenant and Tenant did lease from Landlord 20,694 square feet of rentable floor area (referred to in the Lease as the "Rentable Floor Area of the Premises" and hereinafter sometimes referred to as the "Rentable Floor Area of the Initial Premises") on the twelfth (12th) floor of the building (the "Building") known as and numbered One Cambridge Center, Cambridge, Massachusetts (referred to in the Lease as the "Premises" and hereinafter sometimes referred to as the "Initial Premises").

Tenant has determined to Lease from Landlord an additional 12,927 square feet of rentable floor area (the "Rentable Floor Area of the Additional Premises") located on the tenth (10th) floor of the Building, which space is shown on Exhibit A attached hereto and made a part hereof (the "Additional Premises").

In addition, Landlord and Tenant have agreed to extend the Term of the Lease for one (1) period of seventeen (17) months upon the terms and conditions contained in the Lease, except as otherwise set forth in this First Amendment to Lease (the "First Amendment").

Landlord and Tenant are entering into this instrument to set forth said leasing of the Additional Premises, to integrate the Additional Premises into the Lease, to extend the Term and to amend the Lease.

NOW THEREFORE, in consideration of One Dollar ($1.00) and other good and valuable consideration in hand this date paid by each of the parties to the other, the receipt and sufficiency of which are hereby severally acknowledged, and in further consideration of the mutual promises herein contained, Landlord and Tenant hereby agree to and with each other as follows:

1. (A) The Term of the Lease, which but for this First Amendment is scheduled to expire on April 30, 2012, is hereby extended for one (1) period of seventeen (17) months commencing on May 1, 2012 and expiring on September 30, 2013 (the "Expiration Date"), unless sooner terminated in accordance with the provisions of the Lease as herein amended, upon all the same terms and conditions contained in the Lease as herein amended.

   (B) Section 3.2 of the Lease is hereby deleted in its entirety and Landlord and Tenant hereby agree that Tenant shall have no further option to extend the Term of the Lease beyond the Expiration Date.

2. Effective as of June 1, 2010 (the "Additional Premises Commencement Date"), the Additional Premises shall constitute a part of the "Premises" demised to Tenant under the Lease, so that the Premises (as defined in Section 1.2 of the Lease) shall include both the Initial Premises and the Additional Premises and shall contain a total of 33,621 square feet of rentable floor area.

3. The Term of the Lease for both the Initial Premises and the Additional Premises shall be coterminous. Accordingly, the definition of the "Term" as set forth in Section 1.2 of the Lease is hereby amended by deleting the definition therein set forth and substituting therefor the following:

Lease Term: (i) As to the Initial Premises, a period beginning on the Commencement Date and ending on the Expiration Date, unless sooner terminated as provided in the Lease.

(ii) As to the Additional Premises, a period beginning on the Additional Premises Commencement Date and ending on the Expiration Date, unless sooner terminated as provided in the Lease.

4. (A) Annual Fixed Rent for the Initial Premises shall continue to be payable as set forth in the Lease through April 30, 2012.

(B) For the period commencing on May 1, 2012 and ending on the Expiration Date, Annual Fixed Rent for the Initial Premises shall be payable at the annual rate of $765,678.00 (being the product of (i) $37.00 and (ii) the Rentable Floor Area of the Initial Premises (being 20,694 square feet)).

(C) For the period commencing on July 1, 2010 (the "Additional Premises Rent Commencement Date") and ending on May 31, 2011, Annual Fixed Rent for the Additional Premises shall be payable at the annual rate of $296,000.00 (being the product of (i) $22.8978 and (ii) the Rentable Floor Area of the Additional Premises (being 12,927 square feet)). Notwithstanding that the payment of Annual Fixed Rent payable by Tenant to Landlord with respect to the Additional Premises shall not commence until the Additional Premises Rent Commencement Date, the Additional Premises shall be subject to, and Tenant shall comply with, all other provisions of the Lease as herein amended as and at the times provided in the Lease as herein amended (provided, however, that in no event shall Tenant be required to pay operating expenses, real estate taxes or electricity charges for or with respect to the Additional Premises prior to the Additional Premises Commencement Date).

(D) For the period commencing on June 1, 2011 and ending on May 31, 2012, Annual Fixed Rent for the Additional Premises shall be payable at the annual rate of $388,500.00 (being the product of (i) $30.0534 and (ii) the Rentable Floor Area of the Additional Premises (being 12,927 square feet)).

(E) For the period commencing on June 1, 2012 and ending on the Expiration Date, Annual Fixed Rent for the Additional Premises shall be payable at the annual rate of $478,299.00 (being the product of (i) $37.00 and (ii) the Rentable Floor Area of the Additional Premises (being 12,927 square feet)).

5. Except as otherwise expressly set forth herein, for purposes of computing Tenant's payments for the "Tax Excess" (as defined in Section 6.2 of the Lease), Tenant's payments for the "Operating Cost Excess" (as defined in Section 7.5 of the Lease) and Tenant's payments for electricity (as determined pursuant to Sections 5.2 and 7.5 of the Lease), for the portion of the Term on and after the Additional Premises Commencement Date, the "Rentable Floor Area of the Premises" shall comprise a total of 33,621 square feet including both the Rentable Floor Area of the Initial Premises (being 20,694 square feet) and the Rentable Floor Area of the Additional Premises (being 12,927 square feet). For the portion of the Lease Term prior to the Additional Premises Commencement Date, the "Rentable Floor Area of the Premises" shall continue to be the Rentable Floor Area of the Initial Premises for such purposes. Landlord hereby confirms that the Total Rentable Floor Area of the Building is 215,686 square feet.

6. (A) For the purposes of computing Tenant's payments for real estate taxes pursuant to Section 6.2 of the Lease solely with respect to the Initial Premises, for the portion of the Lease Term on and after May 1, 2012, "Base Taxes" (as defined in Section 6.1 of the Lease) shall mean Landlord's Tax Expenses for fiscal tax year 2012, being the period from July 1, 2011 through June 30, 2012.

   For the portion of the Lease Term prior to May 1, 2012, the definition of Base Taxes with respect to the Initial Premises shall remain as set forth in the Lease.

   (B) For the purposes of computing Tenant's payments for real estate taxes pursuant to Section 6.2 of the Lease solely with respect to the Additional Premises, for the portion of the Lease Term on and after the Additional Premises Commencement Date, "Base Taxes" (as defined in Section 6.1 of the Lease) shall mean Landlord's Tax Expenses for fiscal tax year 2011, being the period from July 1, 2010 through June 30, 2011.

7. (A) For the purposes of computing Tenant's payments for operating expenses pursuant to Section 7.5 of the Lease solely with respect to the Initial Premises, for the portion of the Lease Term on and after May 1, 2012, "Base Operating Expenses" (as defined in Section 7.4 of the Lease) shall mean Landlord's Operating Expenses for the Property for calendar year 2012, being the period from January 1, 2012 through December 31, 2012.

   For the portion of the Lease Term prior to May 1, 2012, the definition of Base Operating Expenses shall remain as set forth in the Lease.

   (B) For the purposes of computing Tenant's payments for operating expenses pursuant to Section 7.5 of the Lease solely with respect to the Additional Premises, for the portion of the Lease Term on and after the Additional Premises Commencement Date, "Base Operating Expenses" (as defined in Section 7.4 of the Lease) shall mean Landlord's Operating Expenses for the Property for calendar year 2010, being the period from January 1, 2010 through December 31, 2010.

8. Commencing on the Additional Premises Commencement Date, the number of parking privileges which Tenant shall have the right, but not the obligation, to use under Section 10.1 of the Lease shall be increased by an additional nineteen (19) parking privileges, which such parking privileges shall be subject to all of the terms and provisions of Article X of the Lease. Notwithstanding anything contained in Section 10.1 of the Lease to the contrary, Tenant shall notify Landlord within six (6) months of the Additional Premises Commencement Date of the number of additional parking privileges which Tenant desires be made available in the Garage(s) for its use in accordance with this Section 8.

9. Landlord shall provide and install, at Landlord's expense, letters or numerals on the tenth (10th) floor directory to identify Tenant's official name and Building address; all such letters and numerals shall be in the building standard graphics.

10. (A) Prior to the Additional Premises Commencement Date, Landlord shall professionally clean all of the flooring in the Additional Premises, including any carpets and/or linoleum. In addition, Landlord shall deliver the Additional Premises in broom-clean condition, including the kitchen and all glass within the Additional Premises. All base building plumbing, electrical and HVAC systems serving the Additional Premises shall be delivered in good working order and condition as of the Additional Premises Commencement Date.

(B) Except as provided in subsection (A) above, Tenant shall otherwise accept the Additional Premises in their as-is condition without any obligation on the Landlord's part to perform any additions, alterations, improvements, demolition or other work therein or pertaining thereto.

(C) Landlord shall permit Tenant access for installing Tenant's trade fixtures in the Additional Premises at least ten (10) days prior to the Additional Premises Commencement Date, provided that such work can be done without material interference with the work being performed by Landlord under subsection (A) above or with the maintenance of harmonious labor relations. Any such access by Tenant shall be at upon all of the terms and conditions of the Lease (other than the payment of Annual Fixed Rent, operating expenses, real estate taxes or electricity charges with respect to the Additional Premises) and shall be at Tenant's sole risk, and Landlord shall not be responsible for any injury to persons or damage to property resulting from such early access by Tenant except to the extent caused by Landlord's gross negligence or intentional misconduct.

(D) Landlord shall provide to Tenant a special allowance of Twelve Thousand and 00/100 Dollars ($12,000.00) (the "Tenant Allowance"). The Tenant Allowance shall be used and applied by Tenant solely on account of the cost of removing all or a portion of the existing built-in workstations in the Additional Premises or painting the Premises (the "Tenant's Work"). Provided that Tenant (i) has completed all of such Tenant's Work in accordance with the terms of the Lease (it being understood and agreed that Landlord's consent shall not be required for the Tenant's Work as defined in this First Amendment, notwithstanding anything contained in the Lease to the contrary, including without limitation the provisions of Article IX), has paid for all of such Tenant's Work in full and has delivered to Landlord lien waivers from all persons who might have a lien as a result of such work, in a form reasonably acceptable to Landlord, (ii) has delivered to Landlord its certificate specifying the cost of such Tenant's Work and all contractors,

subcontractors and supplies involved with Tenant's Work, together with evidence of such cost in the form of paid invoices, receipts and the like, (iii) has satisfied the requirements of (i) and (ii) above and made request for such payment on or before the date that is eighteen (18) months from the Additional Premises Commencement Date, (iv) is not otherwise in default under the Lease, and (v) there are no liens (unless bonded to the reasonable satisfaction of Landlord) against Tenant's interest in the Lease or against the Building arising out of Tenant's Work or any litigation in which Tenant is a party relating to the Tenant's Work, then within thirty (30) days after the satisfaction of the foregoing conditions, the Landlord shall pay to the Tenant the lesser of the amount of such costs so certified or the amount of the Tenant Allowance. Notwithstanding the foregoing, Landlord shall be under no obligation to apply any portion of the Tenant Allowance for any purposes other than as provided in this subsection (D), nor shall Landlord be deemed to have assumed any obligations, in whole or in part, of Tenant to any contractors, subcontractors, suppliers, workers or materialmen. Further, in no event shall Landlord be required to make application of any portion of the Tenant Allowance on account of any supervisory fees, overhead, management fees or other payments to Tenant, or any partner or affiliate of Tenant. In the event that such cost of Tenant's Work is less than the Tenant Allowance, Tenant shall not be entitled to any payment or credit nor shall there be any application of the same toward Annual Fixed Rent or Additional Rent owed by Tenant under the Lease.

11. (A) Tenant warrants and represents that Tenant has not dealt with any broker in connection with the consummation of this First Amendment other than Jones Lang LaSalle ("JLL"); and in the event any claim is made against Landlord relative to dealings by Tenant with brokers other than JLL, Tenant shall defend the claim against Landlord with counsel of Tenant's selection first approved by Landlord (which approval will not be unreasonably withheld) and save harmless and indemnify Landlord on account of loss, cost or damage which may arise by reason of such claim.

    (B) Landlord warrants and represents that Landlord has not dealt with any broker in connection with the consummation of this First Amendment except for JLL and Richards, Barry, Joyce and Partners (collectively, the "Brokers"); and in the event any claim is made against Tenant relative to dealings by Landlord with other brokers, Landlord shall defend the claim against Tenant with counsel of Landlord's selection first approved by Tenant (which approval will not be unreasonably withheld) and save harmless and indemnify Tenant on account of loss, cost or damage which may arise by reason of such claim. Landlord shall be responsible for any commission due the Brokers in connection with this First Amendment.

12. Except as otherwise expressly provided herein, all capitalized terms used herein without definition shall have the same meanings as are set forth in the Lease. In the event of a conflict between the terms of the Lease and this First Amendment, this First Amendment shall control. Except as set forth in this First Amendment, the Lease is hereby reaffirmed and is in full force and effect in accordance with its terms (Landlord hereby confirming, without limiting the generality of the foregoing, that the provisions of Article XII of the Lease apply with the same force and effect to the Additional Premises as to the Initial Premises). The Lease and this First Amendment together constitute the entire agreement between Landlord and Tenant with respect to the lease of the Premises and the Additional Premises.

13. Except as herein amended the Lease shall remain unchanged and in full force and effect. All references to the "Lease" shall be deemed to be references to the Lease as herein amended.

EXECUTED as a sealed instrument as of the date and year first above written.

WITNESS:

By: /s/ Patrick Mulvihill
Name: Patrick Mulvihill
Title: Leasing Representative

LANDLORD:

By: /s/ David C. Provost
David C. Provost,
for the Trustees of One Cambridge Center Trust, pursuant to written delegation, but not individually

Hereto duly authorized

TENANT:

WITNESS:

By: /s/ Debra Quinn
Name: Debra Quinn
Title: Sr. Office Manager

BRIGHTCOVE INC.

By: /s/ Edward Godin
Name: Edward Godin
Title: SVP, HR

Hereto duly authorized

EXHIBIT A

Additional Premises

Exhibit 10.7

ATLANTIC WHARF

WATERFRONT BUILDING
290 CONGRESS STREET
BOSTON, MASSACHUSETTS 02210

INDEX TO LEASE

FROM

BP RUSSIA WHARF LLC

TO

BRIGHTCOVE INC.

TABLE OF CONTENTS

ATLANTIC WHARF

THIS INSTRUMENT IS AN INDENTURE OF LEASE in which the Landlord and the Tenant are the parties hereinafter named, and which relates to space in the building known as the **"**Office Tower" and the "Waterfront Office Building".

The parties to this instrument hereby agree with each other as follows:

ARTICLE I

Basic Lease Provisions and Enumerations of Exhibits

1.1 Introduction

The following sets forth the basic data and identifying Exhibits elsewhere hereinafter referred to in this Lease, and, where appropriate, constitute definitions of the terms hereinafter listed.

1.2 Basic Data

Date:	June 15, 2011
Landlord:	BP RUSSIA WHARF LLC
Present Mailing Address of Landlord:	c/o Boston Properties Limited Partnership 800 Boylston Street, Suite 1900 Boston, MA 02199-8103
Landlord's Construction Representative:	Any one of: Mark Denman, Ben Lavery or Jeff Lowenberg.
Tenant:	BRIGHTCOVE INC., a Delaware corporation
Present Mailing Address of Tenant:	One Cambridge Center, 12th Floor Cambridge, MA 02142
Tenant's Construction Representative:	John Pilkington at A/E/C Solutions.
Maximum Amount of Tenant Allowance:	$5,547,420.00

Design and Construction Schedule:	
Interim Plans Date:	August 1, 2011
Long Lead Items Release Date:	November 4, 2011
Final Plans Date:	September 30, 2011
Authorization to Proceed Date:	November 22, 2011
Budget Date:	November 22, 2011
Estimated Commencement Date:	April 1, 2012
Initial Rent Credit Date:	May 1, 2012
Increased Rent Credit Date:	June 1, 2012
Outside Completion Date:	August 1, 2012
Commencement Date:	The date that is earlier of: (i) the Substantial Completion Date of Landlord's Work, as defined in Exhibit B, or (ii) Tenant first commences to use the Premises, or any portion thereof for business purposes.
Term or Lease Term: (sometimes called the "Original Lease Term")	Unless extended or sooner terminated as hereinafter provided, the one hundred twenty (120) calendar month period, beginning on the Commencement Date and ending on the date ("Expiration Date") one hundred twenty (120) months after the Commencement Date, except that if the Commencement Date occurs on a day other than the first day of a calendar month, the Expiration Date shall be the last day of the calendar month which is one hundred twenty (120) months after the Commencement Date.

Extension Options:	Two (2) successive periods of five (5) years each, as provided in and on the terms set forth in Section 3.2 hereof.
Lease Year:	A period of twelve (12) consecutive months, commencing as the Commencement Date, or as of any anniversary of the Commencement Date, except that the if the Commencement Date does not occur on the first day of a calendar month, then Lease Year 10 shall commence as of the ninth anniversary of the Commencement Date and end as of the Expiration Date.
Premises:	The third (3rd) floor and the fourth (4th) floor of the Building, in accordance with the floor plans annexed hereto as Exhibit D and incorporated herein by reference, as further defined and limited in Section 2.1 hereof.
Rentable Floor Area of the Premises:	82,184 square feet.
Annual Fixed Rent:	(a) During the Original Lease Term at the following annual rates: (i) During the period commencing on the Commencement Date and continuing through Lease Year 1, but subject to clause (b) below, the annual rate of $2,425,176.00 (being equal to the product of (x) $39.00 and (y) 62,184 square feet of the Premises); (ii) During Lease Year 2, at the annual rate of $2,815,176.00 (being equal to the product of (x) $39.00 and (y) 72,184 square feet of the Premises); (iii) During Lease Years 3, 4 and 5, at the annual rate of $3,205,176.00 (being equal to the product of (x) $39.00 and (y) 82,184 square feet of the Premises; and

	(iv) During Lease Years 6 to 10, at the annual rate of $3,533,912.00 (being equal to the product of (x) $43.00 and (y) 82,184 square feet of the Premises; (b) The parties hereby acknowledge that, pursuant to a Termination Agreement with respect to Existing Lease, as hereinafter defined, of even date herewith, the term of the Existing Lease may terminate as of the Commencement Date of this Lease. If the Commencement Date of this Lease occurs prior to April 1, 2012, then, notwithstanding anything to the contrary in this Lease contained, the amount of Annual Fixed Rent, Tax Excess, and Operating Cost Excess payable by Tenant with respect to the period commencing as of the Commencement Date and ending as of March 31, 2012 shall be equal to the same amount of Annual Fixed Rent, Tax Excess and Operating Cost Excess which would have been payable under the Existing Lease during such period, but for such Termination Agreement. (c) During the extension option periods (if any and if exercised), as determined pursuant to Section 3.2.
Tenant Electricity:	See Section 5.2
Additional Rent:	All charges and other sums payable by Tenant as set forth in this Lease, in addition to Annual Fixed Rent.
Total Rentable Floor Area of the Building:	762,500 square feet.
"Lot" or "Site":	That certain parcel(s) of land described in Exhibit A and as shown on Exhibit A-1.

Building:	For the purposes of this Lease, the Building shall mean the office portions of "Atlantic Wharf" (hereinafter defined) being (i) the "Office Tower" as shown on Exhibit A-1 and having an address at 280 Congress Street, Boston, Massachusetts 02210, and (ii) the "Waterfront Office Building" as shown on Exhibit A-1, and (iii) their respective office lobbies also shown on Exhibit A-1, as each of the same may be altered, expanded, reduced or otherwise changed by Landlord from time to time. The Building consists of the Office Tower Unit and the Waterfront Office Unit described in the Secondary Condominium Documents, together with the rights appurtenant to such units in the Condominium Documents.
The Russia Building:	The building on the Lot having an address at 530 Atlantic Avenue, Boston, Massachusetts, as shown on Exhibit A-1 attached hereto.
Russia Building Residential:	The residential portions of the Russia Building consisting of the ground floor residential lobby and Floors 2 through 7 thereof and as shown on said Exhibit A-1.
Russia Building Retail:	The retail and related portions of the Russia Building located on the first floor thereof as shown on said Exhibit A-1.
Waterfront Building Retail:	The retail related portions of the Waterfront Office Building located on the first floor thereof as shown on said Exhibit 1 and referred to as the Retail Unit in the Secondary Condominium Documents.
Public Spaces:	The following areas: (1) Waterfront Square, (2) Channel Concierge, (3) the Multi Media Presentation Area, and (4) such other public spaces as Landlord and/or its affiliates shall from time to time designate, all presently shown on Exhibit A-1, as same may be relocated or adjusted.

Garage:	Those portions of Atlantic Wharf consisting of Garage Levels P-1 through P-6 dedicated to parking excluding, however, all portions thereof utilized for Atlantic Wharf service operations such as utility rooms and back of the house areas. The Garage is shown on Exhibit A-1.
Atlantic Wharf:	For purposes of this Lease, Atlantic Wharf shall mean the Lot, the Building, the Russia Building (including the Russia Building Residential and the Russia Building Retail), the Waterfront Building Retail, the Public Spaces, and the Garage together with all common areas and other improvements thereon, as the same may be altered, expanded, reduced or otherwise changed from time to time.
Condominium:	Tenant acknowledges that the Lease is subject to The Atlantic Wharf Primary Condominium and The Atlantic Wharf Commercial Secondary Condominium (collectively "the Condominiums"). The Atlantic Wharf Primary Condominium was established pursuant to that certain Master Deed of The Atlantic Wharf Primary Condominium dated as of December 15, 2010 and recorded with the Suffolk County Registry of Deeds in Book 47342, Page 46, and that certain Declaration of Trust of The Atlantic Wharf Primary Condominium Trust dated as of December 15, 2010 and recorded with such registry of deeds in Book 47342, Page 114. The Atlantic Wharf Commercial Secondary Condominium was established pursuant to that certain Master Deed of The Atlantic Wharf Commercial Secondary Condominium dated as of December 15, 2010 and recorded with such registry of deeds in Book 47342, Page 171, and that certain Declaration of Trust of The Atlantic

	Wharf Commercial Secondary Condominium Trust dated as of December 15, 2010 and recorded with such registry of deeds in Book 47342, Page 234 (the "Secondary Condominium Documents").
Permitted Use:	General office purposes.
Broker:	FHO Partners, LLC One International Place Boston, MA 02110
Security Deposit:	$2,403,882.00, payable in accordance with and to be held subject to the provisions of Section 16.26
Existing Lease:	Lease dated February 28, 2007, as amended, of premises at One Cambridge Center, Cambridge, Massachusetts by and between Trustees of One Cambridge Center Trust ("Existing Landlord"), as Landlord, and Tenant

1.3 Enumeration of Exhibits

The following Exhibits attached hereto are a part of this Lease, are incorporated herein by reference, and are to be treated as a part of this Lease for all purposes. Undertakings contained in such Exhibits are agreements on the part of Landlord and Tenant, as the case may be, to perform the obligations stated therein to be performed by Landlord and Tenant, as and where stipulated therein.

Exhibit A	—	Legal Description of Atlantic Wharf
Exhibit B	—	Work Agreement
Exhibit B-1	—	Tenant Plan and Working Drawing Requirements
Exhibit B-2	—	Approved General Contractors
Exhibit C	—	Landlord's Services
Exhibit D	—	Floor Plans
Exhibit E	—	Form of Declaration Affixing the Commencement Date of Lease

Exhibit F	—	Memorandum Re: Procedure for Allocation of Electricity Costs.
Exhibit G	—	Forms of Lien Waivers
Exhibit H	—	Broker Determination of Prevailing Market Rent
Exhibit I	—	List of Mortgages
Exhibit J	—	Form of Letter of Credit
Exhibit K	—	Form of Certificate of Insurance
Exhibit L	—	Form of Subordination, Attornment and Non-Disturbance Agreement
Exhibit M	—	Operating Expense Exclusions
Exhibit N	—	Elevation for Tenant's Permitted Street Signage

ARTICLE II

Premises

2.1 Demise and Lease of Premises

Landlord hereby demises and leases to Tenant, and Tenant hereby hires and accepts from Landlord, the Premises in the Building, excluding any portion of exterior walls except the inner surfaces thereof, the common stairways and stairwells, elevators and elevator walls, mechanical rooms, electric and telephone closets, janitor closets, and pipes, ducts, shafts, conduits, wires and appurtenant fixtures serving exclusively or in common other parts of the Building, and if the Premises includes less than the entire rentable area of any floor, excluding the common corridors, elevator lobbies and toilets located on such floor. Tenant shall have the non-exclusive right, to the extent that the same are available and in common with others entitled thereto, to use the fan rooms, janitorial, electrical, telephone and telecommunications closets, conduits, risers, shafts, and plenum spaces serving the Building. Tenant's right to use such common areas are subject to the rules and regulations promulgated by Landlord from time to time in accordance with Section 11.3 hereof, subject, however, to the extent Tenant is given prior written notice thereof.

2.2 Appurtenant Rights and Reservations

Subject to Landlord's right to change or alter any of the following in Landlord's reasonable discretion as herein provided, Tenant shall have, as appurtenant to the Premises, the non-exclusive right to use in common with others entitled thereto, but not

in a manner or extent that would materially interfere with the normal operation and use of the Building as a multi-tenant office building and subject to reasonable rules of general applicability to tenants of the Building or Atlantic Wharf from time to time made by Landlord (which shall include any successor owner of the Building or Atlantic Wharf of which Tenant is given notice): (a) the common lobbies, corridors, stairways, and elevators of the Building, and, subject to Section 2.1, the fan rooms, janitorial, electrical, telephone and telecommunications closets, pipes, ducts, shafts, conduits, risers, shafts, and plenum spaces serving the Premises in common with others, (b) the loading areas serving the Building and the common walkways and driveways necessary for access to the Building, (c) if the Premises include less than the entire rentable floor area of any floor, the common toilets, corridors and elevator lobby of such floor and (d) the plazas and other common areas of Atlantic Wharf as Landlord makes the same available from time to time to tenants or the public; and no other appurtenant rights and easements. No changes shall be made to the public or common areas that would unreasonably interfere with Tenant's access to or use of the Premises for the purposes of this Lease or that would adversely affect the quality of the public or common areas as a mixed-use project consistent with other first class mixed-use projects in the Central Business District of Boston. To the extent that, during the Lease Term, Landlord is required, pursuant to the Chapter 91 License to which Atlantic Wharf is subject (as the same may be modified by agreement or waiver, from time to time), to operate any amenities open to the public (e.g., the multi-media room), Landlord shall comply with such obligation. Notwithstanding anything to the contrary herein, Landlord may establish reasonable rules and regulations for access to the Building by telecommunications providers providing services to tenants in the Building, which may include reasonable fees for Landlord's providing access to closets, shafts, ducts or similar spaces reasonably necessary for the provision of such services, but such rules and regulations and Landlord shall not unreasonably deny access to the Building to any particular service provider proposing to provide services to Tenant except on the basis of a reasonably documented pattern of misconduct or damage to persons or property in buildings, which may include Atlantic Wharf or other properties owned by Landlord or its affiliates. Notwithstanding the foregoing, Landlord agrees to permit Cogent Communications to have telecommunications access to the Premises and the Building for the purpose of providing telecommunications service to Tenant. Provided that and so long as Tenant's telecommunications service provider ("Provider") does not provide telecommunications service to any other tenant of the Building, Landlord shall not require such Provider to pay any fees for such access.

Landlord reserves for its benefit and the benefit of any other owner the right from time to time, without unreasonable interference with Tenant's use: (a) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises or the Building, and (b) to alter or relocate any other common facility, provided that substitutions are substantially equivalent or better. Installations, replacements and relocations referred to in clause (a) above shall be located so far as practicable in the central core area of the Building, above ceiling surfaces, below floor surfaces or within

perimeter walls of the Premises, and in any event in a manner that does not reduce the usable area of the Premises (other than to a de minimis extent). Except in the case of emergencies or for normal cleaning and maintenance operations, Landlord shall give Tenant reasonable advance notice of any of the foregoing activities which require work in the Premises and to conduct such work during non-business hours except if work can be conducted in a manner that does not materially interfere with Tenant's business.

Landlord reserves and excepts for its benefit and the benefit of any others entitled thereto (including, without limitation, owners and tenants of condominium units of the Condominiums (the "Condominium Units") all rights of ownership (as the case may be) and use in all respects outside the Premises, including without limitation, the Building and all other structures and improvements and plazas and common areas in Atlantic Wharf, except that at all times during the term of this Lease, subject to Force Majeure, as defined in Section 14.1, Landlord's rules and regulations promulgated pursuant to Section 11.3, and Landlord's reasonable security requirements, Tenant shall have a reasonable means of access from a public street to the Premises and the Garage and the right to use the amenities available from time to time to tenants and occupants in the Building. Without limitation of the foregoing reservation of rights by Landlord, it is understood that in its sole discretion Landlord or the owners of Condominium Units pursuant to the requirements of the applicable Condominium Documents, as the case may be, shall have the right to change and rearrange the plazas and other common areas of the Building and Atlantic Wharf, to reasonably change, relocate and eliminate facilities therein, to reasonably permit the use of or lease all or part thereof for exhibitions and displays and to sell, lease or dedicate all or part thereof to public use; and further that Landlord or the owners of Condominium Units pursuant to the requirements of the applicable Condominium Documents or any other owner, as the case may be, shall have the right to make changes in, additions to and eliminations from the Building and other structures and improvements in Atlantic Wharf, the Premises excepted; provided however that Tenant, its employees, agents, clients, customers, and invitees shall at all times have reasonable access to the Premises, the Building and the Garage through lobby areas and entrances, as the case may be, applicable to the Building and the Premises generally consistent with Class A office Buildings in the Central Business District in Boston, except during reasonable temporary periods of repair, renovation or construction, and subject to Force Majeure, Landlord's rules and regulations promulgated pursuant to Section 11.3, and Landlord's reasonable security requirements. Landlord is not under any obligation to permit individuals without proper building identification or guests of Tenant who are not properly identified to enter the Building after 6:00 p.m.

ARTICLE III

Lease Term and Extension Options

3.1 Term

The Term of this Lease shall be the period specified in Section 1.2 hereof as the "Lease Term," unless sooner terminated or extended as herein provided.

As soon as may be convenient after the Commencement Date has been determined, Landlord and Tenant agree to join with each other in the execution, in the form of Exhibit E hereto, of a written Commencement Date Agreement in which the Commencement Date and specified Lease Term of this Lease shall be stated. If Tenant shall fail to execute such Agreement, the Commencement Date and Lease Term shall be as reasonably determined by Landlord in accordance with the terms of this Lease.

3.2 Extension Option

(A) On the conditions (which conditions Landlord may waive by written notice to Tenant) that both at the time of exercise of the applicable herein described option to extend and as of the commencement of the applicable Extended Term in question (i) there exists no "Event of Default" (defined in Section 15.1) and (ii) this Lease is still in full force and effect, and (iii) Tenant has neither assigned this Lease nor sublet more than fifty percent (50%) of the Rentable Floor Area of the Premises (except for an assignment or subletting permitted without Landlord's consent under Section 12.5 hereof), Tenant shall have the right to extend the Term hereof upon all the same terms, conditions, covenants and agreements herein contained (except that the Annual Fixed Rent which shall be adjusted during the option period as hereinbelow set forth and except that there shall be no further option to extend except as set forth herein) for two (2) periods of five (5) years each, as hereinafter set forth. Each option period is sometimes herein referred to as an "Extended Term." Notwithstanding any implication to the contrary Landlord has no obligation to make any additional payment to Tenant in respect of any construction allowance or the like or to perform any work to the Premises as a result of the exercise by Tenant of any such option, the parties hereby agreeing, however, that the amount (if any) of any construction allowance and/or work performed to the Premises by Landlord in connection with an Extended Term shall be a factor in determining the Prevailing Market Rent Term.

(B) If Tenant desires to exercise an option to extend the Term, then Tenant shall give notice ("Exercise Notice") to Landlord, not earlier than eighteen (18) months (except in connection with an exercise pursuant to Sections 3.3 or 3.4 of this Lease) nor later than fifteen (15) months prior to the expiration of the then Term of this Lease (as it may have been previously extended) exercising such option to extend. Within thirty (30) days following Landlord's receipt of Tenant's Exercise Notice but in no event earlier than twenty one months prior to the expiration of the then current Term, Landlord shall give notice to Tenant of Landlord's good faith proposal of the Prevailing Market Rent to be applied for the Annual Fixed Rent for the applicable Extended Term ("Landlord's Rent Quotation"). For all purposes of this Lease, "Prevailing Market Rent" shall mean the arms-length fair market annual rental rate per rentable square foot of (i) the Premises in connection Tenant's exercise of its extension options under this Section 3.2, or (ii) the Available 5th Floor ROFO Space in connection with Tenant's exercise of its rights

under Section 3.3 of this Lease, or (iii) any expansion space leased in connection with Tenant's rights under Section 3.5 of this Lease, as applicable under leases and amendments then being entered into with private sector tenants in Class A office buildings in the Central Business District of Boston, taking into account all then relevant factors (including, without limitation, those set forth in Exhibit H). If at the expiration of thirty (30) days after the date when Landlord provides such quotation to Tenant (the "Negotiation Period"), during which period Landlord and Tenant agree to negotiate in good faith with respect to the Prevailing Market Rent applicable to the Premises, Landlord and Tenant have not reached agreement on a determination of the Prevailing Market Rent for such Extended Term and executed a written instrument extending the Term of this Lease pursuant to such agreement, then Tenant shall have the right, for thirty (30) days following the expiration of the Negotiation Period, to make a request to Landlord for a broker determination (the "Broker Determination") of the Prevailing Market Rent for such Extended Term, which Broker Determination shall be made in the manner set forth in Exhibit H. If Tenant timely shall have requested the Broker Determination, then the Annual Fixed Rent for the applicable Extended Term shall be the greater of (a) the Prevailing Market Rent as determined by the Broker Determination, with a Base Year for Operating Expenses for such Extended Term which is the calendar year immediately preceding the calendar year in which such Extended Term commences and a Base Year for Taxes for such Extended Term which is the fiscal tax year immediately preceding the fiscal tax year immediately preceding fiscal tax year in which such Extended Term commences ("Prevailing Market Terms"), or (b) the product of $41.00 and the Rentable Floor Area of the Premises, with a Base Year for Operating Expenses for such Extended Term which is same calendar year as the Base Year in effect immediately preceding the commencement of such Extended Term and a Base Year for Taxes which is which is same fiscal tax year as the Base Year in effect immediately preceding the commencement of such Extended Term ("Floor Terms"). If Tenant does not timely request the Broker Determination, then the Annual Fixed Rent during the applicable Extended Term shall be equal to the greater of (a) Landlord's Rent Quotation or (b) the product of $41.00 and the Rentable Floor Area of the Premises.

(C) Upon the giving of the Exercise Notice by Tenant to Landlord exercising Tenant's applicable option to extend the Lease Term in accordance with the provisions of Section 3.2 (B) above, then this Lease and the Lease Term hereof shall automatically be deemed extended, for the applicable Extended Term, without the necessity for the execution of any additional documents, except that Landlord and Tenant agree to enter into an instrument in writing setting forth the Annual Fixed Rent for the applicable Extended Term as determined in the relevant manner set forth in this Section 3.2; and in such event all references herein to the Lease Term or the Term of this Lease shall be construed as referring to the Lease Term, as so extended, unless the context clearly otherwise requires, and except that: (i) there shall be no further option to extend the Lease Term beyond the two (2) Extended Option periods provided for in this Section 3.2, and (ii) if the Base Rent payable

by Tenant in respect of such Extended Term is based upon Prevailing Market Rate, then the Base Year for Operating Expenses for such Extended Term shall be the calendar year immediately preceding the calendar year in which such Extended Term commences and the Base Year for Taxes for such Extended Term shall be the fiscal tax year immediately preceding the fiscal tax year immediately preceding fiscal tax year in which such Extended Term commences. Notwithstanding anything contained herein to the contrary, in no event shall Tenant have the right to exercise more than one extension option at a time and, further, Tenant shall not have the right to exercise its second extension option unless it has duly exercised its first extension option and in no event shall the Lease Term hereof be extended for more than ten (10) years after the expiration of the Original Lease Term hereof.

3.3 5th Floor Right of First Offer

(A) 5th Floor Right of First Offer Conditions. On the conditions (which conditions Landlord may waive by written notice to Tenant at any time) that both at the time that any Available 5th Floor ROFO Space would be offered to Tenant and as of the date upon which the Available 5th Floor ROFO Space which Tenant has elected to lease pursuant to this Section 3.3 would have otherwise become incorporated into the Premises: (i) there exists no Event of Default, (ii) this Lease is still in full force and effect, and (iii) Tenant has neither assigned this Lease nor sublet more than thirty five percent (35%) of the Rentable Floor Area of the Premises then leased to Tenant (excluding any sublease or assignment to a Permitted Transferee which is permitted in accordance with Section 12.5), prior to offering to lease or accepting any offer to lease the Available 5th Floor ROFO Space to a third party other than a third party with 5th Floor Right of First Offer Prior Rights (as hereinafter defined), Landlord will first offer such Available 5th Floor ROFO Space to Tenant for lease pursuant to this Section 3.3 ("Tenant's 5th Floor Right of First Offer").

(B) Definition of 5th Floor Right of First Offer Space. The parties hereby acknowledge that, as of the Execution Date of this Lease, the entire 5th floor of the Waterfront Building is leased to another tenant of the Building, Payette Associates ("Payette"). For the purposes hereof, an "Available 5th Floor ROFO Space" shall be defined as any leasable space on the 5th floor of the Building, when Landlord determines in good faith to make any such space available for lease after the occupancy of Payette, and anyone claiming by, through, or under Payette; provided, however, that Landlord shall have the right to extend the term or otherwise modify or amend Landlord's lease with Payette.

(C) Exercise of Right to Lease Available 5th Floor ROFO Space. Landlord shall give Tenant written notice ("Landlord's 5th Floor ROFO Notice") at the time that Landlord determines in good faith, as aforesaid, that any particular Available 5th Floor ROFO Space will become available for lease. Landlord's 5th Floor ROFO Notice shall set forth (i) Landlord's good faith quotation of the Prevailing Market

Rent therefore to be the proposed Annual Fixed Rent for the Available 5th Floor ROFO Space, and (ii) all other material terms and conditions (which need not include a tenant improvement allowance, the parties hereby agreeing that the amount of tenant improvement allowance, if any, provided by Landlord in connection with Tenant's demise of an Available 5th Floor ROFO Space shall be a factor in determining the Prevailing Market Rate for such Available 5th Floor ROFO Space) that will apply to the Available 5th Floor ROFO Space, all of which shall be the terms and conditions of this Lease (i) except for any conditions unique to such Available 5th Floor ROFO Space and set forth in Landlord's 5th Floor ROFO Notice, and (ii) except as set forth in or subject to the provisions of Section 3.3(D) below. Tenant shall have the right, exercisable upon written notice ("Tenant's 5th Floor ROFO Exercise Notice") given to Landlord within twenty (20) days after the receipt of Landlord's 5th Floor ROFO Notice, (i) to lease all of the Available 5th Floor ROFO Space, on the terms set forth in Landlord's 5th Floor ROFO Notice, (ii) to lease all of the Available 5th Floor ROFO Space, but reject the quotation of annual fixed rent set forth in Landlord's 5th Floor ROFO Notice and instead elect to submit the same to a Broker Determination in accordance with the provisions of Exhibit H attached hereto to determine the Prevailing Market Rent for the Available 5th Floor ROFO Space, or (iii) reject Landlord's 5th Floor ROFO Notice. If Tenant fails timely to give Tenant's 5th Floor ROFO Exercise Notice, Landlord shall be free to lease the Available 5th Floor ROFO Space (or any portion thereof) to a third party and Tenant shall have no further right to lease such Available 5th Floor ROFO Space (or such portion thereof) pursuant to this Section 3.3, unless:

(x) no such third party lease is executed for the entirety of the Available 5th Floor ROFO Space that was previously offered to Tenant during the 5th Floor ROFO Space Leasing Period, as hereinafter defined, (in which event Tenant shall again have a right of first offer to lease the entirety, or the portion of the Available 5th Floor ROFO Space which has not been leased to a third party, as the case may be, of the Available 5th Floor Space in accordance with the provisions of this Section 3.3); or

(y) the term of any such third party lease, as from time to time extended or renewed, has expired or sooner ended, in which event the portion of the 5th floor leased to such third party shall again become Available 5th ROFO Space and Tenant shall again have a right of first offer to lease such Available 5th Floor ROFO Space in accordance with the provisions of this Section 3.3.

The "5th Floor ROFO Space Leasing Period" with respect to any Landlord's 5th Floor ROFO Notice shall be the period ending as of the date ("5th Floor ROFO Space Leasing Period Expiration Date") twelve (12) months after the date that Tenant fails timely to accept the terms of such Landlord's 5th Floor ROFO Notice, as aforesaid, except that if, as of the date twelve (12) months after the date that Tenant fails timely to accept the terms of such Landlord's 5th Floor ROFO

Notice, Landlord is engaged in good faith negotiations with a third party to enter into an agreement to lease the Available 5th Floor ROFO Space in question, then such 5th Floor ROFO Space Lease Expiration Date shall be the date fifteen (15) months after the date that Tenant fails timely to accept the terms of such Landlord's 5th Floor ROFO Notice. Upon the timely giving of such Tenant's 5th Floor ROFO Exercise Notice, Landlord shall lease and demise to Tenant and Tenant shall hire and take from Landlord, the entirety of such Available 5th Floor ROFO Space commencing upon the Term Commencement Date for such Available 5th Floor ROFO Space (as determined pursuant to Section 3.3(D)(1) below), upon all of the same terms and conditions of the Lease, except as hereinafter set forth. In any case in which Tenant shall have waived said right of first offer or said right shall have expired, Tenant shall, upon request of Landlord, execute and deliver in recordable form an instrument indicating such waiver or expiration, subject to Tenant's continuing rights under this Section 3.3, which instrument shall be conclusive in favor of all persons relying thereon in good faith.

Notwithstanding anything to the contrary provided in this Section 3.3 (including, but not limited to, Section 3.3(C)), if the Available 5th Floor ROFO Space shall be available for delivery to Tenant at any time during the last thirty six (36) months of the Original Lease Term or the first Extended Term, as the case may be, then: (a) if Tenant has no further right to extend the term of the Lease (i.e. because Tenant's right to extend the term of the Lease pursuant to Section 3.2 has been irrevocably waived by Tenant or has lapsed unexercised), then Tenant shall not be entitled to lease the Available 5th Floor ROFO Space under this Section 3.3, (b) if Tenant then has a right to extend the term of the Lease pursuant to Section 3.2 which has not either lapsed unexercised or been irrevocably waived), then Tenant shall have no right to lease such Available 5th Floor ROFO Space unless, prior to, or simultaneously with, the giving of Tenant's 5th Floor ROFO Exercise Notice, Tenant timely and properly exercises such extension option.

(D) Lease Provisions Applying to Available 5th Floor ROFO Space. The leasing to Tenant of such Available 5th Floor ROFO Space shall be upon all of the same terms and conditions of the Lease, except as follows:

1. Commencement Date; Occupancy Date. The term as to the Available 5th Floor ROFO Space shall be co-terminous with the term of this Lease subject, however, to the last paragraph of Section 3.3(C) above. The Commencement Date in respect of such Available 5th Floor ROFO Space shall be the later of: (x) the commencement date in respect of such Available 5th Floor ROFO Space specified in Landlord's 5th Floor ROFO Notice ("Estimated 5th Floor ROFO Commencement Date") or (y) the date that Landlord delivers such Available 5th Floor ROFO Space to Tenant in the condition specified in Landlord's 5th Floor ROFO Notice or as otherwise provided in Section 3.3(D)(3) below.

Tenant's 5th Floor ROFO Rescission Right. If the Commencement Date in respect of an Available 5th Floor ROFO Space does not occur on or before the date one hundred fifty (150) days after the Estimated 5th Floor ROFO Commencement Date for such Available 5th Floor ROFO Space, Tenant shall have the right ("Tenant's 5th Floor ROFO Rescission Right") to cancel Tenant's demise of such Available 5th Floor ROFO Space. Tenant may exercise Tenant's 5th Floor ROFO Rescission Right by giving Landlord thirty (30) days written rescission notice ("Tenant's 5th Floor ROFO Rescission Notice"). If the Commencement Date with respect to such Available 5th Floor ROFO Space occurs on or before the date thirty (30) days after Landlord receives such Tenant's 5th Floor ROFO Rescission Notice, then Tenant's 5th Floor ROFO Rescission Notice shall be void and without force or effect, and Tenant shall have no right to cancel its demise of such Available 5th Floor ROFO Space pursuant to this Section 3.3(D)(1). If the Commencement Date with respect to such Available 5th Floor ROFO Space does not occur on or before the date thirty (30) days after Landlord receives such Tenant's 5th Floor ROFO Rescission Notice, then the Tenant's demise of such Available 5th Floor ROFO Space shall be cancelled as of the date ("5th Floor ROFO Effective Cancellation Date") which is thirty (30) days following such notice, and neither party shall have any further liability or obligation to the other party with respect to such Available 5th Floor ROFO Space. The effect of Tenant's exercise of Tenant's 5th Floor ROFO Rescission Right shall be the same as if Tenant had failed timely to accept Landlord's offer to lease such Available 5th Floor ROFO Space, except that, as provided in Section 3.5(C), Tenant's Termination Right may be revived.

2. Fixed Annual Rent. The Annual Fixed Rent in respect of such Available 5th Floor ROFO Space shall be as set forth in Landlord's 5th Floor ROFO Notice, unless within Tenant's 5th Floor ROFO Exercise Notice Tenant elects to submit the same to a Broker Determination in accordance with the provisions of Exhibit H attached hereto to determine the Prevailing Market Rent as of the Commencement Date for such Available 5th Floor ROFO Space, in which event the Annual Fixed Rent in respect of such Available 5th Floor ROFO Space shall be the Prevailing Market Rent for such Available 5th Floor ROFO Space as of the Commencement Date with respect to such Available 5th Floor ROFO Space determined in accordance with Exhibit H. Both parties shall be bound by such Broker Determination.

3. Base Years. The Base Year with respect to Operating Expenses for such Available 5th Floor ROFO Space shall be the calendar year immediately preceding the Commencement Date with respect to such Available 5th Floor ROFO Space. The Base Year with respect to Landlord's Tax Expenses for such Available 5th Floor ROFO Space shall be the fiscal/tax year immediately preceding the Commencement Date with respect to such Available 5th Floor ROFO Space.

4. Condition of Available 5th Floor ROFO Space. Tenant shall take such Available 5th Floor ROFO Space "as-is" in its then (i.e., as of the date of delivery) state of construction, finish, and decoration, without any obligation on the part of Landlord to construct or prepare any Available 5th Floor ROFO Space for Tenant's occupancy, and with no obligation on the part of Landlord to provide any Landlord Contribution in respect of such Available 5th Floor ROFO Space unless otherwise specified in Landlord's 5th Floor ROFO Notice or otherwise mutually agreed by Landlord and Tenant, and in either such case the foregoing shall be a factor in the calculation of the Prevailing Market Rent. Notwithstanding the foregoing, Landlord shall in all events deliver possession of the Available 5th Floor ROFO Space to Tenant vacant, broom clean, free of all Hazardous Materials, property, tenants and occupants.

(E) 5th Floor Right of First Offer Prior Rights. Notwithstanding anything herein to the contrary, Tenant's 5th Floor Right of First Offer is subject and subordinate to the following: (i) the rights (whether such rights are designated as an extension right, right of first offer, right of first refusal, expansion option or otherwise) of Payette to extend, renew, amend the term of or otherwise modify or amend its lease of such Available 5th Floor ROFO Space, (ii) the existing rights as of the date of this Lease of Communispace Corporation to lease such Available 5th Floor ROFO Space, and (iii) the existing rights as of the date of this Lease of Wellington Management Company to lease such 5th Floor Space (collectively called the "5th Floor Right of First Offer Prior Rights").

3.4 Intentionally Omitted.

3.5 Tenant's Contingent Termination Right

(A) Subject to the provisions of this Section 3.5, Tenant shall have the following right ("Tenant's Termination Right") to terminate the term of the Lease as of the last day of the seventh Lease Year, or later pursuant Section 3.5(C) ("Effective Termination Date") by: (i) giving written notice ("Tenant's Termination Notice") to Landlord on or before the date that is fifteen (15) months prior to the Effective Termination Date, (ii) paying fifty (50%) of the Termination Payment, as hereinafter defined, to Landlord at the time that Tenant gives the Tenant's Termination Notice to Landlord, and (iii) paying the balance of the Termination Payment ("Balance of Termination Payment") to Landlord on or before the Effective Termination Date.

(B) *Termination Option Conditions*. It shall be a condition ("Termination Option Conditions") to Tenant's right to exercise Tenant's Termination Right under this Section 3.5 that the following conditions are all satisfied:

(i) there is, as of the time that Tenant gives Tenant's Termination Notice, as hereinafter defined, no uncured monetary or material non-monetary Event of Default in existence and continuing;

(ii) there is, as of the Effective Termination Date, no uncured monetary or material non-monetary default by Tenant in its obligations under the Lease in existence and continuing of which Landlord has given Tenant written notice prior to the Effective Termination Date ("Noticed Tenant Default"), provided however, that if Tenant has not cured a Noticed Tenant Default on or before the Effective Termination Date, Tenant shall nevertheless be deemed to have satisfied the Termination Option Condition set forth in this clause (ii) if Tenant cures such Noticed Tenant Default on or before the last day of the grace period for curing such Noticed Tenant Default (i.e. as set forth in Section 15.1) even if such cure occurs after the Effective Termination Date; and

(iii) Landlord has been unable to satisfy the Tenant's Expansion Needs Condition, as hereinafter defined.

The Termination Option Conditions under clauses (i) and (ii) above are for the sole benefit of Landlord; therefore, Landlord may, at its election, waive either of such Termination Option Conditions.

(C) *Tenant's Expansion Needs Condition*. The parties intend that Tenant will have the right to exercise Tenant's Termination Right only if Landlord is unable to satisfy Tenant's expansion needs, as expressly set forth in this Section 3.5(C). The "Tenant's Expansion Needs Condition" will only be deemed to have been satisfied by Landlord if either: (i) Tenant does not, during the Expansion Request Period, as hereinafter defined, give Landlord a written request ("Expansion Request") to Landlord to lease expansion space in the Waterfront Office Building containing at least 10,000 rentable square feet, or (ii) Tenant gives an Expansion Request to Landlord during the Expansion Request Period, and Landlord delivers to Tenant a written offer ("Landlord's Expansion Offer") to lease Acceptable Expansion Space, as hereinafter defined; provided however, that if Tenant gives Landlord a timely Expansion Request and, in response, if Landlord gives Tenant a Landlord's Expansion Offer to lease Acceptable Expansion Space, but Tenant's demise of such Acceptable Expansion Space is cancelled by reason of the exercise, by Tenant of its Tenant's Acceptable Expansion Space Rescission Right or Tenant's 5th Floor ROFO Rescission Right, as applicable, then Landlord shall not be deemed to have satisfied Tenant's Expansion Needs Condition based upon such Landlord's Expansion Offer. For the purposes of this Section 3.5(C), Tenant shall have the right to give Landlord only one Expansion Request, and Landlord may not deliver a Landlord's Expansion Offer prior to the receipt by Landlord of an Expansion Request from Tenant. The "Expansion Request Period" shall be the period commencing as of the second anniversary of the Commencement Date and ending as of the date twenty-seven (27) months prior to the Effective Termination

Date. Landlord shall have no obligation to offer Acceptable Expansion Space to Tenant in response to the Expansion Request. Landlord's Expansion Offer shall set forth: (x) the estimated Commencement Date with respect to the Acceptable Expansion Space, (y) the rent which would be payable by Tenant with respect to such Acceptable Expansion Space, which rent shall be based upon Landlord's designation of the Prevailing Market Rent for such Acceptable Expansion Space, and (z) the terms and conditions as set forth in Section 3.3(D) shall, except to the extent inconsistent with this Section 3.5, be applicable to the Acceptable Expansion Space as if the Acceptable Expansion Space were the Available 5th Floor ROFO Space. Notwithstanding anything to the contrary herein contained, if, subject to the next following paragraph either:

(i) on or after January 1, 2016, but not less than thirty (30) days prior to the expiration of the Expansion Request Period, Landlord gives to Tenant a Landlord's 5th Floor ROFO Notice(s), pursuant to Section 3.3, which, if Tenant timely accepted the offers represented by such Notice(s), would have permitted Tenant to demise Available 5th Floor ROFO Space containing not less than 15,000 rentable square feet in the aggregate, for a term commencing during calendar year 2016 or calendar year 2017, or

(ii) Tenant, at any time after the Date of this Lease, enters into an agreement with Landlord leasing any additional space in the Building containing, in the aggregate, not less than 15,000 rentable square feet in the aggregate, for a term commencing during calendar year 2016 or calendar year 2017,

then, and, in any such event, Landlord shall be deemed to have satisfied Tenant's Expansion Needs Condition and, subject to the next following paragraph, Tenant shall have no right to exercise Tenant's Termination Right.

Revival of Tenant's Termination Right if Tenant Exercises Rescission Rights. Notwithstanding the foregoing, if Tenant exercises its right to lease Available 5th Floor ROFO Space that qualifies to satisfy Tenant's Expansion Needs Condition pursuant to clause (i) above and/or Acceptable Expansion Space, and Tenant's demise of such ROFO Space or Tenant's Acceptable Expansion Space is cancelled by reason of Tenant's exercise of Tenant's 5th Floor ROFO Rescission Right or Acceptable Expansion Space Rescission Right (as applicable) so that Tenant will have leased less than an additional Minimum Expansion Space Floor Area, as defined in Section 3.5(D), by reason of such cancellation(s), then Landlord shall, notwithstanding the foregoing, not be deemed to have satisfied the Tenant's Expansion Needs Condition pursuant to clause (i) of the immediately preceding sentence, and Tenant shall again have the right to exercise Tenant's Termination Right pursuant to this Section 3.5.

If Tenant's Termination Right is revived by reason of the exercise by Tenant of a Tenant's 5th Floor ROFO Rescission Right or Tenant's Acceptable Expansion Space Rescission Right, and if the effective date of cancellation of demise of the applicable Available ROFO Space pursuant to such Tenant's 5th Floor ROFO Rescission Right or of the Acceptable Expansion Space pursuant to Tenant's Acceptable Expansion Space Rescission Right is on or after the date sixteen (16) months prior to the last day of the seventh Lease Year (i.e. one month prior to the date Tenant's Termination Notice is due), then:

(a) Tenant may exercise Tenant's Termination Right by giving a Tenant's Termination Notice on or before the date ninety (90) days after the 5th Floor ROFO Effective Cancellation Date or the Acceptable Expansion Space Effective Cancellation Date, as the case may be;

(b) If Tenant exercises Tenant's Termination Right, the Effective Termination Date shall be the date fifteen (15) months after Landlord receives such Tenant's Termination Notice; and

(c) For the purposes of determining the Termination Payment, the Unamortized Portion of Landlord's Transaction Costs shall be determined based upon the amount of principal which would remain unpaid as of the date fifteen (15) months after Landlord receives Tenant's Termination Notice, as set forth in clause (b) above.

(D) *Acceptable Expansion Space*. "Acceptable Expansion Space" shall be defined as any area in the Waterfront Office Building offered to be leased by Landlord to Tenant pursuant to Landlord's Expansion Offer which (i) contains not less than eighty (80%) of the Rentable Floor Area ("Minimum Expansion Space Floor Area") nor more than one hundred twenty (120%) of the Rentable Floor Area requested to be leased by Tenant in the Expansion Request ("Maximum Expansion Space Floor Area") (the condition set forth in this clause (i) being referred to herein as the "Size Condition"), (ii) with respect to which the rent payable by Tenant is based upon the Prevailing Market Rent, as defined in Section 3.2 above, and (iii) the estimated Commencement Date with respect to the Acceptable Expansion Space will occur during calendar years 2016 or 2017 (the condition set forth in this clause (iii) being referred to herein as the "Commencement Date Condition").

(E) *Tenant's Right to Dispute Landlord's Expansion Offer*; *Tenant's Demise of Acceptable Expansion Space*. If Landlord gives Tenant a Landlord's Expansion Offer to lease Acceptable Expansion Space pursuant to Section 3.5(C), then Tenant shall have the following options:

(i) Tenant may unconditionally accept such Landlord's Expansion Offer by giving Landlord written notice ("Tenant's Acceptance") on or

before the date fifteen (15) days after Tenant receives Landlord's Expansion Offer. If Tenant timely gives Tenant's Acceptance, then Landlord shall lease the Acceptable Expansion Space described in Landlord's Expansion Offer to Tenant, and Tenant shall demise such Acceptable Expansion Space from Landlord, on the terms and conditions set forth in Landlord's Expansion Offer, the terms of Section 3.3(D), and upon all of the terms and conditions of the Lease to the extent not inconsistent with Landlord's Expansion Offer; or

(ii) Tenant may, by giving Landlord written notice ("Tenant's Acceptance and Broker Determination Request") on or before the date fifteen (15) days after Tenant receives Landlord's Expansion Offer, accept such Landlord's Expansion Offer, but assert that the Base Rent offered in Landlord's Expansion Offer is not the Prevailing Market Rent of the Acceptable Expansion Space specified in Landlord's Expansion Offer, and request a Broker Determination of such Base Rent in accordance with Exhibit H. Tenant's Acceptance and Broker Determination Request shall expressly accept Landlord's Expansion Offer and state that Tenant requests a Broker Determination. If Tenant timely gives Tenant's Acceptance and Broker Determination Request, then Tenant shall be conclusively be deemed to have accepted Landlord's Expansion Offer, Landlord shall lease the Acceptable Expansion Space described in Landlord's Expansion Offer to Tenant, and Tenant shall demise such Acceptable Expansion Space from Landlord, on the terms and conditions set forth in Landlord's Expansion Offer and upon all of the terms and conditions of the Lease to the extent not inconsistent with Landlord's Expansion Offer, except that the Base Rent payable by Tenant with respect to the Acceptable Expansion Space will be either as determined by the Broker Determination (and both parties shall be bound by such Broker Determination), or as mutually agreed to by the parties in writing,; or

(iii) Tenant may give written notice ("Objection Notice") to Landlord asserting that the space identified in Landlord's Expansion Offer does not qualify as Acceptable Expansion Space because it does not satisfy either the Size Condition and/or the Commencement Date Condition. If Tenant delivers a timely Objection Notice to Landlord and if the space identified in Landlord's Expansion Offer does not, in fact, qualify as Acceptable Expansion Space, then Tenant may exercise Tenant's Termination Right unless Landlord delivers an acceptable Landlord's Expansion Offer to Tenant.

If Tenant does not, on or before the date fifteen (15) days after Tenant's receipt of Landlord's Expansion Offer, timely either give to Landlord a Tenant's Acceptance, a Tenant's Acceptance and Broker Determination Request, or an Objection Notice, then Tenant shall conclusively be deemed to have agreed that: (i) Landlord's Expansion Offer offered to lease Acceptable Expansion Space to Tenant for purposes of satisfying the Tenant's Expansion Needs Condition, and, therefore, (ii) Tenant has no right to exercise Tenant's Termination Right.

(F) Acceptable Expansion Space Rescission Right. If the Commencement Date in respect of an Acceptable Expansion Space does not occur on or before the date one hundred fifty (150) days after the Estimated Commencement Date for such Acceptable Expansion Space, Tenant shall have the right ("Tenant's Acceptable Expansion Space Rescission Right") to cancel Tenant's demise of such Acceptable Expansion Space. Tenant may exercise Tenant's Acceptable Expansion Space Rescission Right by giving Landlord thirty (30) days written rescission notice ("Tenant's Acceptable Expansion Space Rescission Notice"). If the Commencement Date with respect to such Acceptable Expansion Space occurs on or before the date ("Acceptable Expansion Space Effective Cancellation Date") which is thirty (30) days after Landlord receives such Tenant's Acceptable Expansion Space Rescission Notice, then Tenant's Acceptable Expansion Space Rescission Notice shall be void and without force or effect, and Tenant shall have no right to cancel its demise of such Acceptable Expansion Space pursuant to this Section 3.5(F). If the Commencement Date with respect to such Acceptable Expansion Space does not occur on or before the date thirty (30) days after Landlord receives such Tenant's Acceptable Expansion Space Rescission Notice, then the Tenant's demise of such Acceptable Expansion Space shall be cancelled, and neither party shall have any further liability or obligation to the other party with respect to Tenant's attempted demise of such Acceptable Expansion Space. The effect of Tenant's exercise of Tenant's Acceptable Expansion Space Rescission Right shall be the same as if Tenant had failed timely to accept Landlord's offer to lease such Acceptable Expansion Space, except that, as provided in Section 3.5(C), Tenant's Termination Right shall be revived.

(G) *Termination Payment*. Subject to the provisions of this Section 3.5(F), the "Termination Payment" shall be equal to the sum of: (i) the Unamortized Portion, as hereinafter defined, of Landlord's Transaction Costs, as hereinafter defined, plus (ii) the Rent Loss Payment, as hereinafter defined. The "Rent Loss Payment" shall be equal to $2,527,158.00, except that if (by reason of the exercise by Tenant of any of its Rescission Rights) the Effective Termination Date occurs after the last day of the seventh Lease Year, then the Rent Loss Payment shall be reduced by the amount of Base Rent to be paid by Tenant to Landlord between the last day of the seventh Lease Year and the Effective Termination Date.

(H) *Transaction Costs*. "Landlord's Transaction Costs" shall mean the following costs incurred by Landlord in connection with Tenant's demise of the premises initially demised to Tenant: Landlord's Contribution, any other costs incurred by Landlord in performing Landlord's Work, brokerage commissions paid by Landlord in connection with Tenant's demise of the premises initially demised to Tenant, and reasonable legal fees incurred by Landlord in connection with the Lease. "Landlord's Additional Premises Transaction Costs" shall mean the following costs incurred by Landlord in connection with Tenant's demise of any additional

premises: any tenant allowances, any other costs incurred by Landlord in preparing such additional premises for Tenant's occupancy, brokerage commissions paid by Landlord in connection with the Lease, and legal fees incurred by Landlord in connection with the Lease. Landlord shall, upon written request of Tenant, from time to time, advise Tenant of the amount of Landlord's Transaction Costs and Landlord's Additional Premises Transaction Costs, to the extent that such information is then available to Landlord and Landlord's calculation of the Termination Payment.

(I) *Unamortized Portion*. The "Unamortized Portion" shall be defined as the amount of principal which would remain unpaid as of the Effective Termination Date with respect to a loan in an original principal amount equal to the Landlord's Transaction Costs (or Landlord's Additional Premises Transaction Costs, as the case may be) and which is repaid in equal monthly payments of principal and interest on a direct reduction basis over the initial Term of the Lease with respect to the premises initially demised to Tenant (or the applicable additional premises, as the case may be) based upon an interest rate of six percent (6%) per annum.

(J) If Tenant timely and properly exercises Tenant's Termination Right and pays the entire Termination Fee, pursuant to this Section 3.5, then the Term of the Lease shall terminate as of the Effective Termination Date as if the Effective Termination Date were the Expiration Date set forth in Section 1.2, and Annual Fixed Rent and other charges shall be apportioned as of said Effective Termination Date. If Tenant fails timely and properly to give Tenant's Termination Notice and to pay the first half of the Termination Fee, Tenant shall have no right to terminate the term of the Lease pursuant to this Section 3.5, time being of the essence hereof. If Tenant timely and properly gives Tenant's Termination Notice and pays the first half of the Termination Fee, but Tenant fails timely to pay the Balance of the Termination Fee on or before the Effective Termination Date and if Tenant fails to cure such failure on or before the date ten (10) days after Tenant receives written notice of such failure from Landlord, then Landlord shall have the right, at Landlord's election, to either : (i) declare Tenant's Termination Notice void and of no force or effect, in which case Landlord shall apply the first half of the Termination Fee paid by Tenant as a credit against Tenant's next succeeding obligation(s) to pay Annual Fixed Rent and other charges due under the Lease, or, (ii) to require Tenant to pay the balance of the Termination Fee, plus all legal fees incurred by Landlord in enforcing Tenant's obligation to pay the Balance of the Termination Fee.

(K) If Tenant exercises its Termination Right pursuant to this Section 3.5, Tenant shall have no right to extend the Term of the Lease pursuant to Section 3.2.

ARTICLE IV

Condition of Premises; Alterations

4.0 Landlord's Work

Landlord shall commence and diligently perform Landlord's Work in accordance with the Work Agreement attached hereto as Exhibit B and made a part hereof. In addition to the performance of the Landlord's Work, Landlord shall deliver the Premises to Tenant vacant, broom clean, free of all property, debris, Hazardous Materials, tenants or occupants. Subject to delays arising from Force Majeure, Landlord shall use diligent efforts to achieve Substantial Completion of Landlord's Work on or before the Estimated Commencement Date. However, except as set forth in Section II of Exhibit B, the failure of the Commencement Date to occur on or before the Estimated Commencement Date shall in no way affect the validity of this Lease or the obligations of Tenant hereunder nor shall the same be construed in any way to extend the Term of this Lease. Except as set forth in Section II of Exhibit B, if the Commencement Date does not occur on or before the Estimated Commencement Date, Tenant shall not have any claim against Landlord, and Landlord shall have no liability to Tenant, by reason thereof.

ARTICLE V

Annual Fixed Rent and Electricity

5.1 Fixed Rent

Tenant agrees to pay to Landlord, commencing on the Commencement Date, and thereafter monthly, in advance, on the first day of each and every calendar month during the Original Lease Term, a sum equal to one-twelfth (1/12th) of the Annual Fixed Rent specified in Section 1.2 hereof for the applicable portion of the Term of this Lease and on the first day of each and every calendar month during each Extended Term (if exercised), a sum equal to one-twelfth of the Annual Fixed Rent as determined in Section 3.2 for the applicable Extended Term. Until notice of some other designation is given, fixed rent and all other charges for which provision is herein made shall be paid by remittance to or for the order of Boston Properties Limited Partnership either (i) by mail to P.O. Box 3557, Boston, Massachusetts 02241-3557, (ii) by wire transfer to Bank of America in Dallas, Texas, Bank Routing Number 0260-0959-3 or (iii) by ACH transfer to Bank of America in Dallas, Texas, Bank Routing Number 111 000 012, and in the case of (ii) or (iii) referencing Account Number 3756454460, Account Name of Boston Properties, LP, Tenant's name and Atlantic Wharf address. All remittances received by BOSTON PROPERTIES LIMITED PARTNERSHIP, as Agents as aforesaid, or by any subsequently designated recipient, shall be treated as a payment to Landlord.

Annual Fixed Rent for any partial month shall be paid by Tenant to Landlord at such rate on a pro rata basis based on a 365 day year, and, if the Commencement Date shall be

other than the first day of a calendar month, the first payment of Annual Fixed Rent which Tenant shall make to Landlord shall be a payment equal to a proportionate part of such monthly Annual Fixed Rent for the partial month from the Commencement Date to the first day of the succeeding calendar month.

Additional Rent payable by Tenant on a monthly basis, as elsewhere provided in this Lease, likewise shall be prorated, and the first payment on account thereof shall be determined in similar fashion and, if applicable at that time, shall commence on the Commencement Date and other provisions of this Lease calling for monthly payments shall be read as incorporating this undertaking by Tenant.

Notwithstanding that the payment of Annual Fixed Rent payable by Tenant to Landlord shall not commence until the Commencement Date, Tenant shall be subject to, and shall comply with, all other provisions of this Lease as and at the times provided in this Lease.

The Annual Fixed Rent and all other charges for which provision is made in this Lease shall be paid by Tenant to Landlord without setoff, deduction or abatement except as otherwise expressly set forth in this Lease.

5.2 Allocation of Electricity Charges

Landlord shall allocate the cost of electricity to Tenant in accordance with the procedure contained in Exhibit F, and Tenant shall pay for electricity as provided in said Exhibit F.

ARTICLE VI

Taxes

6.1 Definitions

With reference to the real estate taxes referred to in this Article VI, it is agreed that terms used herein are defined as follows:

(a) "Tax Year" means the 12-month period beginning July 1 each year during the Lease Term or if the appropriate Governmental tax fiscal period shall begin on any date other than July 1, such other date with appropriate proration of any change.

(b) "Landlord's Tax Expenses Allocable to the Premises" means the same proportion of Landlord's Tax Expenses as Rentable Floor Area of Tenant's Premises bears to 100% of the Total Rentable Floor Area of the Building.

(c) "Landlord's Tax Expenses" with respect to any Tax Year means the aggregate "real estate taxes" (hereinafter defined) with respect to that Tax Year, reduced by any net abatement receipts with respect to that Tax Year but equitably adjusted to be a fully/assessed, fully occupied building.

(d) "Real estate taxes" means all taxes and special assessments of every kind and nature and user fees and other like fees assessed by any Governmental authority (including, but not limited to, any tax, assessment or charge resulting from the creation of a special improvement district, (but excluding any late fees unless Tenant is late with its payments)) on, or allocable to: (i) the Building (i.e., the Tower Office Unit and the Waterfront Office Unit, as defined in the Secondary Condominium Documents), and (ii) reasonable expenses of and fees for any formal or informal proceedings for negotiation or abatement of taxes (collectively, "Abatement Expenses"), which Abatement Expenses shall be excluded from Base Taxes. The amount of special taxes or special assessments to be included shall be limited to the amount of the installment (plus any interest other than penalty interest payable thereon) of such special tax or special assessment required to be paid on account of the tax year or portion thereof included with the Lease Term, payable over the longest period permitted by law. There shall be excluded from such taxes all mitigation or impact fees or subsidies associated with the initial construction of the Building or Atlantic Wharf and all income, inheritance, estate, succession, transfer, gift, franchise, or capital stock taxes; provided, however, that if at any time during the Lease Term the present system of ad valorem taxation of real property shall be changed so that in lieu of, or in addition to, the whole or any part of the ad valorem tax on real property (or in lieu of, or in addition to, any increases therein) there shall be assessed on Landlord a capital levy or other tax on the gross rents received with respect to the Site or Building or Property, or a federal, state, county, municipal, or other local income, franchise, excise or similar tax, assessment, levy or charge (distinct from any now in effect in the jurisdiction in which Atlantic Wharf is located) measured by or based, in whole or in part, upon any such gross rents, then any and all of such taxes, assessments, levies or charges, to the extent so measured or based, shall be deemed to be included within the term "Real Estate Taxes" but only to the extent that the same would be payable if the Site and Building, were the only property of Landlord. To the extent that the Building is not separately assessed for real estate tax purposes, but is assessed as part of a larger parcel including the Russia Building and the Garage, then the Landlord shall make a reasonable allocation in accordance with the Condominium Documents as to the amount of the real estate taxes that should be allocated to the Building for the purposes of determination of the Tenant's share of increases in real estate taxes under this Lease. The Landlord's allocation, if made in good faith, shall be final. For the purposes of this Lease, real estate taxes shall include any legally required payment in lieu of taxes or any payments made under Chapter 121A of the Massachusetts General Laws or any similar law, provided that any such payments in lieu of taxes shall be included solely to the extent any such agreement is consistent with

agreements then required to be entered into in the City of Boston for comparable properties, but shall not be included in real estate taxes to the extent any such agreement is not so required or consistent.

(e) "Base Taxes" means Landlord's Tax Expenses (hereinbefore defined) for fiscal tax year 2012 (that is the period beginning July 1, 2011 and ending June 30, 2012), provided, however, the Base Taxes shall be equitably adjusted and grossed up as if the Building (or the applicable portion of Atlantic Wharf on which Base Taxes are based) were to be a fully assessed, fully occupied building. Landlord represents and warrants to Tenant that, as of the Execution Date of this Lease, there are no tax agreements, tax credits, tax abatements or other tax incentives applicable to the Base Taxes for the Building which expire or terminate during the Term of this Lease.

(f) "Base Taxes Allocable to the Premises" means the same proportion of Base Taxes as the Rentable Floor Area of Tenant's Premises bears to 100% of the Total Rentable Floor Area of the Building.

(g) If during the Lease Term the Tax Year is changed by applicable law to less than a full 12-month period, the Base Taxes and Base Taxes Allocable to the Premises shall each be proportionately reduced.

6.2 Tenant's Share of Real Estate Taxes

If with respect to any full Tax Year or fraction of a Tax Year falling within the Lease Term Landlord's Tax Expenses Allocable to the Premises for a full Tax Year exceed Base Taxes Allocable to the Premises or for any such fraction of a Tax Year exceed the corresponding fraction of Base Taxes Allocable to the Premises (such amount being hereinafter referred to as the "Tax Excess"), then Tenant shall pay to Landlord, as Additional Rent, the amount of such Tax Excess. Payments by Tenant on account of the Tax Excess shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. The amount so to be paid to Landlord shall be an amount from time to time reasonably estimated by Landlord to be sufficient to provide Landlord, in the aggregate, a sum equal to the Tax Excess, ten (10) days at least before the day on which tax payments by Landlord would become delinquent. Not later than ninety (90) days after Landlord's Tax Expenses Allocable to the Premises are determinable for the first such Tax Year or fraction thereof and for each succeeding Tax Year or fraction thereof during the Lease Term, Landlord shall render Tenant a statement in reasonable detail certified by a representative of Landlord showing for the preceding year or fraction thereof, as the case may be, real estate taxes allocated to the Building, abatements and refunds, if any, of any such taxes and assessments, expenditures incurred in seeking such abatement or refund, the amount of the Tax Excess, the amount thereof already paid by Tenant and the amount thereof overpaid by, or remaining due from, Tenant for the period covered by such statement, together with copies of all of the tax bills from the City of Boston on which such calculations are based. Landlord shall provide Tenant with a

statement of the amount of Taxes included in Base Taxes following the conclusion of the Base Tax Year, and if requested by Tenant together with copies of all of the tax bills from the City of Boston on which such calculations are based. Within thirty (30) days after the receipt of such statement, Tenant shall pay any sum remaining due. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant if the Lease Term has then expired and Tenant has no further obligation to Landlord. Reasonable expenditures for legal fees and for other expenses incurred in obtaining an abatement or refund may be charged against the abatement or refund before the adjustments are made for the Tax Year.

To the extent that real estate taxes shall be payable to the taxing authority in installments with respect to periods less than a Tax Year, the statement to be furnished by Landlord shall be rendered and payments made on account of such installments.

Landlord shall, within thirty (30) days after Landlord receives written notice from the Tax Assessor of the City of Boston setting forth the assessed value of the Building for the Base Tax Year, provide to Tenant a written statement of the amount of assessed value of the Building which Landlord intends to use as the basis for Base Taxes and the manner in which Landlord determined such amount. After Landlord delivers such statement to Tenant, the parties shall meet at a mutually acceptable time to discuss Landlord's determination of such assessed value.

ARTICLE VII

Landlord's Repairs and Services and Tenant's Escalation Payments

7.1 Structural Repairs; Water Tightness

Except for damage caused by fire or casualty or by eminent domain which shall be covered by Article XIV of this Lease, Landlord shall, throughout the Lease Term, at Landlord's sole cost and expense, keep and maintain, or cause to be kept and maintained, in good order, condition and repair generally and reasonably consistent with other high quality Class A office buildings in the Central Business District in Boston and in conformance with all Legal Requirements, including necessary capital repairs and replacements, the following portions of the Building: all structural and non-structural portions and components of the roof systems (including roof membranes), the exterior and load bearing walls, the foundation, the structural columns, mullions, floor/ceiling slabs, exterior glass, shafts and other structural elements of the Building and the reasonable weatherizing of the Building; provided however, that, subject to Section 13.13, Tenant shall pay to Landlord, as Additional Rent, the cost of any and all such repairs which may be required as a result of repairs, alterations, or installations made by Tenant or any subtenant, assignee, licensee or concessionaire of Tenant or any agent, servant, employee or contractor of any of them or to the extent of any loss, destruction or damage caused by the negligent act or omission of Tenant, any assignee or subtenant or any agent, servant, employee, customer, visitor or contractor of any of them.

7.2 Other Repairs to be Made by Landlord

Except for damage caused by fire or casualty or by eminent domain which shall be covered by Article XIV of this Lease, and except as otherwise provided in this Lease, and subject to provisions for reimbursement by Tenant as contained in Section 7.5, Landlord agrees to keep and maintain, or cause to be kept and maintained, in good order, condition and repair generally and reasonably consistent with other high quality Class A office buildings in the Central Business District in Boston and in conformance with all Legal Requirements, the common areas and facilities of the Building, including the base building mechanical, electrical, plumbing, sprinkler, fire/life safety, and access control systems and the base building heating, ventilating, and air conditioning ("Base Building HVAC") systems serving the Premises and the Building and other common Building systems equipment servicing the Premises, except that Landlord shall in no event be responsible to Tenant for (a) subject to Section 13.13, the condition of glass in and about the Premises (other than for glass in exterior walls for which Landlord shall be responsible unless the damage thereto is attributable to Tenant's negligence or misuse, in which event the responsibility for the cost thereof shall be Tenant's), or (b) subject to Section 13.13, any condition in the Premises or the Building caused by any act or neglect of Tenant or any agent, employee, contractor, assignee, subtenant, licensee, concessionaire or invitee of Tenant. Without limitation, Landlord shall not be responsible to make any improvements or repairs to the Building or the Premises other than as expressly provided in Section 7.1 or in this Section 7.2, unless expressly otherwise provided in this Lease or the Condominium Documents. Landlord shall perform Landlord's obligations under the Condominium Documents and shall use reasonable efforts to enforce the obligations of the Tower Office Unit owner and the Commercial Unit Owner under the Condominium Documents to the extent that such obligations affect Tenant.

7.3 Services to be Provided by Landlord

In addition, and except as otherwise provided in this Lease and subject to provisions for reimbursement by Tenant as contained in Section 7.5 and Tenant's responsibilities in regard to electricity as provided in Section 5.2, Landlord agrees to furnish services, utilities, facilities and supplies to the Premises and the Building as set forth in Exhibit C hereto equal in quality comparable to those customarily provided by landlords in high quality Class A buildings in Boston. In addition, Landlord agrees to furnish, at Tenant's expense, reasonable additional Building operation services which are usual and customary in similar buildings in Boston, and such additional special services as may be mutually agreed upon by Landlord and Tenant, upon reasonable and equitable rates from time to time established by Landlord. Tenant agrees to pay to Landlord, as Additional Rent, the cost of any such additional Building services requested by Tenant and for the cost of any additions, alterations, improvements or other work performed by Landlord in the Premises at the request of Tenant within thirty (30) days after being billed therefor. Landlord represents to Tenant that, as of the Execution Date, there are two zones for overtime Base Building HVAC services and tenants are charged for overtime Base Building HVAC service based upon an hourly charge relating to the applicable zoning and floor to which such service is provided.

7.4 Operating Costs Defined

"Operating Expenses Allocable to the Premises" means the same proportion of the Operating Expenses for the Building (as hereinafter defined) as Rentable Floor Area of the Premises bears to 100% of the Total Rentable Floor Area of the Building. "Base Operating Expenses" means Operating Expenses for the Building for calendar year 2012 (that is the period beginning January 1, 2012 and ending December 31, 2012 (the "Base Year")). Base Operating Expenses shall not include market-wide cost increases due to extraordinary circumstances, including but not limited to, Force Majeure (as defined in Section 14.1), boycotts, strikes, conservation surcharges, embargoes or shortages. For purposes of this Section 7.4, "market-wide cost increases due to extraordinary circumstances" shall mean an actual, material increase in a category of Landlord's Operating Expenses under this Lease in excess of the amount reasonably budgeted by Landlord for such expense category in the Base Operating Expenses which is attributable to some unanticipated event or circumstance occurring during the Base Year and that affects the Central Business District of the City of Boston in general for a temporary period of time and where the costs for such category(ies) subsequently returns, within not more than nine (9) months after the calendar year used for calculating Base Operating Expenses, to amounts that would otherwise have been consistent with the projected and normal level of increases in such category(ies) of costs during subsequent years of the Term. If there are elements of Building repair and maintenance which would have been included in Base Operating Expenses except that such repair and maintenance is covered under construction or installation warranties or service contracts, then the costs which would have been incurred but for such warranties or service contracts shall be included in Base Operating Expenses, less the reasonable costs incurred by Landlord in enforcing such warranties and less the cost of any such service contracts. "Base Operating Expenses Allocable to the Premises" means the same proportion of Base Operating Expenses as the Rentable Floor Area of Tenant's Premises bears to 100% of the Total Rentable Floor Area of the Building. "Operating Expenses for the Building" means the cost of operation of the Building and the Building's share (allocated per the Condominium Documents) of the cost of operating the common areas of Atlantic Wharf as more specifically provided below in Section 7.4, including those incurred in discharging the obligations under Sections 7.2 and 7.3; however there shall be excluded from the Operating Expenses for the Building all costs solely relating to the operation and maintenance of the Garage or the retail and residential portions of Atlantic Wharf. In no event shall Landlord have the right to include in Operating Expenses for the Building more than 100% of the Building's allocable share of any Operating Expense and, so long as Landlord is operating the multi-media center in accordance with the requirements of the Chapter 91 license applicable to Atlantic Wharf (as the same may be modified by amendment or waiver), all revenue and user fees collected from use of the multi-media center shall be credited against the operating expenses of such facility. In addition, such costs shall exclude payments of debt service and any other mortgage charges, brokerage commissions, real estate taxes (to the extent paid pursuant to Section 6.2 hereof), and costs of special services rendered to tenants (including Tenant) for which a separate charge is made, but shall include, without limitation:

(a) compensation, wages and all fringe benefits, workmen's compensation insurance premiums and payroll taxes paid to, for or with respect to all persons up to and including the level of Regional Property Manager for their services in the operating, maintaining, managing, insuring or cleaning of the Building. To the extent, if any, that any such persons shall perform any work with respect to the Building and other buildings in or common areas of Atlantic Wharf or other properties of Landlord or its affiliates, there shall be a reasonable allocation to the Building of the aforesaid charges and items payable to such persons among other buildings, areas and properties so served;

(b) payments under service contracts with independent contractors for operating, maintaining or cleaning of the Building;

(c) steam, water, sewer, gas, oil, electricity and telephone charges (excluding such utility charges separately chargeable to tenants for additional or separate services and excluding electricity for plugs, lights and supplemental heating, ventilating and air-conditioning supplied to leasable areas of the Building) and costs of maintaining letters of credit or other security as may be required by utility companies as a condition of providing such services;

(d) cost of maintenance, cleaning and repairs and replacements (other than repairs not properly chargeable against income or reimbursable from contractors under guarantees);

(e) cost of snow removal and the cost of landscaping services;

(f) cost of building and cleaning supplies and equipment;

(g) premiums for insurance carried with respect to the Building (including, without limitation, liability insurance, insurance against loss in case of fire or casualty and of monthly installments of Annual Fixed Rent and any Additional Rent which may be due under this Lease and other leases of space in the Building for not more than twelve (12) months in the case of both Annual Fixed Rent and Additional Rent and, if there be any first mortgage on the Building, including such insurance as may be required by the holder of such first mortgage); provided, however, that: (i) so long as an affiliate of Boston Properties Limited Partnership owns the Building, such coverages are consistent with those carried by other affiliates of Boston Properties Limited Partnership which own properties similar to the Building in the greater Boston area, and (ii) during such period of time as the Building is not owned by an affiliate of Boston Properties Limited,

Partnership, such coverages shall be of the type and amounts customarily required to be carried by lenders of comparable class A, multi-tenant office buildings in Central Business District of the City of Boston;

(h) management fees at reasonable rates for self managed buildings consistent with the type of occupancy and the services rendered, but in no event at a rate of more than four percent (4%) of fixed and additional rent scheduled for the Building (excluding Tenant electricity reimbursements), parking fees and the aforesaid management fees), the parties agreeing that in calculating the amount of management fees included in Operating Expenses for any calendar year (including the Base Year), management fees shall grossed up as if the Building were 95% occupied (i.e., determined as full rent were being paid on any space which is vacant during such year and on any space with respect to which the tenant is receiving the benefit of free rent or rent abatements);

(i) the Building's share (determined in accordance with the Condominium Documents) of Operating Expenses (as herein defined in this Section 7.4) related to the operation (and insurance) of the open areas, interior and exterior public areas and amenities, plazas, common areas, facilities and other non-leasable areas of Atlantic Wharf including the Lot, and the Public Spaces (but not including any portion of the Russia Building) and other mixed use common area maintenance costs incurred by Landlord or any other owner and allocated to the Building and any shuttle buses and other like amenities, for use of tenants of the Building either alone or in common with tenants of other buildings in Atlantic Wharf and any contributions or payments respecting the Rose Kennedy Greenway;

(j) depreciation for capital expenditures made by Landlord during the Lease Term but only with respect to capital expenditures incurred (x) to reduce Operating Expenses if Landlord reasonably shall have determined that the annual reduction in Operating Expenses shall exceed depreciation therefor or (y) to comply with Legal Requirements effective after the date of this Lease (the capital expenditures described in subsections (x) and (y) being hereinafter referred to as "Permitted Capital Expenditures") plus, in the case of both (x) and (y), an interest factor, reasonably determined by Landlord, as being the interest rate then charged for long term mortgages by institutional lenders on like properties within the general locality in which the Building is located, and depreciation in the case of both (x) and (y) shall be determined by dividing the original cost of such capital expenditure by the number of years of useful life of the capital item acquired, which useful life shall be determined reasonably by Landlord in accordance with generally accepted accounting principles and practices in effect at the time of acquisition of the capital item; provided, however, if Landlord reasonably concludes on the basis of engineering estimates that a particular capital expenditure will effect savings in other Operating

Expenses, including, without limitation, energy related costs, and that such projected savings will, on an annual basis ("Projected Annual Savings"), exceed the annual depreciation therefor, then and in such event the amount of depreciation for such capital expenditure shall be increased to an amount equal to the Projected Annual Savings; and in such circumstance, the increased depreciation (in the amount of the Projected Annual Savings) shall be made for such period of time as it would take to fully amortize the cost of the item in question, together with interest thereon at the interest rate as aforesaid in equal monthly payments, each in the amount of 1/12th of the Projected Annual Savings, with such payment to be applied first to interest and the balance to principal; and

(k) all other reasonable and necessary expenses paid in connection with the operating, cleaning and maintenance of the Building or said common areas and facilities of the Building consistent with other high quality Class A buildings in the Central Business District of Boston and properly chargeable against income.

Notwithstanding anything in this Lease to the contrary, to the extent that Landlord provides or procures services for the Building together with other buildings in Atlantic Wharf or otherwise operated by Landlord or any affiliate thereof, then the costs of such services shall be allocated between the Building and such other buildings in a manner reasonably determined by Landlord.

Notwithstanding any of the foregoing, all of the items of expense listed in Exhibit M attached hereto and made a part hereof entitled Operating Expense Exclusions, are excluded from Operating Expenses.

Notwithstanding the foregoing, in determining the amount of Operating Expenses for the Building for any calendar year or portion thereof falling within the Lease Term (including the calendar year in which Base Operating Expenses are determined), if less than one hundred percent (100%) of the Total Rentable Floor Area of the Building shall have been occupied by tenants at any time during the period in question, then, with respect to the Base Year then, at Landlord's election, with respect to years after the Base Year, but on a mandatory basis for the Base Year, those components of Operating Expenses for the Building that vary based on occupancy for such period shall be adjusted to equal the amount such components of Operating Expenses for the Building would have been for such period had occupancy been one hundred percent (100%) throughout such period.

7.5 Tenant's Escalation Payments

(A) If with respect to any calendar year falling within the Lease Term, or fraction of a calendar year falling within the Lease Term at the beginning or end thereof, the Operating Expenses Allocable to the Premises (as defined in Section 7.4) for a full calendar year exceed Base Operating Expenses Allocable to the Premises (as

defined in Section 7.4) or for any such fraction of a calendar year exceed the corresponding fraction of Base Operating Expenses Allocable to the Premises (such amount being hereinafter referred to as the "Operating Cost Excess"), then Tenant shall pay to Landlord, as Additional Rent, on or before the thirtieth (30th) day following receipt by Tenant of the statement referred to below in this Section 7.5, the amount of such Operating Cost Excess.

(B) Estimated payments by Tenant on account of the Operating Cost Excess shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. The amount so to be paid to Landlord shall be an amount reasonably estimated by Landlord in writing to Tenant from time to time (but no more than twice in any calendar year) to be sufficient to cover, in the aggregate, a sum equal to the Operating Cost Excess for each calendar year during the Lease Term.

(C) No later than one hundred twenty (120) days after the end of the first calendar year or fraction thereof ending December 31 and of each succeeding calendar year during the Lease Term or fraction thereof at the end of the Lease Term, Landlord shall render Tenant a statement in reasonable detail and according to usual accounting practices consistently applied and certified by a representative of Landlord, showing for the preceding calendar year or fraction thereof, as the case may be, the Operating Expenses for the Building and the Operating Expenses Allocable to the Premises. The first such Operating Expense Statement from Landlord under this Lease shall also set forth the Base Operating Expenses and the Base Operating Expenses Allocable to the Premises. Said statement to be rendered to Tenant also shall show for the preceding year or fraction thereof, as the case may be, the amounts already paid by Tenant on account of Operating Cost Excess and the amount of Operating Cost Excess remaining due from, or overpaid by, Tenant for the year or other period covered by the statement.

If such statement shows a balance remaining due to Landlord, Tenant shall pay same to Landlord on or before the thirtieth (30th) day following receipt by Tenant of said statement. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant within thirty (30) days if the Lease Term has then expired and Tenant has no further obligation to Landlord.

Any payment by Tenant for the Operating Cost Excess shall not be deemed to waive any rights of Tenant to claim that the amount thereof was not determined in accordance with the provisions of this Lease.

(D) In the event of any dispute regarding the amount due as Tenant's Operating Cost Excess, Tenant shall have the right, after reasonable notice and at reasonable times during normal business hours, to inspect and photocopy Landlord's accounting records relating to the Operating Costs Excess for the period in question at Landlord's office in Boston, MA, provided Tenant shall exercise such right with respect to any calendar year by giving such notice to Landlord within

one hundred (100) days after Tenant shall receive a bill or reconciliation from Landlord concerning Operating Costs for such calendar year. Notwithstanding the foregoing, if Tenant has not previously exercised its right, pursuant to this Paragraph (D), to examine Landlord's accounting records relating to Operating Costs Excess for calendar year 2012, Tenant shall have the right to make such examination at the same time that Tenant properly exercises its right to examine Landlord's accounting records relating to Operating Costs Excess for calendar year 2013 or 2014. Time is of the essence as to any notice. Further, in no event shall Tenant have the right to make any such examination (whether by itself or with an examiner) more than once in respect of any year in which Landlord has given Tenant a statement of Operating Costs, unless review of a subsequent period gives rise to the disclosure of a miscalculation or error that may apply to any of the two (2) calendar years prior to the calendar year for which such miscalculation or error has been discovered; provided, however that if any such prior calendar year was subject to a previous examination, then no further review of such prior calendar year shall be permitted. If, after such inspection and photocopying, Tenant continues to dispute the amount of its Operating Cost Excess, Tenant or an independent professional firm designated by Tenant (including FHO Partners) shall be entitled to audit and/or review Landlord's records relating to the period in question with respect to the proper amount of Operating Cost Excess; provided that no auditor engaged by Tenant shall be paid on a contingent fee basis. As a condition to performing any such examination, Tenant and its examiners shall be required to execute and deliver to Landlord a commercially reasonable agreement, in form reasonably acceptable to Landlord, agreeing to keep confidential any information about Landlord or the Building obtained in the course of such examination.

If such audit or review reveals that Landlord has overcharged Tenant, then within thirty (30) days after the results of such audit are made available to Landlord, Landlord shall reimburse Tenant the amount of such overcharge plus interest thereon at the Lease Interest Rate. If the audit reveals that Tenant was undercharged, then within thirty (30) days after the results of the audit are made available to Tenant, Tenant shall reimburse Landlord the amount of such undercharge plus interest thereon at the Lease Interest Rate. If Landlord desires to contest such audit results, Landlord may do so by submitting the results of the audit to arbitration pursuant to the then current rules and procedures of the American Arbitration Association within sixty (60) days of receipt of the results of the audit, and the arbitration shall be final and binding upon Landlord and Tenant. The cost of the arbitrator engaged in connection with such arbitration shall be shared equally between the parties.

Tenant agrees to pay the cost of its own audit, provided that if the audit reveals that Landlord's determination of Operating Cost Excess as set forth in any statement sent to Tenant was in error in Landlord's favor by more than Ten Thousand Dollars ($10,000.00), Landlord shall pay the cost of such audit. Landlord shall provide Tenant with a statement of the Operating Costs incurred in

the Base Year following the conclusion of the such Base Year, and Tenant's audit right shall include but not be limited to the right to audit and review Landlord's records with respect to such Base Year.

7.6 No Damage

Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of Landlord or its agents entering the Premises for any purposes in this Lease authorized, or for repairing the Premises or any portion of the Building or Atlantic Wharf however the necessity may occur provided that except in case of emergency repairs, Landlord will give Tenant reasonable advance notice of any contemplated stoppage or entry (except in the event of emergencies and in connection with normal cleaning and maintenance operations) and will use reasonable efforts to avoid unnecessary inconvenience to Tenant by reason thereof. Except in the event of an emergency, Tenant may have the right to have an employee or other representative of Tenant accompany Landlord when Landlord is making such entry. In exercising any right which Landlord has to enter the Premises, Landlord shall use reasonable efforts to minimize any interference with Tenant's use of the Premises. In case Landlord is prevented or delayed from making any repairs, alterations or improvements, or furnishing any services or performing any other covenant or duty to be performed on Landlord's part, by reason of any cause reasonably beyond Landlord's control, including, without limitation, by reason of Force Majeure (as defined in Section 14.1 hereof) or for any cause due to any act or neglect of Tenant or Tenant's servants, agents, employees, licensees or any person claiming by, through or under Tenant, Landlord shall not be liable to Tenant therefor, nor, except as expressly otherwise provided in this Lease, shall Tenant be entitled to any abatement or reduction of rent by reason thereof, or right to terminate this Lease, nor shall the same give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises.

Landlord reserves the right to stop any service or utility system, when necessary by reason of accident or emergency, or until necessary repairs have been completed; provided, however, that in each instance of stoppage, Landlord shall exercise reasonable diligence to eliminate the cause thereof. Except in case of emergency repairs, Landlord will give Tenant reasonable advance notice of any contemplated stoppage and will use reasonable efforts to avoid unnecessary inconvenience to Tenant by reason thereof.

Notwithstanding the foregoing, and solely for the purposes of this Section 7.6, an "Abatement Event" shall be defined as an event or circumstance where a portion of the Premises becomes untenantable and Tenant ceases to occupy such portion of the Premises resulting from or caused by: (i) any repairs, alterations, replacements or improvements made by Landlord, (ii) Landlord's failure to make any repairs, alterations, or improvements required to be made by Landlord hereunder, or to provide any service required to be provided by Landlord hereunder, or to remediate any Hazardous Materials, as defined in Section 11.2 and provided that such Hazardous Materials were not used, stored, or disposed of by Tenant, anyone claiming by, through or under Tenant, or any of

their respective agents, employees or contractors, or (iii) any failure of Landlord to provide electrical, heating, ventilating, air conditioning, or all elevator service to the Premises or reasonable access to the Premises. Tenant shall give Landlord notice ("Abatement Notice") of any such Abatement Event, and if such Abatement Event continues beyond the "Eligibility Period" (as that term is defined below), then the Annual Fixed Rent and Tenant's payments on account of Landlord's Tax Expenses Allocable to the Premises and Operating Expenses Allocable to the Premises shall be abated entirely or reduced, as the case may be, after expiration of the Eligibility Period for such time that Tenant continues to be so prevented from using, and does not use, the Premises or a portion thereof, in the proportion that the rentable area of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total Rentable Floor Area of the Premises. The term "Eligibility Period" shall mean (i) as the result of an Abatement Event due to an event or circumstance within Landlord's reasonable control, a period of three (3) consecutive days after Landlord's receipt of any Abatement Notice(s) and (ii) as the result of an Abatement Event due to an event or circumstance not within Landlord's reasonable control, a period of fifteen (15) consecutive days after Landlord's receipt of any Abatement Notice(s). Notwithstanding anything herein contained to the contrary, in no event shall any of the events referred to in this Section 7.6 give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises

ARTICLE VIII

Tenant's Repairs

8.1 Tenant's Repairs and Maintenance

Tenant covenants and agrees that, from and after the date that possession of the Premises is delivered to Tenant and until the end of the Lease Term, (except during construction of Tenant's Work (which shall be governed by Work Letters).Tenant will keep neat and clean and maintain in good order, condition and repair the Premises and every part thereof, excepting only for those repairs or other obligations for which Landlord is responsible under the terms of Article VII of this Lease conditions caused by the negligence or willful misconduct of Landlord or its employees, agents or contractors, and damage by fire or casualty and as a consequence of the exercise of the power of eminent domain. Tenant shall not permit or commit any waste, and, subject to Section 13.13, Tenant shall be responsible for the cost of repairs which may be made necessary by reason of damages to common areas in the Building or at Atlantic Wharf by Tenant, Tenant's agents, employees, contractors, sublessees, licensees, concessionaires or invitees (other than ordinary wear and tear). Tenant shall maintain all its equipment, furniture and furnishings in good order and repair.

If repairs are required to be made by Tenant pursuant to the terms hereof, Landlord may demand that Tenant make the same forthwith, and, subject to the next following sentence, if Tenant refuses or neglects to commence such repairs and complete the same within

thirty (30) days after written notice (or such longer period of time as Tenant may reasonably require to complete the same, provided that Tenant commences to perform such repairs within such thirty (30) day period and thereafter diligently prosecutes such repairs to completion), Landlord may (but shall not be required to do so) make or cause such repairs to be made and shall not be responsible to Tenant for any loss or damage that may accrue to Tenant's stock or business by reason thereof except to the extent of the negligence or willful misconduct of any Landlord Parties. Notwithstanding the foregoing, in emergencies, Landlord may exercise its rights under the immediately preceding sentence without prior notice to Tenant. If Landlord makes or causes such repairs to be made, Tenant agrees that Tenant will forthwith within thirty (30) days of Landlord's demand, pay to Landlord as Additional Rent the cost thereof together with interest thereon at the rate specified in Section 16.21, and if Tenant shall default in such payment, Landlord shall have the remedies provided for non-payment of rent or other charges payable hereunder.

ARTICLE IX

Alterations

9.1 Landlord's Approval

Tenant covenants and agrees not to make alterations, additions or improvements to the Premises (other than Cosmetic Alterations, as hereinafter defined), whether before or during the Lease Term, except in accordance with plans and specifications therefor first approved by Landlord in writing, which approval shall not be unreasonably withheld or delayed. However, Landlord's determination of matters relating to aesthetic issues relating to alterations, additions or improvements which are visible outside the Premises shall be in Landlord's sole discretion. Without limiting such standard, Landlord shall not be deemed unreasonable:

(a) for withholding approval of any alterations, additions or improvements which (i) in Landlord's opinion might materially and adversely affect any structural element of the Building or which might affect any exterior element of the Building, any area or element outside of the Premises or might materially and adversely affect any facility or base building mechanical system serving any area of the Building outside of the Premises, or (ii) involve or affect the exterior design, size, height or other exterior dimensions of the Building, or (iii) enlarge the Rentable Floor Area of the Premises, or (iv) are inconsistent, in Landlord's good faith judgment, with alterations satisfying Landlord's reasonable standards which do not discriminate between similarly situated tenants for new alterations in the Building, or (v) will require unusual expense to readapt the Premises to normal office use on Lease termination or increase the cost of construction or of insurance or taxes on the Building or of the services called for by Section 7.3 unless Tenant first gives assurance reasonably

acceptable to Landlord for payment of such increased cost and that such readaptation will be made prior to such termination without expense to Landlord.

(b) for making its approval conditional on Tenant's agreement to restore the Premises to its condition prior to such alteration, addition, or improvement at the expiration or earlier termination of the Lease Term. Notwithstanding anything to the contrary herein contained, Landlord agrees that Tenant will not be required to remove any alterations, additions, or improvements which: (i) are found in typical business offices in the Central Business District of the City of Boston, and (ii) are not, in Landlord's reasonable judgment, unusual costly to remove and restore. Without limiting the foregoing, Landlord shall, in any event, have the right to require Tenant to remove internal staircases and Cable. If Tenant makes any alterations, additions or improvements to the Premises, then Landlord may, except as provided above, elect to require Tenant at the expiration or sooner termination of the Term of this Lease to restore the Premises to substantially the same condition as existed at the Commencement Date. If Tenant so requests in writing at the time that Tenant requests Landlord's approval of such alterations, additions or improvements, Landlord agrees to make such election at the time that Landlord approves Tenant's plans for any such alterations, additions or improvements.

Landlord's review and approval of any such plans and specifications or under Exhibit B and consent to perform work described therein shall not be deemed an agreement by Landlord that such plans, specifications and work conform with applicable Legal Requirements and requirements of insurers of the Building and the other requirements of the Lease with respect to Tenant's insurance obligations (herein called "Insurance Requirements") nor be deemed a waiver of Tenant's obligations under this Lease with respect to applicable Legal Requirements and Insurance Requirements nor impose any liability or obligation upon Landlord with respect to the completeness, design sufficiency or compliance of such plans, specifications and work with applicable Legal Requirements and Insurance Requirements. Further, Tenant acknowledges that Tenant is acting for its own benefit and account, and that Tenant shall not be acting as Landlord's agent in performing any work in the Premises; accordingly, no contractor, subcontractor or supplier shall have a right to lien Landlord's interest in Atlantic Wharf in connection with any such work. Within 30 days after receipt of an invoice from Landlord, Tenant shall pay to Landlord, as a fee for Landlord's review of any plans or work (excluding any review respecting initial improvements performed pursuant to Exhibit B or other improvements for which a fee had previously been paid, but including any review of plans or work relating to any assignment or subletting), as Additional Rent, an amount equal to the sum of : (i) $150.00 per hour for technical reviews performed in-house by Landlord's professional staff, plus (ii) if Landlord reasonably determines that a third-party consultant is needed to review such work or plans, then Tenant shall reimburse Landlord for the reasonable third-party out-of-pocket costs incurred by Landlord in hiring said third party to review Tenant's plans and Tenant's work.

Notwithstanding anything to the contrary herein contained, Tenant shall have the right, without obtaining Landlord's consent, to either: (x) make cosmetic interior nonstructural alterations, additions or improvements other than installing paint and carpet, the cost of which do not exceed Four Hundred Thousand and 00/100 ($400,000.00) Dollars, or (y) install paint and carpet (collectively "Cosmetic Alterations"), provided however that:

(i) Tenant shall give prior written notice to Landlord of such Cosmetic Alterations;

(ii) Tenant shall submit to Landlord plans for such Alterations if Tenant utilizes plans for such Cosmetic Alterations; and

(iii) such Cosmetic Alterations shall not materially affect any of the Building's systems, or the ceiling of the Premises.

Upon and subject to the provisions of this Lease, Tenant may construct internal staircases between floors within the Premises that are located in the Waterfront Office Building and Tenant shall have the right to select the location of such internal staircases, subject to Tenant's obtaining Landlord's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed.

9.2 Conformity of Work

Tenant covenants and agrees that any alterations, additions, improvements or installations made by it to or upon the Premises shall be done in a good and workmanlike manner and in compliance with all applicable Legal Requirements and Insurance Requirements now or hereafter in force, that materials of first and otherwise good quality shall be employed therein, that the structure of the Building shall not be endangered or impaired thereby and that the Premises shall not be diminished in value thereby.

9.3 Performance of Work, Governmental Permits and Insurance

All of Tenant's alterations and additions and installation of furnishings shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or Atlantic Wharf or interfere with Building construction or operation and, except for installation of furnishings, shall be performed by Landlord's general contractor or by contractors or workers first approved by Landlord, as to which Landlord agrees to act reasonably. Except for work by Landlord's general contractor, Tenant shall procure all necessary governmental permits before making any repairs, alterations, other improvements or installations. Tenant agrees to save harmless and indemnify Landlord from any and all injury, loss, claims or damage to any person or property occasioned by or arising out of the doing of any such work whether the same be performed prior to or during the Term of

this Lease. At Landlord's election, as to which Landlord agrees to act reasonably, with respect only to alterations costing in excess of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00) and excluding Cosmetic Alteration and Landlord's Work, Tenant shall cause its contractor to maintain a payment and performance bond in such amount and with such companies as Landlord shall reasonably approve. In addition, Tenant shall cause each contractor to carry insurance in accordance with Section 13.14 hereof and to deliver to Landlord certificates of all such insurance. Tenant shall also prepare and submit to Landlord a set of record drawings in accordance with the requirements of paragraph 18 of Exhibit B-1, in both print and electronic forms, showing such work performed by Tenant to the Premises promptly after any such alterations, improvements or installations are substantially complete and promptly after any wiring or cabling for Tenant's computer, telephone and other communications systems is installed by Tenant or Tenant's contractor. Without limiting any of Tenant's obligations hereunder, Tenant shall be responsible, as Additional Rent, for the costs of any alterations, additions or improvements in or to the Building that are required in order to comply with Legal Requirements as a result of any work performed by Tenant. Landlord shall have the right to provide rules and regulations relative to the performance of any alterations, additions, improvements and installations by Tenant hereunder, including, without limitation, payment for the costs of using Building services, provided such rules and regulations and charges are reasonable and are generally promulgated and applied to all tenants in Atlantic Wharf on a non-discriminatory basis, and Tenant shall abide by all such reasonable rules and regulations and shall cause all of its contractors to so abide. Tenant acknowledges and agrees that Landlord shall be the owner of any additions, alterations and improvements in the Premises or the Building to the extent paid for by Landlord.

9.4 Liens

Tenant covenants and agrees to pay promptly when due the entire cost of any work done on the Premises by Tenant, its agents, employees or contractors, and not to cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Premises or the Building or Atlantic Wharf and immediately upon receipt of notice or actual knowledge to discharge any such liens which may so attach.

9.5 Nature of Alterations

All work, construction, repairs, alterations, other improvements or installations made to or upon the Premises (including, but not limited to, the construction performed by Landlord under Article IV), shall become part of the Premises and shall become the property of Landlord and remain upon and be surrendered with the Premises as a part thereof upon the expiration or earlier termination of the Lease Term, except as follows:

(a) All trade fixtures whether by law deemed to be a part of the realty or not, installed at any time or times by Tenant or any person claiming under Tenant shall remain the property of Tenant or persons claiming under Tenant and may be removed by Tenant or any person claiming under Tenant at any time or times during the Lease Term or any occupancy by

Tenant thereafter and shall be removed by Tenant at the expiration or earlier termination of the Lease Term if so requested by Landlord in writing at the time Landlord gives its approval for such installation. Tenant shall repair any damage to the Premises occasioned by the removal by Tenant or any person claiming under Tenant of any such property from the Premises, except to the extent that any such damage affects improvements to the Premises that will be demolished (in Landlord's sole determination) by Landlord or the next tenant of such space.

(b) (i) At the expiration or earlier termination of the Lease Term, Tenant shall remove: (i) any wiring, cables or other installations appurtenant thereto installed by Tenant, or anyone claiming by, through or under Tenant, for Tenant's computer, telephone and other communication systems and equipment whether located in the Premises or in any other portion of the Building, including all risers between floors of the Premises (collectively, "Cable"), unless Landlord gives Tenant a written waiver of its obligation to remove Cable, and (ii) any alterations, additions and improvements made with Landlord's consent during the Lease Term for which such removal was made a condition of such consent under Section 9.1(b), at its sole cost and expense. Without limiting the foregoing, Tenant (a) shall remove any internal stairways and all associated appurtenances installed by or on behalf of Tenant or anyone claiming by, through or under Tenant between floors of the Premises and Cable, equipment installed outside of the Premises (roof or mechanical floors), and fire alarm system "points and panel" within the Premises (collectively "Internal Stairways and Appurtenances" and "Cable"), and (b) shall restore the Premises including, but not limited to, in-filling the slab openings, re-installation of ceilings which have been removed to create "open ceilings" (collectively the "Restoration and Slab In Filling"). Upon such removal Tenant shall restore the Premises to their condition prior to such alterations, additions and improvements and repair any damage occasioned by such removal and restoration, except to the extent that any such damage affects improvements to the Premises that will be demolished (in Landlord's sole determination) by Landlord or the next tenant of such space.

(c) If Tenant shall make any alterations, additions or improvements to the Premises for which Landlord's approval is required under Section 9.1 without obtaining such approval, then at Landlord's request at any time during the Lease Term, and at any event at the expiration or earlier termination of the Lease Term, Tenant shall remove such alterations, additions and improvements and restore the Premises to their condition prior to same and repair any damage occasioned by such removal and restoration, except to the extent that any such damage affects improvements to the Premises that will be demolished (in the sole determination of Landlord) by Landlord or the next tenant of such space.

Nothing herein shall be deemed to be a consent to Tenant to make any such alterations, additions or improvements, the provisions of Section 9.1 being applicable to any such work.

9.6 Increases in Taxes

Tenant shall pay, as Additional Rent, one hundred percent (100%) of any increase in real estate taxes on the Building which shall, at any time after the Commencement Date, result solely from alterations, additions or improvements to the Premises made by Tenant if the taxing authority specifically determines such increase results solely from such alterations, additions or improvements made by Tenant.

ARTICLE X

Parking

10.1 Parking Privileges

Subject to the next paragraph of this Section 10.1, Landlord shall provide to Tenant monthly parking privileges in the Atlantic Wharf Garage (the "Garage") for, forty-one (41) passenger automobiles for the parking of motor vehicles in unreserved stalls in the Garage by Tenant's employees commencing on the Commencement Date of the Term. In the event that the Rentable Floor Area of the Premises increases or decreases at any time during the Lease Term, the number of parking privileges provided to Tenant hereunder shall be increased or reduced proportionately, and based upon a ratio of one (1) parking space per 2,000 rentable square feet leased to Tenant. For the purposes of this Article X, the "Maximum Number of Parking Privileges" shall be defined as 41, as the same may be increased or reduced pursuant to the immediately preceding sentence.

Not later than one (1) year following the Commencement Date, time being of the essence (the "Outside Parking Notice Date"), Tenant shall give to Landlord an irrevocable notice ("Tenant's Final Parking Notice") of the total number of parking privileges (not to exceed 41) which Tenant elects to have and pay for, from and after the date of Landlord's receipt of Tenant's Final Parking Notice (provided same is received not later than the Outside Parking Notice Date) through and during the remainder of the Lease Term (as it may be extended). If Tenant shall fail to give or shall fail to timely give a Tenant's Final Parking Notice, then in either such case, Tenant shall be deemed for all purposes to have irrevocably elected to have and pay for 41 parking privileges from and after the Outside Parking Notice Date through and during the remainder of the Lease Term (as it may be extended). Until the first to occur of (i) the Outside Parking Notice Date and (ii) the date of Landlord's receipt of Tenant's Final Parking Notice which must be received prior to the Outside Parking Notice Date, Tenant shall, not later than 10 days prior to the Commencement Date and not later than five (5) days prior to the first day of each calendar month, advise Landlord of the interim number of parking privileges Tenant elects to have and pay for, which in no event shall exceed the Maximum Number of Parking Privileges. If Tenant elects to lease fewer than the Maximum Number of Parking

Privileges, Tenant shall have the right, from time to time, to request that Tenant be provided with an additional number of monthly parking privileges for use in the Garage in accordance with this Article X, which Landlord shall provide to Tenant, so long as: (i) such additional parking privileges are then available for use by Tenant, and (ii) the number of parking privileges provided to Tenant shall not exceed the Maximum Number of Parking Privileges.

10.2 Parking Charges

Tenant shall pay for such parking privileges at the prevailing monthly rates from time to time charged by the operator or operators of the Garage as quoted by Landlord to prospective office tenants of Atlantic Wharf (other than Wellington Management Company and as opposed to the monthly rates charged to the public or other persons who are not office tenants), whether or not such operator is an affiliate of Landlord. Such monthly parking charges for parking privileges shall constitute Additional Rent and shall be payable monthly as directed by Landlord upon billing therefor by Landlord or such operator. Tenant acknowledges that said monthly charges to be paid under this Section are for the use by the Tenant of the parking privileges referred to herein, and not for any other service.

10.3 Garage Operation

Unless otherwise determined by Landlord or the operator of such garage (the "Garage Operator"), the Garage is to be operated on (i) an attendant-managed basis, whereupon the Tenant shall be obligated to cooperate with such attendants in parking and removing its automobiles, or (ii) a self-park basis, whereupon Tenant shall be obligated to park and remove its own automobiles, and Tenant's parking shall be on an unreserved basis, Tenant having the right to park in any available stalls excluding the parking nest or parking areas from time to time dedicated to Wellington Management or any other tenant or (iii) a combination of both. Tenant's access and use privileges with respect to the Garage shall be in accordance with regulations of uniform applicability to the users of the Garage from time to time established by the Landlord or the Garage Operator. Tenant shall receive one (1) magnetic card or access card, or other suitable device providing access to the Garage, for each parking privilege paid for by Tenant. Tenant shall, from time to time within five (5) Business Days after receipt of a request from Landlord, supply Landlord with a then current identification roster listing, for each access card, the name of the employee and the make, color and registration number of the primary (or secondary if applicable) vehicles to which it has been assigned. The fact that an access card has been assigned to an employee of Tenant who has two vehicles shall not under any circumstances increase the number of parking privileges or allow both such vehicles to access the garage on the same day. The parking privileges granted herein are non-transferable (other than to an assignee or subtenant permitted to occupy and use the Premises pursuant to the applicable provisions of Article XII hereof). Landlord or the Garage Operator may institute a so-called valet parking program for the Garage, and in such event Tenant shall cooperate in all respects with such program. Landlord reserves for itself and any other owner the right to alter the Garage as it sees fit and in such case to

change the Garage including the reduction in area of the same, provided that there shall be no reduction in the number of parking privileges available to Tenant. Landlord shall maintain and operate the Garage or cause the same to be maintained and operated in accordance with first-class standards and generally consistent with Class A office Buildings in the Central Business District in Boston that have a parking garage.

10.4 Limitations

Tenant agrees that it and all persons claiming by, through and under it, shall at all times abide by all reasonable rules and regulations promulgated by Landlord or the Garage Operator with respect to the use of the Garage. Except to the extent of negligence or willful acts, neither the Landlord nor the Garage Operator assumes any responsibility whatsoever for loss or damage due to fire or theft or otherwise to any automobile or to any personal property therein, however caused, and Tenant agrees, upon request from the Landlord, from time to time, to notify its officers, employees and agents then using any of the parking privileges provided for herein, of such limitation of liability. Tenant further acknowledges and agrees that a license only is hereby granted, and no bailment is intended or shall be created.

ARTICLE XI

Certain Tenant Covenants

Tenant covenants and agrees to the following during the Lease Term and for such further time as Tenant occupies any part of the Premises:

11.1 To pay when due all Annual Fixed Rent and Additional Rent and all charges for utility services rendered to the Premises and service inspections therefor except as otherwise provided in Exhibit C and, as further Additional Rent, all charges for additional and special services rendered pursuant to Section 7.3.

11.2 To use and occupy the Premises for the Permitted Use only, and not to injure or deface the Premises or the Building or Atlantic Wharf and not to permit in the Premises any auction sale, or flammable fluids or chemicals not used or stored in accordance with Legal Requirements, or nuisance, or the emission from the Premises of any objectionable noise or odor, nor to operate in the Premises anything which in any way results in the leakage of fluid or the growth of mold which is visible to the naked eye or hazardous to human health, and not to use or devote the Premises or any part thereof for any purpose other than the Permitted Use, nor any use thereof which is inconsistent with the maintenance of the Building as a Class A office building, or which is improper, offensive, contrary to law or ordinance or liable to invalidate or increase the premiums for any insurance on the Building or its contents or liable to render necessary any alteration or addition to the Building. Landlord acknowledges and agrees that the use (as opposed to the manner of use) of the Premises for general business office use will not invalidate Landlord's insurance or increase the premiums therefore. Further, (i) Tenant

shall not, nor shall Tenant permit its employees, invitees, agents, independent contractors, contractors, assignees or subtenants to, keep, maintain, store or dispose of (into the sewage or waste disposal system or otherwise) or engage in any activity which might produce or generate any substance which now or hereinafter is classified as a hazardous material, waste or substance (collectively "Hazardous Materials"), under federal, state or local laws, rules and regulations, including, without limitation, 42 U.S.C. Section 6901 et seq., 42 U.S.C. Section 9601 et seq., 42 U.S.C. Section 2601 et seq., 49 U.S.C. Section 1802 et seq. and Massachusetts General Laws, Chapter 21E and the rules and regulations promulgated under any of the foregoing, as such laws, rules and regulations may be amended from time to time (collectively "Hazardous Materials Laws"), (ii) Tenant shall promptly notify Landlord of any incident in, on the Premises, the Building or Atlantic Wharf that would require the filing of a notice under any Hazardous Materials Laws, (iii) Tenant shall comply and shall cause its employees, invitees, agents, independent contractors, contractors, assignees and subtenants to comply with each of the foregoing and (iv) Landlord shall have the right to make such inspections (including testing) as Landlord shall elect from time to time to determine that Tenant is complying with the foregoing. Notwithstanding the foregoing, Tenant may use Hazardous Materials and other substances typically used in typical business offices in class A office buildings in the Central Business District of Boston by Tenant for the conduct of the Permitted Uses, provided that Tenant uses, stores and disposes of such Hazardous Materials and other substances in the manner which they are normally used, and in compliance with all Hazardous Materials Laws and other applicable laws, ordinances, bylaws, rules and regulations, and Tenant obtains and complies with all permits required by Hazardous Materials Laws or any other laws, ordinances, bylaws, rules or regulations prior to the use or presence of any such substances in the Premises.

Landlord represents to Tenant that, to the best of Landlord's knowledge, as hereinafter defined, there exist no Hazardous Materials in the Building or elsewhere at Atlantic Wharf which do not comply with applicable Hazardous Materials Laws and which require abatement or remediation. For the purposes of this paragraph, "Landlord's knowledge" shall mean the knowledge of Jeffrey J. Lowenberg, Vice President of Development (Landlord hereby representing that Jeffrey J. Lowenberg has had extensive involvement in the development of Atlantic Wharf). Landlord agrees that the removal or remediation of any Hazardous Materials that become present at the Building or in, under, or upon Atlantic Wharf during the Term, other than Hazardous Materials introduced by Tenant (or anyone claiming by, through, or under Tenant), shall be at no cost to Tenant, except as otherwise expressly set forth in Section 7.4. If any Hazardous Materials which are in violation of applicable Environmental Laws become present at the Building or in, under or upon Atlantic Wharf during the Term, other than Hazardous Materials introduced by Tenant (or anyone claiming by, through, or under Tenant), Landlord shall (subject to Landlord's right, at its sole discretion, to appeal any administrative orders or legal judgments related to the determination of its liability for Hazardous Materials) cause such Hazardous Materials to be removed or remediated when, if, and in the manner required by applicable Hazardous Materials Laws, at no cost to Tenant, except as otherwise expressly set forth in Section 7.4.

11.3 Not to obstruct in any manner any portion of the Building not hereby leased to Tenant or any areas of Atlantic Wharf used by Tenant in common with others; not without prior consent of Landlord to permit the painting or placing of any signs, curtains, blinds, shades, awnings, aerials or flagpoles, or the like, visible from outside the Premises; provided however, that the foregoing shall not affect Tenant's right to use building standard window blinds or to install and maintain any signage permitted under this Lease; and to comply with all reasonable rules and regulations for the Building now or hereafter made by Landlord, of which Tenant has been given notice, for the care and use of the Building and Atlantic Wharf and their facilities and approaches, but Landlord shall not be liable to Tenant for the failure of other occupants of the Building to conform to such rules and regulations. Landlord agrees that Tenant shall have the following signage rights during the Lease Term:

(a) If, and so long as Brightcove Inc. itself, together with Permitted Transferees, occupy at least 120,000 rentable square feet of office space in the Building ("Plaque Condition"), Tenant shall have the right to install and maintain a tenant identification plaque ("Plaque") at the street level on the Waterfront Office Building in the location shown on Exhibit N. Such plaque shall be subject to: (i) Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, and (ii) Tenant obtaining all necessary governmental approvals in connection with such plaque. Tenant shall, at Tenant's cost, maintain the plaque in good condition. Upon the earlier of: (x) the termination or expiration of the Lease Term, or (y) Tenant's inability to satisfy the Plaque Condition, Tenant shall, at Tenant's sole cost and expense, remove the plaque and repair any damage to the Waterfront Office Building caused by the installation or removal of the Plaque.

(b) Landlord shall list Tenant's name on an electronic directory in the lobby of the Waterfront Office Building ("Lobby"). Notwithstanding the foregoing, Landlord acknowledges that, in lieu of such electronic directory, Tenant desires to install an impact electronic tenant identification display ("Impact Display") in the Lobby. Tenant acknowledges that Landlord is unwilling to allow Tenant to install an Impact Display in the Lobby unless the other tenants in the Waterfront Office Building, Payette Associates and Communispace ("Other Tenants"), agree to install an Impact Display. Landlord agrees that it will attempt to arrange meetings between Tenant, Landlord and representatives of the Other Tenants to discuss the installation of an Impact Display. If Tenant and Other Tenants agree that they desire to install and maintain an Impact Display in the Lobby as well as the terms for ("Impact Display Terms") operating and sharing the cost (installation, operational, and removal) of such Impact Display, then Landlord will allow the installation and maintenance of such Impact Display, subject to Landlord's prior written approval of the location of the Impact Display, the Impact Display (as well as the materials to be shown on the Impact Display), and the Impact Display Terms, which approval shall not be unreasonably withheld, conditioned, or delayed.

(c) Tenant shall have the right to install and maintain Building standard tenant identification signs on Tenant's entry doors and in the elevator lobbies on which floor of the Building on which the Premises are located.

11.4 To keep the Premises equipped with all safety appliances required by law or ordinance or any other regulation of any public authority because of any use made by Tenant other than normal office use, and to procure all licenses and permits so required because of any use made by Tenant other than normal office use, and, if requested by Landlord, to do any work so required by Legal Requirements because of: (i) any use by Tenant other than general office use, or (ii) alterations, additions, or improvements made by Tenant (provided, however, that Tenant shall not be required to perform work in the common areas required by Legal Requirements as the result of alterations, additions, or improvements made by Tenant within the Premises), it being understood that the foregoing provisions shall not be construed to broaden in any way Tenant's Permitted Use.

11.5 Not to place a load upon any floor in the Premises exceeding an average rate of 70 pounds of live load (including partitions) per square foot of floor area; and not to move any safe, vault or other heavy equipment in, about or out of the Premises except in such manner and at such time as Landlord shall in each instance authorize. Tenant's business machines and mechanical equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient to absorb and prevent vibration or noise that may be transmitted to the Building structure or to any other space in the Building.

11.6 To pay promptly when due all taxes which may be imposed upon personal property (including, without limitation, fixtures and equipment) in the Premises to whomever assessed.

11.7 To pay, as Additional Rent, all reasonable costs, counsel and other fees incurred by Landlord in connection with the successful enforcement by Landlord of any obligations of Tenant under this Lease or in connection with any bankruptcy case involving Tenant.

11.8 To comply with all applicable Legal Requirements now or hereafter in force which shall impose a duty on Landlord or Tenant relating to or as a result of the use or occupancy of the Premises, except that (i) Landlord shall be responsible for maintaining or causing to be maintained the compliance of all of the common areas and public areas of the Building, the Garage and Atlantic Wharf with all City, State and Federal requirements concerning accessibility, including, without limitation, the requirements and regulations of the Massachusetts Architectural Access Board and all requirements of the Americans With Disabilities Act; and (ii) Tenant shall not be required to make any alterations or additions required by Legal Requirements (including any Legal Requirements requiring installation of new building service equipment, such as fire detection or suppression equipment) to made to the structure, roof, exterior and load bearing walls, foundation,

structural floor slabs and other structural and weatherization elements of the Building or any common utility or building service equipment wherever located, unless such alterations or additions are required by reason of: (x) Tenant's use of the Premises for other than general office use, or (y) alterations, additions, or improvements made by Tenant (provided, however, that in no event will Tenant be required to perform work in the common areas required by Legal Requirements as the result of alterations, additions, or improvements made by Tenant within the Premises). Tenant shall promptly pay all fines, penalties and damages that may arise out of or be imposed because of its failure to comply with the provisions of this Section 11.8.

11.9 In order to reduce peak-hour trip generation of employees at Atlantic Wharf, the Landlord encourages (but without any obligation under this Lease) all employers at Atlantic Wharf to adopt flexible work schedules for its employees. The Landlord encourages all employers at Atlantic Wharf to:

- Save on payroll-related taxes and provide employee benefits by offering transportation benefits.
- Provide on-site and on-line sale of MBTA passes for employees.
- Encourage tenants to provide a 50% subsidy for all full-time employees. Striving for a transit subsidy of 50% is a consistent citywide goal as part of TDM and mitigation programs.
- Provide information on bus and subway routes and schedules to its employees.
- Facilitate ridesharing through geographic matching, parking fee discounts, and preferential parking for carpools/vanpools. This may be accomplished through membership in a TMA, use of computerized ridesharing software, or participation in MassRIDES, the Massachusetts Car Sharing program.
- Organize an internal ride-matching program for employees who would be more willing to participate in a ride-matching service with fellow employees than with a large regional database.
- Provide preferential parking for car- or vanpool participants. Spaces will be determined on a demand basis.

11.10 Any vendors engaged by Tenant to perform services in or to the Premises including, without limitation, janitorial contractors and moving contractors shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or Atlantic Wharf or interfere with Building construction or operation and shall be performed by vendors first reasonably approved by Landlord.

11.11 As an inducement to Landlord to enter into this Lease, Tenant hereby represents and warrants that: (i) Tenant is not, nor is it owned or controlled directly or indirectly by, any person, group, entity or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC") pursuant to Executive Order 13224 or any similar list or any law, order, rule or regulation or any Executive Order of the President of the United States as a terrorist, "Specially Designated National

and Blocked Person" or other banned or blocked person (any such person, group, entity or nation being hereinafter referred to as a "Prohibited Person"); (ii) Tenant is not (nor is it owned, controlled, directly or indirectly, by any person, group, entity or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) from and after the effective date of the above-referenced Executive Order, Tenant (and any person, group, or entity which Tenant controls, directly or indirectly) has not conducted nor will conduct business nor has engaged nor will engage in any transaction or dealing with any Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises or the making or receiving of any contribution of funds, goods or services to or for the benefit of a Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Tenant of the foregoing representations and warranties of which Tenant does not have actual knowledge which is not corrected forthwith upon receipt of notice or actual knowledge shall be deemed an Event of Default by Tenant under Section 15.1(d) of this Lease and shall be covered by the indemnity provisions of Section 13.1 below, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease.

ARTICLE XII

Assignment and Subletting

12.1 Restrictions on Transfer

Except as otherwise expressly provided herein, Tenant covenants and agrees that it shall not assign, mortgage, pledge, hypothecate or otherwise transfer this Lease and/or Tenant's interest in this Lease or sublet (which term, without limitation, shall include granting of concessions, licenses or the like) the whole or any part of the Premises. Any assignment, mortgage, pledge, hypothecation, transfer or subletting not expressly permitted in this Lease or consented to by Landlord under this Article XII shall, at Landlord's election, be void; shall be of no force and effect; and shall confer no rights on or in favor of third parties. In addition, Landlord shall be entitled to seek specific performance of or other equitable relief with respect to the provisions hereof.

12.2 Tenant's Notice

Notwithstanding the provisions of Section 12.1 above, in the event Tenant desires to assign this Lease or to sublet the whole or any part of the Premises, Tenant shall give Landlord notice (the "Proposed Transfer Notice") of any proposed sublease or assignment, and said notice shall specify the provisions of the proposed assignment or subletting, including (a) the name and address of the proposed assignee or subtenant, (b) in the case of a proposed assignment or subletting pursuant to Section 12.4 below, such information as to the proposed assignee's or proposed subtenant's net worth and financial capability and standing as may reasonably be required for Landlord to make the

determination referred to in said Section 12.4 (provided, however, that Landlord shall hold such information confidential having the right to release same only to its officers, accountants, attorneys and mortgage lenders on a confidential basis), (c) all of the terms and provisions upon which the proposed assignment or subletting is to be made, (d) in the case of a proposed assignment or subletting pursuant to Section 12.4 below, all other information necessary to make the determination referred to in said Section 12.4 and (e) in the case of a proposed assignment or subletting pursuant to Section 12.5 below, such information as may be reasonably required by Landlord to determine that such proposed assignment or subletting complies with the requirements of said Section 12.5. Tenant may, prior to identifying a proposed assignee or subtenant, give Landlord written notice ("Notice of Intent to Transfer") advising Landlord that Tenant intends to enter into an assignment of Tenant's interest in the Lease or a proposed sublease of the Premises, or any portion thereof. A Notice of Intent to Transfer shall set forth: (f) the location and size of the portion of the Premises which would be affected by such proposed assignment or sublease, (g) the estimated commencement of the term of such proposed assignment or sublease, and (h) the estimated term of such proposed assignment or sublease.

12.3 Landlord's Termination Right

Except in connection with a proposed assignment or sublease to a Permitted Transferee in accordance with Section 12.5 below, in the event Tenant proposes to assign this Lease or enter into any sublease, Landlord shall have the right at its sole option, to be exercised within fifteen (15) days after receipt of Tenant's Proposed Transfer Notice or Notice of Intent to Transfer, as the case may be (the "Acceptance Period"), to terminate this Lease in the case of a proposed assignment or sublease of all or substantially all of the Premises for all or substantially all of the remaining Term, or (b) in the case of an proposed subletting of less than all or substantially all of the Premises, to (y) terminate this Lease only as to the portion of the Premises then proposed to be sublet if such sublease shall be for all or substantially all of the remainder of the then Term, (z) recapture the space proposed to be sublet for the term of the sublease, if such sublease is for less than all or substantially all of the remainder of the then Term), in either case as of the date specified in Tenant's Proposed Transfer Notice as the commencement date of the proposed assignment or subletting. For purposes of this Section 12.3, a sublease shall be deemed to be for substantially all of the remaining Term of this Lease if such sublease would expire with less than twelve (12) months remaining prior to the expiration of the Term (taking into account any extension options previously exercised by Tenant and/or available to Tenant if Tenant notifies Landlord that Tenant expects to exercise an available extension option).

In the case of a proposed assignment of this Lease or a proposed subletting of all or substantially all of the entire Premises for all or substantially all of the Term, the Lease shall terminate on the termination date determined as above provided and on such termination date, all obligations relating to the period after such termination date (but not those relating to the period before such termination date) shall cease and promptly upon being billed therefor by Landlord, Tenant shall make final payment of all Annual Fixed Rent and Additional Rent due from Tenant through such termination date, but subject to the reconciliation obligations for such Additional Rent under this Lease.

In the event that Tenant shall only propose to sublease a portion of the Premises and to enter into a sublease for less than all or substantially all of the then-remaining Lease Term, Landlord shall only have the right to so terminate this Lease with respect to the portion of the Premises which Tenant proposes to sublease (the "Terminated Portion of the Premises") and for the term of the proposed sublease (the "Terminated Sublease Term") and from and after the termination date until the end of the Terminated Sublease Term the Rentable Floor Area of the Premises shall be reduced to the rentable floor area of the remainder of the Premises and the definition of Rentable Floor Area of the Premises shall be so amended and after such termination all references in this Lease to the "Premises" or the "Rentable Floor Area of the Premises" shall be deemed to be references to the remainder of the Premises (i.e. the Lease Term in respect of the sublease portion of the Premises shall only be terminated for the term of the proposed sublease and then automatically reinstated upon the expiration or earlier termination of such sublease term) and accordingly Tenant's payments for Annual Fixed Rent, operating costs, real estate taxes and electricity shall be reduced on a pro rata basis to reflect the size of the remainder of the Premises until the end of the Terminated Sublease Term. Upon the expiration of the Terminated Sublease Term (or, upon the vacancy of the Terminated Portion of the Premises, if the new tenant(s) hold over beyond the expiration of the Terminated Sublease Term), Landlord shall redeliver the Terminated Portion of the Premises to Tenant in the following condition:

(a) If the Terminated Sublease Term is four (4) years or less, then the Terminated Portion of the Premises shall be redelivered to Tenant in substantially the same condition in which Tenant delivered the Terminated Portion of the Premises to Landlord, reasonable wear and tear excepted; and

(b) If the Terminated Sublease Term is more than four (4) years, then the Terminated Portion of the Premises shall be delivered to Tenant either: (x) in the same condition in which the Terminated Portion of the Premises were delivered to Landlord by Tenant, reasonably wear and tear excepted, or (y) alternatively:

(i) in good condition consistent with general office space,

(ii) free of tenants,

(iii) broom clean,

(iv) with any Cabling which is in existence in the Premises as of the date that Tenant delivers the Termination Portion of the Premises to Landlord either remaining in the Premises or replaced with Cabling which is functionally equivalent to such Cabling,

(v) in compliance with Legal Requirements (other than any violations of Legal Requirements which were in existence as of the date that Tenant delivers the Termination Portion of the Premises to Landlord), and

(vi) with no Hazardous Materials existing in the Terminated Portion of the Premises (other than Hazardous Materials which existed in the Terminated Portion of the Premises as of the date that Tenant delivers the Termination Portion of the Premises to Landlord).

Notwithstanding anything herein to the contrary, in the event of a proposed sublease of a portion of the Premises for the remainder of the then current Term, if Landlord exercises its termination right hereunder, then such portion of the Premises proposed to be sublet shall cease to be part of the Premises from and after the effective date of such termination.

In the event that Landlord shall not exercise its termination right as aforesaid, or shall fail to give any or timely notice pursuant to this Section, the provisions of Sections 12.4, 12.6 and 12.7 shall be applicable. This Section 12.3 shall not be applicable to an assignment or sublease pursuant to Section 12.5.

12.4 Consent of Landlord

Notwithstanding the provisions of Section 12.1 above, but subject to the provisions of this Section 12.4 and the provisions of Sections 12.6 and 12.7 below, in the event that Landlord shall not have exercised the termination right as set forth in Section 12.3, or shall have failed to give any or timely notice under Section 12.3, then for a period of one hundred fifty (150) days (i) after the receipt of Landlord's notice stating that Landlord does not elect to exercise the termination right, or (ii) after the expiration of the Acceptance Period in the event Landlord shall not give any or timely notice under Section 12.3, as the case may be, Tenant shall have the right to assign this Lease or sublet the portion of the Premises in accordance with the Proposed Transfer Notice or Notice of Intent to Transfer, as the case may be, provided that, in each instance, Tenant first obtains the express prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond to a proper and complete Proposed Transfer Notice within fifteen (15) business days following receipt of such Proposed Transfer Notice and a written request for Landlord's consent to the proposed sublease or assignment described in such Proposed Transfer Notice, then Tenant shall be entitled to send Landlord a second notice requesting Landlord's approval thereto ("Second Transfer Notice") which shall state in bold face, capital letters at the top thereof: "**WARNING: SECOND REQUEST. FAILURE TO RESPOND TO THIS REQUEST WITHIN FIVE (5) BUSINESS DAYS SHALL RESULT IN DEEMED APPROVAL THEREOF**." If Landlord does not respond within five (5) business days after receipt of the Second Transfer Notice, then Landlord's consent to the proposed assignment or subletting described in such transfer request shall be deemed to have been granted.

If Tenant does not enter into a sublease or assignment in accordance with the Proposed Transfer Notice or Notice of Intent to Transfer, as the case may be, within such one hundred twenty (120) day period, then the provisions of Section 12.3 shall again apply prior to Tenant entering into any proposed sublease or assignment.

Without limiting the foregoing standard, Landlord shall not be deemed to be unreasonably withholding its consent to such a proposed assignment or subleasing if:

(a) the proposed assignee or subtenant is a tenant in the Building unless Landlord cannot satisfy the space needs of such assignee or subtenant (with regard only to the size of the space and the term offered), or is (or within the previous sixty (60) days has been) in active negotiation with Landlord or an affiliate of Landlord for premises in the Building or elsewhere in Atlantic Wharf or is not of a character consistent with the operation of a first class office building (by way of example Landlord shall not be deemed to be unreasonably withholding its consent to an assignment or subleasing to any governmental or quasi-governmental agency), or

(b) [Omitted Intentionally], or

(c) a proposed assignee does not possess adequate financial capability to perform the Tenant obligations as and when due or required, or

(d) the assignee or subtenant proposes to use the Premises (or part thereof) for a purpose other than the purpose for which the Premises may be used as stated in Section 1.2 hereof, or

(e) the character of the business to be conducted or the proposed use of the Premises by the proposed subtenant or assignee shall (i) be likely to increase Operating Expenses for the Building beyond that which Landlord now incurs for use by Tenant and which Tenant or such subtenant does not agree to pay to Landlord; (ii) be likely to materially increase the burden on elevators or other Building systems or equipment and which Tenant or such subtenant does not agree to alleviate or compensate to Landlord's reasonable satisfaction over the burden prior to such proposed subletting or assignment; or (iii) violate or be likely to violate any provisions or restrictions expressly contained in this Lease relating to the use or occupancy of the Premises, or

(f) there shall be existing an Event of Default (defined in Section 15.1) or there have been two (2) or more Event of Default occurrences during the previous year of the Term, or

(g) [Omitted Intentionally], or

(h) any part of the rent payable under the proposed assignment or sublease shall be based in whole or in part on the income or profits derived from

the Premises or if any proposed assignment or sublease shall potentially have any adverse effect on the real estate investment trust qualification requirements applicable to Landlord and its affiliates, or

(i) the holder of any mortgage or ground lease on property which includes the Premises does not approve of the proposed assignment or sublease in accordance with the terms of its agreement with Landlord (and provided that such holder does not unreasonably withhold, condition or delay such approval and the consent of such holder shall not be required with respect to a sublease or an assignment to any Permitted Transferee), or

(j) due to the identity or business of a proposed assignee or subtenant, such approval would cause Landlord to be in violation of any covenant or restriction contained in another lease or other agreement affecting space in the Building or elsewhere in Atlantic Wharf.

If Landlord shall consent to the proposed assignment or subletting, as the case may be, then, in such event, Tenant may thereafter sublease the portion of the Premises or assign pursuant to Tenant's notice, as given hereunder; provided, however, that if such assignment or sublease shall not be executed and delivered to Landlord within ninety (90) days after the date of Landlord's consent, the consent shall be deemed null and void and the provisions of Section 12.3 shall be applicable.

12.5 Exceptions

Notwithstanding the foregoing provisions of Sections 12.1, 12.3, 12.4 and 12.6 above, but subject to the provisions of Section 12.7 below, Tenant shall have the right without the consent of Landlord but after reasonable advance notice (not less than fifteen (15) days before the effective date of the assignment or subletting or, if such transaction is confidential, as soon as is reasonably possible, but in no event later than fifteen (15) days after such transaction), to assign this Lease or to sublet the Premises (in whole or in part) to Affiliate Entities, as hereinafter defined, and to Successor Entities, as hereinafter defined. Both Affiliate Entities and Successor Entities are referred to herein as "Permitted Transferees". An "Affiliate Entity" shall be defined as any entity which: (i) which controls or is controlled by Tenant or Tenant's parent corporation, or entity or (ii) which is under common control with Tenant, so long as it remains in such relationship with Tenant. A "Successor Entity" shall be defined as any entity which: (iii) which purchases all or substantially all of the assets of Tenant, or (iv) which purchases all or substantially all of the stock of (or other membership interests in) Tenant, or (v) which merges or combines with Tenant, provided that any such Successor Entity has a credit worthiness (e.g. assets on a pro forma basis using generally accepted accounting principles consistently applied, using the most recent financial statements after giving effect to any such merger, consolidation, or purchase of assets, stock or other membership interests, as applicable) which is the same or better than the creditworthiness of Tenant as of the date immediately preceding the closing of such transaction. Except in cases of statutory merger, in which case the surviving entity in the merger shall be liable

as the Tenant under this Lease, Tenant shall continue to remain fully liable under this Lease, on a joint and several basis with the Permitted Transferee. If any parent or subsidiary of Tenant to which this Lease is assigned or the Premises sublet (in whole or in part) shall cease to be such a parent or subsidiary, such cessation shall be considered an assignment or subletting requiring Landlord's consent.

12.6 Profit on Subleasing or Assignment

In the case of any assignment or subleasing as to which Landlord may consent (other than an assignment or subletting permitted under Section 12.5 above) such consent shall be upon the express and further condition, covenant and agreement, and Tenant hereby covenants and agrees that, in addition to the Annual Fixed Rent, Additional Rent and other charges to be paid pursuant to this Lease, fifty percent (50%) of the "Assignment/Sublease Profits" (hereinafter defined), if any, actually received shall be paid to Landlord. The "Assignment/Sublease Profits" shall be the excess, if any, of (a) the "Assignment/Sublease Net Revenues" as hereinafter defined over (b) the Annual Fixed Rent and Additional Rent and other charges provided in this Lease (provided, however, that for the purpose of calculating the Assignment/Sublease Profits in the case of a sublease, appropriate proportions in the applicable Annual Fixed Rent, Additional Rent and other charges under this Lease shall be made based on the percentage of the Premises subleased and on the terms of the sublease). The "Assignment/Sublease Net Revenues" shall be the fixed rent, additional rent and all other charges and sums payable either initially or over the term of the sublease or assignment plus all other profits and increases to be derived by Tenant as a result of such subletting or assignment that are related to the leasing or occupancy of the space, as opposed to the purchase price of the ongoing business conducted by Tenant, less the reasonable amount of all customary transaction costs of Tenant incurred in such subleasing or assignment (the definition of which shall be limited to, brokerage commissions, legal fees, free rent, costs of alterations and improvements made for the subtenant or assignee in question and alteration allowances, in each case actually paid, as set forth in a statement certified by an appropriate officer of Tenant and delivered to Landlord within thirty (30) days of the full execution of the sublease or assignment document, amortized over the term of the sublease or assignment.

All payments of the Assignment/Sublease Profits due Landlord shall be made within thirty (30) days of receipt of same by Tenant.

12.7 Additional Conditions

(A) It shall be a condition of the validity of any assignment or subletting consented to under Section 12.4 above, or any assignment or subletting of right under Section 12.5 above, that both Tenant and the assignee or sublessee enter into a separate written instrument directly with Landlord in a form and containing terms and provisions reasonably required by Landlord, including, without limitation, the agreement of the assignee or sublessee to be bound directly to Landlord for all the obligations of the Tenant under this Lease, including any amendments or

extensions thereof (but excluding, with respect to any sublease, the rent and other monetary obligations of Tenant under this Lease), including, without limitation, the obligation (a) with respect to an assignee, to pay the rent and other amounts provided for under this Lease and (b) to comply with the provisions of Article XII hereof and (c) to indemnify the "Landlord Parties" (as defined in Section 13.13) as provided in Section 13.1 hereof. Such assignment or subletting shall not relieve the Tenant named herein of any of the obligations of the Tenant hereunder and Tenant shall remain fully and primarily liable therefor and the liability of Tenant and such assignee (or subtenant, as the case may be) shall be joint and several. Further, and notwithstanding the foregoing, the provisions hereof shall not constitute a recognition of the sublease or the subtenant thereunder, as the case may be, and at Landlord's option, upon the termination or expiration of the Lease (whether such termination is based upon a cause beyond Tenant's control, a default of Tenant, the agreement of Tenant and Landlord or any other reason), the sublease shall be terminated.

(B) As Additional Rent, Tenant shall pay to Landlord as a fee for Landlord's review of any proposed assignment or sublease requested by Tenant and the preparation of any associated documentation in connection therewith, within thirty (30) days after receipt of an invoice from Landlord, an amount equal to the sum of (i) $1,000.00 and/or (ii) reasonable out of pocket legal fees or other expenses incurred by Landlord in connection with such request.

(C) If this Lease be assigned, or if the Premises or any part thereof be sublet or occupied by anyone other than Tenant during the time period that any Event of Default of Tenant exists and is continuing, Landlord may upon prior notice to Tenant, at any time and from time to time, collect rent and other charges from the assignee, sublessee or occupant and apply the net amount collected to the rent and other charges herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or a waiver of the provisions of Article XII hereof, or the acceptance of the assignee, sublessee or occupant as a tenant or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained, the Tenant herein named to remain primarily liable under this Lease.

(D) The consent by Landlord to an assignment or subletting under Section 12.4 above, or the consummation of an assignment or subletting of right under Section 12.5 above, shall in no way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or subletting.

(E) On or after the occurrence of an "Event of Default" (defined in Section 15.1), Landlord shall be entitled to one hundred percent (100%) of any Assignment/Sublease Profits.

(F) Without limiting Tenant's obligations under Article IX, Tenant shall be responsible, at Tenant's sole cost and expense, for performing all work necessary

to comply with Legal Requirements and Insurance Requirements in connection with any assignment or subletting hereunder including, without limitation, any work in connection with such assignment or subletting.

ARTICLE XIII

Indemnity and Insurance

13.1 Tenant's Indemnity

(A) Indemnity. Subject to the applicable waiver of subrogation provisions of Section 13.13 below with respect only to loss or damage to the Building referred to in Section 13.12(A) but only provided Landlord's property insurance is not invalidated or prejudiced by this exception, to the maximum extent permitted by law, and to the extent not resulting from the negligence or willful misconduct of any of the Landlord Parties, Tenant agrees to indemnify and save harmless the Landlord Parties (as hereinafter defined) from and against all claims of whatever nature to the extent arising from or claimed to have arisen:

(a) if any Tenant Party first enters the Premises prior to the Commencement Date, then, with respect to any claims arising between such first entry and the Commencement Date, from:

(i) any negligent act or omission, or willful misconduct of the Tenant Parties (as hereinafter defined); or

(ii) any accident, injury or damage whatsoever occurring outside the Premises but within the Building or the Garage, or on common areas or Atlantic Wharf, where such accident, injury or damage results, or is claimed to have resulted, from any negligent act or omission, or willful misconduct on the part of any of the Tenant Parties; or

(iii) any breach of this Lease by Tenant; and

(b) with respect to any claim which arises from and after the Commencement Date, or thereafter throughout and until the end of the Lease Term and after the end of the Lease Term for so long after the end of the Lease Term as Tenant or anyone acting by, through or under Tenant is in occupancy of the Premises or any portion thereof, from:

(i) any negligent act or omission, or willful misconduct of the Tenant Parties (as hereinafter defined); or

(ii) any accident, injury or damage whatsoever caused to any person or to the property of any person, occurring in the Premises; or

(iii) any accident, injury or damage whatsoever occurring outside the Premises but within the Building or the Garage, or on common areas or Atlantic Wharf, where such accident, injury or damage results, or is claimed to have resulted, from any negligent act or omission, or willful misconduct on the part of any of the Tenant Parties; or

(iv) any breach of this Lease by Tenant.

(c) Tenant shall pay all indemnified amounts under this Section 13.1(A) as they are incurred by the Landlord Parties. This indemnification shall not be construed to deny or reduce any other rights or obligations of indemnity that any of the Landlord Parties may have under this Lease or the common law.

(B) Breach. In the event that Tenant breaches any of its indemnity obligations hereunder or under any other contractual or common law indemnity: (i) Tenant shall pay to the Landlord, all liabilities, loss, cost, or expense (including attorney's fees) incurred as a result of said breach; and (ii) the Landlord may deduct and offset from any amounts due to Tenant under this Lease any amounts owed by Tenant pursuant to this Section 13.1(B).

(C) No limitation. The indemnification obligations under this Section 13.1 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant or any subtenant or other occupant of the Premises under workers' compensation acts, disability benefit acts, or other employee benefit acts. Tenant waives any immunity from or limitation on its indemnity or contribution liability to the Landlord Parties based upon such acts.

(D) Subtenants and other occupants. Tenant shall require its subtenants and other occupants of the Premises to provide similar indemnities to the Landlord Parties to the extent arising from the sublease or the subtenant's use or occupancy of any part of the Premises or any other portion of Atlantic Wharf and in a form reasonably acceptable to Landlord.

(E) Survival. The terms of this Section 13.1 shall survive any termination or expiration of this Lease.

(F) Costs. The foregoing indemnity and hold harmless agreement shall include indemnity for all costs, expenses and liabilities (including, without limitation, attorneys' fees and disbursements) incurred by the Landlord Parties in connection with any such claim or any action or proceeding brought thereon, and the defense thereof. In addition, in the event that any action or proceeding shall be brought

against one or more Landlord Parties by reason of any such claim, Tenant, upon request from the Landlord Party, shall resist and defend such action or proceeding on behalf of the Landlord Party by counsel appointed by Tenant's insurer (if such claim is covered by insurance without reservation) or otherwise by counsel reasonably satisfactory to the Landlord Party. The Landlord Parties shall not be bound by any compromise or settlement of any such claim, action or proceeding without the prior written consent of such Landlord Parties, as to which they hereby agree to act reasonable.

13.2 Tenant's Risk

Tenant agrees to use and occupy the Premises, and to use such other portions of the Building and Atlantic Wharf as Tenant is given the right to use by this Lease, at Tenant's own risk; provided however, that the provisions of this sentence shall not limit Landlord's obligations as expressly stated in this Lease. The Landlord Parties shall not be liable to the Tenant Parties for any damage, injury, loss, compensation, or claim (including, but not limited to, claims for the interruption of or loss to a Tenant Party's business) based on, arising out of or resulting from any cause whatsoever, including, but not limited to, repairs to any portion of the Premises or the Building or Atlantic Wharf, any fire, robbery, theft, mysterious disappearance, or any other crime or casualty, the actions of any other tenants of the Building or of any other person or persons, or any leakage in any part or portion of the Premises or the Building or Atlantic Wharf, or from water, rain or snow that may leak into, or flow from any part of the Premises or the Building or Atlantic Wharf, or from drains, pipes or plumbing fixtures in the Building or Atlantic Wharf except to the extent caused by the negligence or willful failure of Landlord to correct such condition after notice and reasonable opportunity to cure. Any goods, property or personal effects stored or placed in or about the Premises shall be at the sole risk of the Tenant Party, and neither the Landlord Parties nor their insurers shall in any manner be held responsible therefor. The Landlord Parties shall not be responsible or liable to a Tenant Party, or to those claiming by, through or under a Tenant Party, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connecting with the Premises or any part of the Building or otherwise.

13.3 Tenant's Commercial General Liability Insurance

Tenant agrees to maintain in full force on or before the earlier of (i) the date on which any Tenant Party first enters the Premises for any reason or (ii) the Commencement Date, and thereafter throughout and until the end of the Lease Term, and after the end of the Lease Term for so long as Tenant or anyone acting by, through or under Tenant is in occupancy of the Premises or any portion thereafter, a policy of commercial general liability insurance, on an occurrence basis, issued on a form at least as broad as Insurance Services Office ("ISO") Commercial General Liability Coverage "occurrence" form CG 00 01 10 01 or another Commercial General Liability "occurrence" form providing equivalent coverage. Such insurance shall include broad form contractual liability coverage, specifically covering but not limited to the indemnification obligations undertaken by Tenant in this Lease, exclusive of Tenant's indemnification obligations

under Sections 13.1A(a)(iii) and 13.1A(b)(iv). The minimum limits of liability of such insurance including an Umbrella policy shall be Five Million Dollars ($5,000,000) per occurrence. In addition, in the event Tenant hosts a function in the Premises, Tenant agrees to obtain, and cause any persons or parties providing services for such function to obtain, the appropriate insurance coverages as reasonably determined by Landlord (including liquor liability coverage, if applicable) and provide Landlord with evidence of the same.

13.4 Tenant's Property Insurance

Tenant shall maintain at all times during the Term of the Lease, and during such earlier time as Tenant may be performing work in or to the Premises or have property, fixtures, furniture, equipment, machinery, goods, supplies, wares or merchandise on the Premises, and continuing thereafter so long as Tenant is in occupancy of any part of the Premises, business interruption insurance and insurance against loss or damage covered by the so-called "Special Risk of Loss" type insurance coverage (excluding flood and earthquake) with respect to Tenant's property, fixtures, furniture, equipment, machinery, goods, supplies, wares and merchandise, and other property of Tenant located at the Premises, which are permitted to be removed by Tenant at the expiration or earlier termination of the Lease Term (collectively "Tenant's Property"). The business interruption insurance required by this Section 13.4 shall be in minimum amounts typically carried by prudent tenants engaged in similar operations, but in no event shall be in an amount less than the Annual Fixed Rent then in effect during any Lease Year, plus any Additional Rent due and payable for the immediately preceding Lease Year. The "Special Risk of Loss" insurance required by this section shall be in an amount at least equal to the full replacement cost of Tenant's Property. In addition, during such time as Tenant is performing work in or to the Premises, Tenant, at Tenant's expense, shall also maintain, or shall cause its contractor(s) to maintain, builder's risk insurance for the full insurable value of such work. Subject to the terms of this Section 13.4, Landlord, each mortgagee (if any), and such additional persons or entities as Landlord may reasonably request shall be named as loss payees, as their interests may appear, on the policy or policies required by this Lease but only to the extent of alterations or improvements which Landlord is obligated to restore pursuant to Article XIV. In the event of loss or damage covered by the "Special Risk of Loss" insurance required by this Lease, the responsibilities for repairing or restoring the loss or damage shall be determined in accordance with Article XIV. To the extent that Landlord is obligated to pay for the repair or restoration of the loss or damage covered by the policy, Landlord shall be paid the proceeds of the "Special Risk of Loss" insurance covering the loss or damage. To the extent Tenant is obligated to pay for the repair or restoration of the loss or damage, covered by the policy, Tenant shall be paid the proceeds of the "Special Risk of Loss" insurance covering the loss or damage. If both Landlord and Tenant are obligated to pay for the repair or restoration of the loss or damage covered by the policy, the insurance proceeds payable under Landlord's insurance with respect to the leasehold improvements in the Premises shall be paid to each of them in the pro rata proportion of their obligations to repair or restore the loss or damage. If the loss or damage occurs during the initial Lease Term and is not repaired or

restored (for example, if the Lease is terminated pursuant to Article XIV), such insurance proceeds shall be paid to Landlord and Tenant in the pro rata proportion of their relative contributions to the cost of the leasehold improvements covered by the policy (except that, for the purposes of determining Tenant's share ["Tenant's Share of Insurance Proceeds"] of the insurance proceeds, Tenant's contribution toward the cost of the leasehold improvements shall be amortized over the initial Lease Term on a straight-line basis). If the loss or damage occurs after the initial Lease Term is not repaired or restored all such insurance proceeds shall be paid to Landlord. Tenant shall promptly execute and return any documents reasonably requested by Tenant's insurer in order for such insurance proceeds to be disbursed pursuant to the provisions of this Section 13.4, provided that Tenant shall not be required to incur any cost or to incur any liability in order to comply with such request.

13.5 Tenant's Other Insurance

Tenant agrees to maintain in full force on or before the earlier of (i) the date on which any Tenant Party first enters the Premises for any reason or (ii) the Commencement Date, and thereafter throughout the end of the Term, and after the end of the Term for so long after the end of the Term as Tenant or anyone acting by, through or under Tenant is in occupancy of the Premises or any portion thereafter: (1) if Tenant owns or operates any automobiles, comprehensive automobile liability insurance (covering any automobiles owned or operated by Tenant) issued on a form at least as broad as ISO Business Auto Coverage form CA 00 01 07 97 or other form providing equivalent coverage; (2) worker's compensation insurance; and (3) employer's liability insurance. Such automobile liability insurance shall be in an amount not less than One Million Dollars ($1,000,000) for each accident. Such worker's compensation insurance shall carry minimum limits as defined by the law of the jurisdiction in which the Premises are located (as the same may be amended from time to time). Such employer's liability insurance shall be in an amount not less than Five Hundred Thousand ($500,000) Dollars for each accident, Five Hundred Thousand ($500,000) Dollars disease-policy limit, and Five Hundred Thousand ($500,000) Dollars disease-each employee, with a $1,000,000 umbrella coverage in excess of each of such $500,000 limits.

13.6 Requirements for Tenant's Insurance

All insurance required to be maintained by Tenant pursuant to this Lease shall be maintained with responsible companies that are admitted to do business, and are in good standing in the Commonwealth of Massachusetts and that have a rating of at least "A" and are within a financial size category of not less than "Class A-VIII" in the most current Best's Key Rating Guide or such similar rating as may be reasonably selected by Landlord. All such insurance shall: (1) be reasonably acceptable in form and content to Landlord; and (2) be primary and noncontributory as to claims arising from Tenant's use or occupancy of the Premises. Tenant covenants that it shall give Landlord thirty (30) days' prior written notice (by certified or registered mail, return receipt requested, or by fax or email) of cancellation, failure to renew, reduction of amount of insurance, or material change in coverage. No such policy shall contain any deductible greater than

Twenty Five Thousand Dollars ($25,000) with respect to liability insurance or One Hundred Thousand Dollars ($100,000) with respect to property insurance. Such deductibles and self-insured retentions shall be deemed to be "insurance" for purposes of the waiver in Section 13.13 below. Landlord reserves the right from time to time to require Tenant to obtain higher minimum amounts of insurance based on such limits as are customarily carried with respect to similar properties in the area in which the Premises are located. The minimum amounts of insurance required by this Lease shall not be reduced by the payment of claims or for any other reason. In the event Tenant shall fail to obtain or maintain any insurance meeting the requirements of this Article, or to deliver such policies or certificates as required by this Article, Landlord may, at its option, after five (5) days notice to Tenant, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within ten (10) days after delivery to Tenant of bills therefor.

13.7 Additional Insureds

The commercial general liability and auto insurance carried by Tenant pursuant to this Lease, and any additional liability insurance carried by Tenant pursuant to Section 13.3 of this Lease, shall name Landlord, Landlord's managing agent, each mortgagee (if any), and such other Persons as Landlord may reasonably request from time to time by notice to Tenant as additional insureds with respect to liability arising out of or related to this Lease or the operations of Tenant (collectively "Additional Insureds"). Such insurance shall provide primary coverage with respect to claims arising from the use or occupancy of the Premises by Tenant or anyone claiming by, through or under Tenant without contribution from any other insurance carried by or for the benefit of Landlord, Landlord's managing agent, each mortgagee (if any), or other Additional Insureds. Such insurance shall also waive any right of subrogation against each Additional Insured provided they are a party or otherwise agree to be bound by the mutual waiver of subrogation in Section 13.13 below.

13.8 Certificates of Insurance

On or before the earlier of (i) the date on which any Tenant Party first enters the Premises for any reason or (ii) the Commencement Date, Tenant shall furnish Landlord with certificates evidencing the insurance coverage required by this Lease, and renewal certificates shall be furnished to Landlord at least annually thereafter, and at least ten (10) days prior to the expiration date of each policy for which a certificate was furnished (acceptable forms of such certificates for liability and property insurance, respectively, are attached as Exhibit K). Failure by the Tenant to provide the certificates required by this Section 13.8 shall not be deemed to be a waiver of the requirements in this Section 13.8. Upon reasonable request by Landlord, a true and complete copy of any insurance policy required by this Lease shall be delivered to Landlord within ten (10) days following Landlord's written request, provided such copy may be redacted to protect information which is not relevant to Landlord, the Premises, or Atlantic Wharf.

13.9 Subtenants and Other Occupants

Tenant shall require its subtenants and other occupants of the Premises to provide written documentation evidencing the obligation of such subtenant or other occupant to indemnify the Landlord Parties to the same extent that Tenant is required to indemnify the Landlord Parties pursuant to Section 13.1 above, and to maintain insurance that meets the requirements of this Article, and otherwise to comply with the requirements of this Article. Tenant shall require all such subtenants and occupants to supply certificates of insurance evidencing that the insurance requirements of this Article have been met and shall forward such certificates to Landlord on or before the earlier of (i) the date on which the subtenant or other occupant or any of their respective direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, servants, employees, principals, contractors, licensees, agents, invitees or representatives first enters the Premises or (ii) the commencement of the sublease. Tenant shall be responsible for identifying and remedying any deficiencies in such certificates or policy provisions.

13.10 No Violation of Building Policies

Tenant shall not commit or permit any violation of the policies of fire, boiler, sprinkler, water damage or other insurance covering Atlantic Wharf and/or the fixtures, equipment and property therein carried by Landlord of which Tenant has received written notice of the requirements, or do or permit anything to be done, or keep or permit anything to be kept, in the Premises, which in case of any of the foregoing (i) would result in termination of any such policies, (ii) would adversely affect Landlord's right of recovery under any of such policies, or (iii) would result in reputable and independent insurance companies refusing to insure Atlantic Wharf or the property of Landlord in amounts reasonably satisfactory to Landlord.

13.11 Tenant to Pay Premium Increases

If, because of anything done, caused or permitted to be done, or omitted by Tenant (or its subtenant or other occupants of the Premises), other than general business office use the rates for liability, fire, boiler, sprinkler, water damage or other insurance on Atlantic Wharf and equipment of Landlord shall be higher than they otherwise would be, Tenant shall reimburse Landlord for the additional insurance premiums thereafter paid by Landlord or by any of the other tenants and subtenants in the Building which shall have been charged because of the aforesaid reasons, such reimbursement to be made from time to time on Landlord's demand.

13.12 Landlord's Insurance

(A) Required insurance. Landlord shall maintain: (i) insurance against loss or damage with respect to the Building on an "Special Risk of Loss" type insurance form and so-called "Builder's Risk" type insurance, with customary exceptions, subject to such deductibles as Landlord may determine, in an amount equal to at least the replacement value of the Building, as well such "Special Risk of Loss" insurance

with respect to Landlord's Work (but not improvements, alterations or fixtures which are installed after the Commencement Date by, or on behalf of, Tenant or anyone claiming by, through or under Tenant), and (ii) commercial general liability insurance with such limits as Landlord may reasonably determine. The cost of such insurance shall be treated as a part of Operating Expenses for the Building. Such insurance shall be maintained with an insurance company selected by Landlord meeting the standards required for Tenant's insurance carrier under Section 13.6 above. Payment for losses thereunder shall be made solely to Landlord subject to Section 13.4.

(B) Optional insurance. Landlord may maintain such additional insurance with respect to the Building and Atlantic Wharf, including, without limitation, earthquake insurance, terrorism insurance, flood insurance, liability insurance and/or rent insurance, as Landlord reasonably determines is prudent to be carried by institutional owners of similar Class A office buildings in the Central Business District of Boston. Landlord may also maintain such other insurance as may from time to time be required by the holder of any mortgage on the Building or Atlantic Wharf. The cost of all such additional insurance shall also be part of the Operating Expenses for the Building.

(C) Blanket and self-insurance. Any or all of Landlord's insurance may be provided by blanket coverage maintained by Landlord or any affiliate of Landlord under its insurance program for its portfolio of properties, or by Landlord or any affiliate of Landlord under a program of self-insurance, and in such event Operating Expenses for the Building shall include the portion of the reasonable cost of blanket insurance or self-insurance that is reasonably allocated to the Building.

(D) No obligation. Landlord shall not be obligated to insure, and shall not assume any liability of risk of loss for, Tenant's Property, including any such property or work of Tenant's subtenants or occupants. Landlord will also have no obligation to carry insurance against, nor be responsible for, any loss suffered by Tenant, subtenants or other occupants due to interruption of Tenant's or any subtenant's or occupant's business.

13.13 Waiver of Subrogation

The parties hereto waive and release any and all rights of recovery against the other, and agree not to seek to recover from the other or to make any claim against the other, and in the case of Landlord, against all "Tenant Parties" (hereinafter defined), and in the case of Tenant, against all "Landlord Parties" (hereinafter defined), for any loss or damage incurred by the waiving/releasing party to the extent such loss or damage is insured under any insurance policy required by this Lease or which would have been so insured had the party carried the insurance it was required to carry hereunder. Tenant shall obtain from its subtenants and other occupants of the Premises a similar waiver and release of claims against any or all of Tenant Parties or Landlord Parties. Landlord agrees that any subtenant or licensee of the Premises who is permitted to occupy and use the Premises

pursuant to Article 12 of the Lease shall have the benefit of Landlord's waivers under this Section 13.13, on the condition that such subtenant or licensee expressly agrees to provide a similar waiver and release of claims against all Landlord Parties in accordance with this Section 13.13. In addition, the parties hereto (and in the case of Tenant, its subtenants and other occupants of the Premises) shall procure an appropriate clause in, or endorsement on, any insurance policy required by this Lease pursuant to which the insurance company waives subrogation. The insurance policies required by this Lease shall contain no provision that would invalidate or restrict the parties' waiver and release of the rights of recovery in this section. The parties hereto covenant that no insurer shall hold any right of subrogation against the parties hereto by virtue of such insurance policy.

The term "Landlord Party" or "Landlord Parties" shall mean Landlord, any affiliate of Landlord, Landlord's managing agents for the Building, each mortgagee (if any), each ground lessor (if any), and each of their respective direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, servants, employees, principals, contractors, licensees, agents or representatives. For the purposes of this Lease, the term "Tenant Party" or "Tenant Parties" shall mean Tenant, any affiliate of Tenant, any permitted subtenant or any other permitted occupant of the Premises, and each of their respective direct or indirect partners, officers, shareholders, directors, members, trustees, beneficiaries, servants, employees, principals, contractors, licensees, agents, invitees or representatives.

13.14 Tenant's Work

During such times as Tenant is performing work or having work or services performed in or to the Premises, Tenant shall require its contractors, and their subcontractors of all tiers, to obtain and maintain commercial general liability, automobile, workers compensation, employer's liability, builder's risk, and equipment/property insurance in such amounts and on such terms as are customarily required of such contractors and subcontractors on similar projects. The amounts and terms of all such insurance are subject to Landlord's written approval, which approval shall not be unreasonably withheld. The commercial general liability and auto insurance carried by Tenant's contractors and their subcontractors of all tiers pursuant to this section shall name Landlord, Landlord's managing agent, and such other persons as Landlord may reasonably request from time to time as additional insureds with respect to liability arising out of or related to their work or services (collectively "Additional Insureds"). Such insurance shall provide primary coverage with respect to liability arising out of or related to their work or services without contribution from any other insurance carried by or for the benefit of Landlord, Landlord's managing agent, each mortgagee (if any), or other Additional Insureds. Such insurance shall also waive any right of subrogation against each Additional Insured. Tenant shall obtain and submit to Landlord, prior to the earlier of (i) the entry onto the Premises by such contractors or subcontractors or (ii) commencement of the work or services, certificates of insurance evidencing compliance with the requirements of this section.

13.15 Landlord Indemnification.

Subject to the provisions of Section 13.13, to the maximum extent this agreement is effective according to law and to the extent not resulting from any act, omission, fault, negligence or misconduct of Tenant or its contractors, agents, licensees, invitees, servants or employees, Landlord agrees to defend with counsel first approved by Tenant (counsel appointed by Landlord's insurance carrier shall be deemed approved by Tenant and for any other circumstances such approval shall not be unreasonably withheld or delayed) indemnify and save harmless Tenant and Tenant's beneficiaries, partners, subsidiaries, officers, directors, agents, trustees and employees (collectively, the "Tenant Parties") from and against any claim arising from any injury to any person occurring in the Premises, in the Building or elsewhere at Atlantic Wharf from and after the date that Landlord commences construction of the Landlord's Work and until the expiration or earlier termination of the Lease Term, to the extent such injury results from the negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors provided, however that in no event shall the aforesaid indemnity render Landlord responsible or liable for any loss or damage to fixtures or personal property of Tenant and Landlord shall in no event be liable for any indirect or consequential damages; and provided, further, that the provisions of this Section 13.13 shall not be applicable to the holder of any mortgage now or hereafter on the Building or Atlantic Wharf (whether or not such holder shall be a mortgagee in possession of or shall have exercised any rights under a conditional, collateral or other assignment of leases and/or rents respecting, the Building and/or Atlantic Wharf) except to the extent otherwise agreed by such holder in any Subordination, Non-Disturbance and Attornment Agreement by and between Tenant and such holder.

ARTICLE XIV

Fire, Casualty and Taking

14.1 Damage Resulting from Casualty

In the event of loss of, or damage to, the Premises or the Building by fire or other casualty, the rights and obligations of the parties hereto shall be as follows:

If the Premises, or any part thereof, shall be damaged by fire or other casualty, Tenant shall give prompt notice thereof to Landlord, and Landlord shall furnish to Tenant, as soon as practicable following such damage, but in any event within ninety (90) days after the casualty), an estimate from Landlord's Architect of the time required to repair such damage. If, according to such estimate, such repair is not expected to be completed within three hundred ten (310) days from the date of such damage, Tenant may terminate this Lease by notice to Landlord given within twenty (20) days after the furnishing of such estimate, specifying the date on which the Term of this Lease shall terminate, which termination date shall be not less than twenty (20) days nor more than forty five (45) days after the date of such termination notice.

If, as a result of fire or other casualty, the whole or a substantial portion of the Building is substantially damaged, Landlord, within ninety (90) days from the date of such fire or casualty, may terminate this Lease by notice to Tenant, specifying a date not less than twenty (20) nor more than forty five (45) days after the giving of such notice on which the Term of this Lease shall terminate, provided however that notwithstanding anything contained herein to the contrary, (1) in the event of a fire or other casualty as a result of which no part of the Premises is damaged or destroyed, Landlord shall have no right to terminate this Lease unless Landlord shall at the same time or substantially at the same time terminate the leases of all other tenants in the Building whose leased premises also have not been damaged by such fire or casualty and if so terminated, Tenant shall have not less than ninety (90) days following Landlord's termination notice to vacate the Premises, and (2) in the event of a fire or other casualty as a result of which any part of the Premises is damaged or destroyed, Landlord shall have no right to terminate this Lease unless Landlord shall in the same general time period terminate the leases of all other tenants in the Building whose leased premises have been affected by such fire or casualty to an equal or greater extent. For purposes hereof, any damage to the Building by fire or other casualty shall be deemed substantial only if, according to an estimate from Landlord's Architect, the time required to repair such damage is expected to exceed three hundred ten (310) days from the date of the damage.

If during the last Lease Year of the Lease Term (as it may have been extended), the Building shall be damaged by fire or casualty and such fire or casualty damage to the Premises cannot reasonably be expected to be repaired or restored within one hundred twenty (120) days from the time that repair or restoration work would commence as reasonably determined by Landlord, then Tenant shall have the right, by giving notice to Landlord not later than thirty (30) days after such damage, to terminate this Lease, whereupon this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

If the Building or any part thereof is damaged by fire or casualty and this Lease is not so terminated, or Landlord and Tenant have no right to terminate this Lease, and in either such case the holder of any mortgage which includes the Building as a part of the mortgaged premises or any ground lessor of any ground lease which includes the Building as part of the demised premises allows the net insurance proceeds to be applied to the restoration of the Building in accordance with the terms of such mortgage, Landlord, subject to any limitations imposed by Legal Requirements, promptly after such damage and the determination of the net amount of insurance proceeds available shall use due diligence to restore the Premises (including Landlord's Work, but not improvements, alterations or fixtures which are installed after the Commencement Date by, or on behalf of, Tenant or anyone claiming by, through or under Tenant, which shall be Tenant's responsibility to restore, at Tenant's election) and the Building in the event of damage thereto (excluding Tenant's Property (as defined in Section 13.4 hereof)) into substantially its condition prior to the casualty] and a just proportion of the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess according to the nature and extent of

the injury to the Premises and access thereto shall be abated from the date of casualty until the Premises shall have been put by Landlord substantially into such condition. Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repairs and restoration any amount in excess of the net insurance proceeds, provided that, in such event, Landlord gives written notice so advising Tenant within ninety (90) days after the casualty in question; provided however, that the foregoing shall not affect Tenant's rights to Tenant's Share of Insurance Proceeds, as defined in Section 13.4, if the Premises are not restored after a casualty during the initial Lease Term.

If Landlord gives Tenant written notice ("Inadequate Insurance Proceeds Notice") that the insurance proceeds available to Landlord are inadequate to enable Landlord complete repairs and restoration of casualty damage, Tenant shall have the right to terminate this Lease by giving Landlord a written termination notice within thirty (30) days after Landlord gives an Inadequate Insurance Proceeds Notice to Tenant.

Where Landlord is obligated or otherwise elects to effect restoration of the Premises, unless such restoration is completed on or before the date sixty (60) days following the anticipated completion date set forth in Landlord's original completion estimate ("Estimated Restoration Period"), such Estimated Restoration Period to be subject, however, to extension where the delay in completion of such work is due to Force Majeure, as defined hereinbelow (but in no event by more than sixty (60) days as the result of Force Majeure Delays) and subject to extension arising from delays caused by Tenant, or Tenant's agents, employees or contractors, Tenant, as its sole and exclusive remedy, shall have the right to terminate this Lease at any time after the expiration of such Estimated Restoration Period (as extended) until the restoration is substantially completed, such termination to take effect as of the thirtieth (30th) day after the date of receipt by Landlord of Tenant's notice, with the same force and effect as if such date were the date originally established as the expiration date hereof unless, within such thirty (30) day period such restoration is substantially completed, in which case Tenant's notice of termination shall be of no force and effect and this Lease and the Lease Term shall continue in full force and effect. The term "Force Majeure" shall mean any prevention, delay or stoppage due to governmental regulation, strikes, lockouts, acts of God, acts of war, terrorists acts, civil commotions, unusual scarcity of or inability to obtain labor or materials, labor difficulties, casualty or other causes reasonably beyond Landlord's control or attributable to Tenant's action or inaction.

14.2 Uninsured Casualty

Notwithstanding anything to the contrary contained in this Lease, if the Building or the Premises shall be substantially damaged by fire or casualty as the result of a risk not covered by the forms of casualty insurance at the time maintained or required to be maintained by Landlord and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within thirty (30) days from the time that repair work would commence, and Landlord determines not to repair the damage and terminates the leases of all tenants of Atlantic Wharf affected to a comparable degree by such casualty, Landlord may, at its election, terminate the Term of this Lease by notice to

Tenant given within thirty (30) days after such loss. If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

14.3 Rights of Termination for Taking

If the Building, or such portion thereof as to render the balance (if reconstructed to the maximum extent practicable in the circumstances) unsuitable for Tenant's purposes, shall be taken by condemnation or right of eminent domain, Landlord or Tenant shall have the right to terminate this Lease by notice to the other of its desire to do so, provided that such notice is given not later than thirty (30) days after Tenant has been deprived of possession. If either party shall give such notice, then this Lease shall terminate as of the date specified in such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Further, if so much of the Building or Atlantic Wharf shall be so taken that continued operation of the Building would be uneconomic, Landlord shall have the right to terminate this Lease by giving notice to Tenant of Landlord's desire to do so not later than thirty (30) days after Tenant has been deprived of possession of the Premises (or such portion thereof as may be taken) and provided Landlord terminates the leases of all tenants of Atlantic Wharf affected to a comparable degree by such taking. If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Should any part of the Premises be so taken or condemned during the Lease Term hereof, and should this Lease not be terminated in accordance with the foregoing provisions, and the holder of any mortgage which includes the Premises as part of the mortgaged premises or any ground lessor of any ground lease which includes the Premises as part of the demised premises allows the net condemnation proceeds to be applied to the restoration of the Building, Landlord agrees that after the determination of the net amount of condemnation proceeds available to Landlord, Landlord shall use due diligence to put what may remain of the Premises into proper condition for use and occupation as nearly like the condition of the Premises prior to such taking as shall be practicable (excluding Tenant's Property). Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repair and restoration any amount in excess of the net condemnation proceeds made available to it.

If the Premises shall be affected by any exercise of the power of eminent domain and neither Landlord nor Tenant shall terminate this Lease as provided above, then the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess shall be justly and equitably abated and reduced according to the nature and extent of the loss of use thereof suffered by Tenant; and in case of a taking which permanently reduces the Rentable Floor Area of the Premises, a just proportion of the Annual Fixed Rent, the Operating Cost Excess and the Tax Excess shall be abated for the remainder of the Lease Term.

14.4 Award

Except as otherwise provided in this Section 14.4, Landlord shall have and hereby reserves and excepts, and Tenant hereby grants and assigns to Landlord, all rights to recover for damages to the Building, Atlantic Wharf, and the Garage and the leasehold interest hereby created, and compensation accrued or hereafter to accrue by reason of such taking, damage or destruction, as aforesaid, and by way of confirming the foregoing, Tenant hereby grants and assigns, and covenants with Landlord to grant and assign to Landlord, all rights to such damages or compensation.

However, nothing contained herein shall be construed to prevent Tenant from prosecuting in any such proceedings a claim for its trade fixtures so taken or relocation, Tenant's Property (other than leasehold improvements), moving and other dislocation expenses, provided that such action shall not affect the amount of compensation otherwise recoverable by Landlord from the taking authority.

ARTICLE XV

Default

15.1 Tenant's Default

This Lease and the term of this Lease are subject to the limitation that if, at any time during the Lease Term, any one or more of the following events (herein called an "Event of Default" a "default of Tenant" or similar reference) shall occur and not be cured prior to the expiration of the grace period (if any) herein provided, as follows:

(a) Tenant shall fail to pay any installment of the Annual Fixed Rent, or any Additional Rent or any other monetary amount due under this Lease on or before the date on which the same becomes due and payable, and such failure continues for five (5) days after written notice from Landlord thereof; or

(b) Landlord having rightfully given the notice specified in (a) above to Tenant twice in any twelve (12) month period, Tenant shall fail thereafter to pay the Annual Fixed Rent, Additional Rent or any other monetary amount due under this Lease, any of which occurs on a regularly recurring basis without change in the amount due, on or before the date on which the same becomes due and payable; or

(c) Tenant shall assign its interest in this Lease or sublet any portion of the Premises in violation of the requirements of Article XII of this Lease; or

(d) Tenant shall fail to perform or observe some term or condition of this Lease which, because of its character, would immediately jeopardize Landlord's interest (such as, but without limitation, failure to maintain

general liability insurance, or the employment of labor and contractors within the Premises which interfere with Landlord's work, in violation of Sections 9.3, 11.2 or 11.10 or Exhibit B or a failure to observe the requirements of Section 11.2), and such failure continues for five (5) days after notice from Landlord to Tenant thereof; or

(e) Tenant shall fail to perform or observe any other requirement, term, covenant or condition of this Lease (not hereinabove in this Section 15.1 specifically referred to) on the part of Tenant to be performed or observed and such failure shall continue for thirty (30) days after notice thereof from Landlord to Tenant, or if said default shall reasonably require longer than thirty (30) days to cure, if Tenant shall fail to commence to cure said default within thirty (30) days after notice thereof and/or fail to prosecute with continuing diligence the curing of the same to completion with due diligence; or

(f) The estate hereby created shall be taken on execution or by other process of law; or

(g) Tenant shall make an assignment or trust mortgage arrangement, so-called, for the benefit of its creditors; or

(h) Tenant shall judicially be declared bankrupt or insolvent according to law; or

(i) a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of all or any substantial part of Tenant's property by a court of competent jurisdiction; or

(j) any petition shall be filed against Tenant in any court, whether or not pursuant to any statute of the United States or of any State, in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceeding, and such proceedings shall not be fully and finally dismissed within one hundred twenty (120) days after the institution of the same; or

(k) Tenant shall file any petition in any court, whether or not pursuant to any statute of the United States or any State, in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceeding; or

(l) Tenant otherwise abandons or vacates the Premises without notice to Landlord in advance and the completion of arrangements reasonably satisfactory to Landlord for the security of the Premises. However, no such notice (or lack of notice) shall relieve Tenant of its obligations under this Lease.

15.2 Termination; Re-Entry

Upon the happening of any one or more of the aforementioned Events of Default (notwithstanding any license of a former breach of covenant or waiver of the benefit hereof or consent in a former instance), Landlord or Landlord's agents or servants may give to Tenant a notice (hereinafter called "notice of termination") terminating this Lease on a date specified in such notice of termination (which shall be not less than five (5) days after the date of the mailing of such notice of termination), and this Lease and the Lease Term, as well as any and all of the right, title and interest of the Tenant hereunder, shall wholly cease and expire on the date set forth in such notice of termination (Tenant hereby waiving any rights of redemption) in the same manner and with the same force and effect as if such date were the date originally specified herein for the expiration of the Lease Term, and Tenant shall then quit and surrender the Premises to Landlord.

In addition or as an alternative to the giving of such notice of termination, Landlord or Landlord's agents or servants may, by any suitable action or proceeding in conformance with applicable law, immediately or at any time thereafter re-enter the Premises and remove therefrom Tenant, its agents, employees, servants, licensees, and any subtenants and other persons, and all or any of its or their property therefrom, and repossess and enjoy the Premises, together with all additions, alterations and improvements thereto; but, in any event under this Section 15.2, Tenant shall remain liable as hereinafter provided.

The words "re-enter" and "re-entry" as used throughout this Article XV are not restricted to their technical legal meanings.

15.3 Continued Liability; Re-Letting

If this Lease is terminated or if Landlord shall re-enter the Premises as aforesaid, or in the event of the termination of this Lease, or of re- entry, by or under any proceeding or action or any provision of law by reason of an Event of Default hereunder on the part of Tenant, Tenant covenants and agrees forthwith to pay and be liable for, on the days originally fixed herein for the payment thereof, amounts equal to the several installments of Annual Fixed Rent, all Additional Rent and other charges reserved as they would, under the terms of this Lease, become due if this Lease had not been terminated or if Landlord had not entered or re-entered, as aforesaid (the total amount of the foregoing is herein called the "Total Obligation Liability"), and whether the Premises be relet or remain vacant, in whole or in part, or for a period less than the remainder of the Lease Term, or for the whole thereof, but, in the event the Premises be relet by Landlord, Tenant shall be entitled to a credit in the net amount of rent and other charges received by Landlord in reletting, after deduction of all reasonable expenses

incurred in reletting the Premises (including, without limitation, remodeling costs, brokerage fees and the like), and in collecting the rent in connection therewith, in the following manner:

Amounts received by Landlord after reletting shall first be applied against such Landlord's expenses, until the same are recovered, and until such recovery, Tenant shall pay, as of each day when a payment would fall due under this Lease, the amount which Tenant is obligated to pay under the terms of this Lease (Tenant's liability prior to any such reletting and such recovery not in any way to be diminished as a result of the fact that such reletting might be for a rent higher than the rent provided for in this Lease); when and if such expenses have been completely recovered, the amounts received from reletting by Landlord as have not previously been applied shall be credited against Tenant's obligations as of each day when a payment would fall due under this Lease, and only the net amount thereof shall be payable by Tenant. Further, Tenant shall not be entitled to any credit of any kind for any period after the date when the term of this Lease is scheduled to expire according to its terms.

Landlord agrees to use reasonable efforts to relet the Premises after Tenant vacates the same in the event this Lease is terminated based upon an Event of Default by Tenant hereunder. The marketing of the Premises in a manner similar to the manner in which Landlord markets other premises within Landlord's control within the Building shall be deemed to have satisfied Landlord's obligation to use "reasonable efforts" hereunder. In no event shall Landlord be required to (i) solicit or entertain negotiations with any other prospective tenant for the Premises until Landlord obtains full and complete possession of the Premises (including, without limitation, the final and unappealable legal right to relet the Premises free of any claim of Tenant), (ii) relet the Premises before leasing other vacant space in the Building, or (iii) lease the Premises for a rental less than the current fair market rent then prevailing for similar office space in the Building.

15.4 Liquidated Damages

Landlord may elect, as an alternative, to have Tenant pay liquidated damages, which election may be made by notice given to Tenant at any time after the termination of this Lease under Section 15.2, above, and whether or not Landlord shall have collected any damages as hereinbefore provided in this Article XV, and in lieu of all other such damages beyond the date of such notice. Upon such notice, Tenant shall promptly pay to Landlord, as liquidated damages, in addition to any damages collected or due from Tenant from any period prior to such notice and all expenses which Landlord may have incurred with respect to the collection of such damages, such a sum as at the time of such notice represents the amount of the excess, if any, of (a) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges which would have been payable by Tenant under this Lease for the remainder of the Lease Term then in effect if the Lease terms had been fully complied with by Tenant, over and above (b) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges that would be received by Landlord if the Premises were re- leased at the time of such notice for the remainder of the Lease Term at the Prevailing Market Rent (including provisions regarding periodic increases in Annual Fixed Rent if such are applicable) prevailing at the time of such notice as reasonably determined by Landlord; provided, however, that the total amount of the sum of such liquidated damages and the amounts previously paid by Tenant to Landlord after the effective date of the termination of this Lease or re-entry by Landlord, as the case may be, shall not in any event exceed the amount of the Total Obligation Liability.

For the purposes of this Article, if Landlord elects to require Tenant to pay liquidated damages in accordance with this Section 15.4, the total rent shall be computed by assuming the Tax Excess under Section 6.2 and the Operating Cost Excess under Section 7.5 to be the same as were payable for the twelve (12) calendar months (or if less than twelve (12) calendar months have been elapsed since the date hereof, the partial year) immediately preceding such termination or re-entry.

Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceeds in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

In lieu of any other damages or indemnity and in lieu of the recovery by Landlord of all sums payable under all the foregoing provisions of this Section 15.4 and provided there remains not less than three (3) years remaining in the Lease Term at the time of termination pursuant to this Article XV, Landlord may elect to collect from Tenant, by notice to Tenant, at any time after this Lease is terminated under any of the provisions contained in this ARTICLE XV or otherwise terminated by breach of any obligation of Tenant and before such full recovery, and Tenant shall thereupon pay, as liquidated damages, an amount equal to the sum of the Annual Fixed Rent and all Additional Rent payable for the twelve (12) months ended next prior to the such termination plus the amount of Annual Fixed Rent and Additional Rent of any kind accrued and unpaid at the time of such election plus any and all expenses which the Landlord may have incurred for and with respect to the collection of any of such rent.

15.5 Waiver of Redemption

Tenant, for itself and any and all persons claiming through or under Tenant, including its creditors, upon the termination of this Lease and of the term of this Lease in accordance with the terms hereof, or in the event of entry of judgment for the recovery of the possession of the Premises in any action or proceeding, or if Landlord shall enter the Premises by process of law or otherwise, hereby waives any right of redemption provided or permitted by any statute, law or decision now or hereafter in force, and does hereby waive, surrender and give up all rights or privileges which it or they may or might have under and by reason of any present or future law or decision, to redeem the Premises or for a continuation of this Lease for the term of this Lease hereby demised after having been dispossessed or ejected therefrom by process of law, or otherwise.

15.6 Landlord's Default

Landlord shall in no event be in default in the performance of any of Landlord's obligations hereunder unless and until Landlord shall have failed to perform such

obligations within thirty (30) days, or such additional time as is reasonably required to correct any such default, after notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation.

The Tenant shall not assert any right to deduct the cost of repairs or any monetary claim against the Landlord from rent thereafter due and payable, but shall look solely to the Landlord for satisfaction of such claim.

ARTICLE XVI

Miscellaneous Provisions

16.1 Waiver

Failure on the part of Landlord or Tenant to complain of any action or non-action on the part of the other, no matter how long the same may continue, shall never be a waiver by Tenant or Landlord, respectively, of any of its rights hereunder.

Further, no waiver at any time of any of the provisions hereof by Landlord or Tenant shall be construed as a waiver of any of the other provisions hereof, and a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of any subsequent similar act by the other.

No payment by Tenant, or acceptance by Landlord, of a lesser amount than shall be due from Tenant to Landlord shall be treated otherwise than as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant. Further, the acceptance by Landlord of Annual Fixed Rent, Additional Rent or any other charges paid by Tenant under this Lease shall not be or be deemed to be a waiver by Landlord of any default by Tenant, whether or not Landlord knows of such default, except for such defaults as to which such payment relates.

16.2 Cumulative Remedies

Except as expressly provided in this Lease, the specific remedies to which Landlord and Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress which they may be lawfully entitled to seek in case of any breach or threatened breach of any provisions of this Lease. In addition to the other remedies provided in this Lease, Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the covenants, conditions or provisions of this Lease or to seek specific performance of any such covenants, conditions or provisions, provided, however, that the foregoing shall not be construed as a confession of judgment by Tenant.

16.3 Quiet Enjoyment

This Lease is subject and subordinate to all matters of record as of the date of this Lease. Landlord agrees that, so long as there is no Event of Default outstanding and continuing, Tenant shall and may peaceably hold and enjoy the Premises during the term of this Lease (exclusive of any period during which Tenant is holding over after the expiration or termination of this Lease without the consent of Landlord), without interruption or disturbance from Landlord or persons claiming through or under Landlord, subject, however, to the terms of this Lease. This covenant shall be construed as running with the land to and against subsequent owners and successors in interest, and is not, nor shall it operate or be construed as, a personal covenant of Landlord, except to the extent of the Landlord's interest in the Premises, and this covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and upon such subsequent owners or successors in interest of Landlord's interest under this Lease, including ground or master lessees, to the extent of their respective interests, as and when they shall acquire same and then only for so long as they shall retain such interest.

16.4 Surrender

(A) No act or thing done by Landlord during the Lease Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Premises as an acceptance of a surrender of the Premises prior to the termination of this Lease; provided, however, that the foregoing shall not apply to the delivery of keys to Landlord or its agents in its (or their) capacity as managing agent or for purpose of emergency access. In any event, however, the delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of the Lease or a surrender of the Premises.

(B) Upon the expiration or earlier termination of the Lease Term, Tenant shall surrender the Premises to Landlord in the condition as required by Sections 8.1 and 9.5, first removing all goods and effects of Tenant and completing such other removals as may be permitted or required pursuant to Section 9.5.

16.5 Brokerage

Tenant warrants and represents that Tenant has not dealt with any broker in connection with the consummation of this Lease other than the broker, person or firm designated in Section 1.2 hereof; and in the event any claim is made against the Landlord relative to dealings with brokers other than the broker designated in Section 1.2 hereof, Tenant shall defend the claim against Landlord with counsel of Landlord's selection and save harmless and indemnify Landlord on account of loss, cost or damage which may arise by

reason of such claim. Landlord warrants and represents that Landlord has not dealt with any broker in connection with the consummation of this Lease other than the broker designated in Section 1.2; and in the event any claim is made against the Tenant relative to dealings by Landlord with brokers including the broker designated in Section 1.2, Landlord shall defend the claim against Tenant with counsel of Landlord's selection first approved by Tenant (which approval will not be unreasonably withheld) and save harmless and indemnify Tenant on account of loss, cost or damage which may arise by reason of such claim. Landlord agrees that it shall be solely responsible for the payment of brokerage commissions to the broker, person or firm designated in Section 1.2 hereof.

16.6 Invalidity of Particular Provisions

If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

16.7 Provisions Binding, etc

The obligations of this Lease shall run with the land, and except as herein otherwise provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant and, if Tenant shall be an individual, upon and to his heirs, executors, administrators, successors and assigns. Each term and each provision of this Lease to be performed by Tenant shall be construed to be both a covenant and a condition. The reference contained to successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant, but has reference only to those instances in which Landlord may have later given consent to a particular assignment as required by the provisions of Article XII hereof.

16.8 Recording; Confidentiality

Each of Landlord and Tenant agree not to record the within Lease, but each party hereto agrees, on the request of the other, to execute a so-called Notice of Lease or short form lease in form recordable and complying with applicable law and reasonably satisfactory to Landlord's and Tenant's attorneys. In no event shall such document set forth the rent or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

Tenant agrees that this Lease and the terms contained herein will be treated as confidential and except as required by law, including, without limitation, any securities regulations (or except with the written consent of Landlord) and as necessary in any litigation or other dispute resolution proceeding between Landlord and Tenant, Tenant shall not disclose the same to any third party except for Tenant's partners, lenders,

members, directors, shareholders, accountants, attorneys, auditors, brokers and other consultants and any existing or prospective investors, purchasers, subtenants, and assignees who have been advised of the confidentiality provisions contained herein and agree to be bound by the same. In the event Tenant is required by law (other than securities regulations) to provide this Lease or disclose any of its terms, Tenant shall endeavor to give Landlord prompt notice of such requirement prior to making disclosure so that Landlord may seek an appropriate protective order.

16.9 Notices and Time for Action

Whenever, by the terms of this Lease, notice shall or may be given either to Landlord or to Tenant, such notices shall be in writing and shall be sent by hand, registered or certified mail, or overnight or other commercial courier, postage or delivery charges, as the case may be, prepaid as follows:

If intended for Landlord, addressed to Landlord at the address set forth in Article I of this Lease (or to such other address or addresses as may from time to time hereafter be designated by Landlord by like notice) with a copy to Landlord, Attention: Regional General Counsel.

If intended for Tenant, addressed to Tenant at the address set forth in Article I of this Lease except that from and after the Commencement Date the address of Tenant shall be the Premises (or to such other address or addresses as may from time to time hereafter be designated by Tenant by like notice), with a copy to: Goodwin Procter LLP, Exchange Place, Boston, MA 02109, Attn: William J. Schnoor, Jr., Esq.

Except as otherwise provided herein, all such notices shall be effective when received; provided, that (i) if receipt is refused, notice shall be effective upon the first occasion that such receipt is refused, (ii) if the notice is unable to be delivered due to a change of address of which no notice was given, notice shall be effective upon the date such delivery was attempted, (iii) if the notice address is a post office box number, notice shall be effective the day after such notice is sent as provided hereinabove or (iv) if the notice is to a foreign address, notice shall be effective two (2) days after such notice is sent as provided hereinabove.

Where provision is made for the attention of an individual or department, the notice shall be effective only if the wrapper in which such notice is sent is addressed to the attention of such individual or department.

Any notice given by an attorney on behalf of Landlord or by Landlord's managing agent shall be considered as given by Landlord and shall be fully effective.

Time is of the essence with respect to any and all notices and periods for giving of notice or taking any action thereto under this Lease.

16.10 When Lease Becomes Binding and Authority

Employees or agents of Landlord have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein or in that certain Termination Agreement dated of even date herewith between Tenant and an affiliate of Landlord, and may be modified or altered only by written agreement between Landlord and Tenant, and no act or omission of any employee or agent of Landlord shall alter, change or modify any of the provisions hereof. Landlord and Tenant hereby represents and warrants to the other that all necessary action has been taken to enter this Lease and that the person signing this Lease on behalf of Landlord and Tenant has been duly authorized to do so.

16.11 Paragraph Headings

The paragraph headings throughout this instrument are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Lease.

16.12 Rights of Mortgagee

This Lease shall be subject and subordinate to any mortgage now or hereafter on the Building (or any part thereof), and to all renewals, modifications, consolidations, replacements and extensions thereof and all substitutions therefor, provided that the holder of such mortgage agrees in writing, in recordable form, to recognize the rights of Tenant under this Lease so long as there is no Event of Default and such Tenant attorns to the mortgagee and its successors. Landlord, Tenant and the holder of the existing mortgage on the Building shall, at the time of execution and delivery of this Lease, execute and deliver a subordination, nondisturbance and attornment agreement in the form attached hereto as Exhibit L. In confirmation of such subordination, recognition, and attornment with respect to any future mortgage, Landlord, Tenant and the holder of any future mortgage affecting the Building shall execute and deliver a subordination, recognition and attornment agreement in the customary form required by such holder, with such commercially reasonable changes as Tenant may request ("SNDA"). In the event that any mortgagee or its respective successor in title shall succeed to the interest of Landlord, then this Lease shall nevertheless continue in full force and effect and Tenant shall and does hereby agree to attorn to such mortgagee or successor and to recognize such mortgagee or successor as its landlord provided such mortgagee agrees to recognize all of Tenant's rights under this Lease, subject to such commercially reasonable limitations of the liability of such mortgage holder and its successors as such holder may require in such SNDA. If any holder of a mortgage which includes the Premises, executed and recorded prior to the Date of this Lease, shall so elect, this Lease, and the rights of Tenant hereunder, shall be superior in right to the rights of such holder, with the

same force and effect as if this Lease had been executed, delivered and recorded, or a statutory Notice hereof recorded, prior to the execution, delivery and recording of any such mortgage. The election of any such holder shall become effective upon either notice from such holder to Tenant in the same fashion as notices from Landlord to Tenant are to be given hereunder or by the recording in the appropriate registry or recorder's office of an instrument in which such holder subordinates its rights under such mortgage to this Lease.

If in connection with obtaining financing a bank, insurance company, pension trust or other institutional lender shall request reasonable modifications in this Lease as a condition to such financing, Tenant will not unreasonably withhold, delay or condition its consent thereto, provided that such modifications do not increase the monetary obligations of Tenant hereunder or adversely affect the leasehold interest hereby created or Tenant's rights hereunder.

16.13 Rights of Ground Lessor

If Landlord's interest in property (whether land only or land and buildings) which includes the Premises is acquired by another party and simultaneously leased back to Landlord herein, the holder of the ground lessor's interest in such lease shall enter into a recognition agreement with Tenant simultaneously with the sale and leaseback, wherein the ground lessor will agree to recognize the rights of Tenant under this Lease, including the right to use and occupy the Premises so long as there is no Event of Default, and wherein Tenant shall agree to attorn to such ground lessor as its Landlord and to perform and observe all of the tenant obligations hereunder, in the event such ground lessor succeeds to the interest of Landlord hereunder under such ground lease.

16.14 Notice to Mortgagee and Ground Lessor

After receiving notice from any person, firm or other entity that it holds a mortgage which includes the Premises as part of the mortgaged premises, or that it is the ground lessor under a lease with Landlord as ground lessee, which includes the Premises as a part of the leased premises, no notice of default from Tenant to Landlord shall be effective unless and until a copy of the same is given to such holder or ground lessor at the address as specified in said notice (as it may from time to time be changed), and the curing of any of Landlord's defaults by such holder or ground lessor within a reasonable time after such notice (including a reasonable time to obtain possession of the premises if the mortgagee or ground lessor elects to do so) shall be treated as performance by Landlord, provided that, with respect to any default by Landlord which is the basis for Tenant to exercise a right to terminate this Lease (but not any default which is the basis for Tenant to exercise abatement rights), the cure period for such mortgagee or ground lessor shall not exceed one hundred twenty (120) days longer than Landlord has to cure such default. For the purposes of this Section 16.14, the term "mortgage" includes a mortgage on a leasehold interest of Landlord (but not one on Tenant's leasehold interest). If any mortgage is listed on Exhibit I then the same shall constitute notice from the holder of such mortgage for the purposes of this Section 16.14.

16.15 Assignment of Rents

With reference to any assignment by Landlord of Landlord's interest in this Lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of a mortgage or ground lease on property which includes the Premises, Tenant agrees:

(a) That the execution thereof by Landlord, and the acceptance thereof by the holder of such mortgage, or the ground lessor, shall never be treated as an assumption by such holder or ground lessor of any of the obligations of Landlord hereunder, unless such holder, or ground lessor, shall, by notice sent to Tenant, specifically otherwise elect or as otherwise provided in clause (b) below; and

(b) That, except as aforesaid, such holder or ground lessor shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of such holder's mortgage and the taking of possession of the Premises, or, in the case of a ground lessor, the assumption of Landlord's position hereunder by such ground lessor. In no event shall the acquisition of title to the Building and the land on which the same is located by a purchaser which, simultaneously therewith, leases the entire Building or such land back to the seller thereof be treated as an assumption, by operation of law or otherwise, of Landlord's obligations hereunder, but Tenant shall look solely to such seller-lessee, and its successors from time to time in title, for performance of Landlord's obligations hereunder. In any such event, this Lease shall be subject and subordinate to the lease to such purchaser provided that Landlord obtains a subordination, nondisturbance and attornment agreement in favor of Tenant from such holder or ground lessor in the customary form used by such holder or ground lessor, but subject to such commercially reasonable modifications as Tenant may request, which agreement shall require such holder or ground lessor to recognize the right of Tenant to use and occupy the Premises so long as there is no Event of Default. For all purposes, such seller-lessee, and its successors in title, shall be the landlord hereunder unless and until Landlord's position shall have been assumed by such purchaser-lessor. Tenant acknowledges that it has been informed by Landlord that Landlord has entered into certain agreements with its lenders ("Lenders") which require it to include in this Lease (and requires Tenant to include in any sublease which may be permitted hereunder) the following provisions: (i) no rent payable under this Lease or under any such sublease may be based in whole or in part on the income or profits derived from the Premises or any subleased premises except for percentage rent based on gross (not net) receipts or sales; (ii) if Lenders succeed to the Landlord's interests under this Lease and are advised by Lenders' counsel that all or any portion of the rent payable under this Lease is or may be deemed to be unrelated

business income within the meaning of the Internal Revenue Code of the 1986, as amended, or the regulations issued thereunder, Lenders may elect to amend unilaterally the calculation of rents under this Lease so that none of the rents payable to Lenders under this Lease will constitute unrelated business income, provided that such amendment will not increase the Tenant's payment obligations or other liability under this Lease or reduce the Landlord's obligations under this Lease; and (iii) if Lenders request, Tenant will be obligated to execute any document Lenders may deem reasonably necessary to effect the amendment of this Lease in accordance with the foregoing subsection (ii). Further, no Annual Fixed Rent or Additional Rent may be paid by Tenant more than thirty (30) days in advance except with Lenders' prior written consent and except for estimated payments of Additional Rent made in accordance with the terms of this Lease, and any such payment without such consent shall not be binding on Lenders.

16.16 Status Report and Financial Statements

Recognizing that Landlord may find it necessary to establish to third parties, such as accountants, banks, potential or existing mortgagees, potential purchasers or the like, the then current status of performance hereunder, Tenant, within ten (10) days after the request of Landlord made from time to time provided the number of such requests is not unreasonable, will furnish to Landlord, or any existing or potential holder of any mortgage encumbering the Premises, the Building or Atlantic Wharf, or any potential purchaser of the Premises, the Building, or Atlantic Wharf (each an "Interested Party") a statement of the status of any factual matter pertaining to this Lease, including, without limitation, acknowledgments that (or the extent to which) each party is in compliance with its obligations under the terms of this Lease. In addition, Tenant shall deliver to Landlord, or any Interested Party designated by Landlord, most current annual financial statements of Tenant, and any guarantor of Tenant's obligations under this Lease, as reasonably requested by Landlord including, but not limited to, financial statements for up to the past three (3) years, if available to Tenant (which shall be an audited statement if then available), provided that: (i) Tenant shall not be obligated to provide such financial statements more than once in any twelve (12) month period except in the event Landlord's request specifies in good faith that Landlord intends to enter into a transaction to refinance or sell the Building or Atlantic Wharf, and (ii) so long as Tenant is not a publicly traded entity, Landlord shall, as a condition to receive such financial information, execute and deliver to Tenant a commercially reasonable confidentiality agreement (the parties hereby agreeing that the confidential agreement which Landlord executed for Tenant's benefit in connection with the execution of the Lease shall be considered to be a commercially reasonable confidentiality agreement). Any such status statement or financial statement delivered by Tenant pursuant to this Section 16.16 may be relied upon by any Interested Party.

16.17 Self-Help

If Tenant shall at any time fail to make any payment or perform any act which Tenant is obligated to make or perform under this Lease and (except in the case of emergency) if the same continues unpaid or unperformed beyond applicable notice and grace periods, then Landlord may, but shall not be obligated so to do, after ten (10) days' notice to and demand upon Tenant, or without notice to or demand upon Tenant in the case of any emergency, and without waiving, or releasing Tenant from, any obligations of Tenant in this Lease contained, make such payment or perform such act which Tenant is obligated to perform under this Lease in such manner and to such extent as may be reasonably necessary, and, in exercising any such rights, pay any costs and expenses, employ counsel and incur and pay reasonable attorneys' fees. All sums so paid by Landlord and all reasonable and necessary costs and expenses of Landlord incidental thereto, together with interest thereon at the annual rate equal to the sum of (a) the Base Rate from time to time announced by Bank of America, N.A. or its successor as its Base Rate and (b) two percent (2%) (but in no event greater than the maximum rate permitted by applicable law) (herein the "Lease Interest Rate"), from the date of the making of such expenditures by Landlord, shall be deemed to be Additional Rent and, except as otherwise in this Lease expressly provided, shall be payable to the Landlord on demand, and if not promptly paid shall be added to any rent then due or thereafter becoming due under this Lease, and Tenant covenants to pay any such sum or sums with interest as aforesaid, and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of Annual Fixed Rent.

16.18 Holding Over

Any holding over by Tenant after the expiration of the term of this Lease shall be treated as a tenancy at sufferance and shall be on the terms and conditions as set forth in this Lease, as far as applicable except that Tenant shall pay as a use and occupancy charge an amount equal to the greater of (x) 150% of the Annual Fixed Rent and Additional Rent calculated (on a daily basis) at the highest rate payable under the terms of this Lease or (y) the fair market rental value of the Premises, in each case for the period measured from the day on which Tenant's hold-over commences and terminating on the day on which Tenant vacates the Premises. In addition, if such holdover shall continue for more than thirty (30) days, Tenant shall save Landlord, its agents and employees harmless and will exonerate, defend and indemnify Landlord, its agents and employees from and against any and all damages which Landlord may suffer on account of Tenant's hold-over in the Premises after the expiration or prior termination of the term of this Lease. Nothing in the foregoing nor any other term or provision of this Lease shall be deemed to permit Tenant to retain possession of the Premises or hold over in the Premises after the expiration or earlier termination of the Lease Term. All property which remains in the Building or the Premises after the expiration or termination of this Lease shall be conclusively deemed to be abandoned and may either be retained by Landlord as its property or sold or otherwise disposed of in such manner as Landlord may see fit. If any part thereof shall be sold, then Landlord may receive the proceeds of such sale and apply the same, at its option against

the expenses of the sale, the cost of moving and storage, any arrears of rent or other charges payable hereunder by Tenant to Landlord and any damages to which Landlord may be entitled under this Lease and at law and in equity.

16.19 Entry by Landlord

Landlord, and its duly authorized representatives, shall, upon reasonable prior notice (except in the case of emergency), have the right to enter the Premises at all reasonable times (except at any time in the case of emergency) in a manner that does not materially interrupt or interfere with the conduct of Tenant's business being conducted therein, for the purposes of inspecting the condition of same and making such repairs, alterations, additions or improvements thereto as may be necessary if Tenant fails to do so as required hereunder (but the Landlord shall have no duty whatsoever to make any such inspections, repairs, alterations, additions or improvements except as otherwise provided in Sections 4.1, 7.1 and 7. 2 and Exhibit B), and to show the Premises to prospective tenants during the twelve (12) months preceding expiration of the term of this Lease as it may have been extended and at any reasonable time during the Lease Term to show the Premises to prospective purchasers and mortgagees.

16.20 Tenant's Payments

Each and every payment and expenditure, other than Annual Fixed Rent, shall be deemed to be Additional Rent hereunder, whether or not the provisions requiring payment of such amounts specifically so state, and shall be payable, unless otherwise provided in this Lease, within thirty (30) days after written demand by Landlord, and in the case of the non-payment of any such amount, Landlord shall have, in addition to all of its other rights and remedies, all the rights and remedies available to Landlord hereunder or by law in the case of non-payment of Annual Fixed Rent. Unless expressly otherwise provided in this Lease, the performance and observance by Tenant of all the terms, covenants and conditions of this Lease to be performed and observed by Tenant shall be at Tenant's sole cost and expense. If Tenant has not objected to any statement of Additional Rent which is rendered by Landlord to Tenant within one hundred twenty (120) days after Landlord has rendered the same to Tenant, then the same shall be deemed to be a final account between Landlord and Tenant not subject to any further dispute. In the event that Tenant shall seek Landlord's consent or approval under this Lease, then Tenant shall reimburse Landlord, upon demand, as Additional Rent, for all reasonable costs and expenses, including legal and architectural costs and expenses, incurred by Landlord in processing such request, whether or not such consent or approval shall be given.

16.21 Late Payment

If Landlord shall not have received any payment or installment of Annual Fixed Rent or Additional Rent (the "Outstanding Amount") on or before the date on which the same first becomes payable under this Lease (the "Due Date"), and such amount remains unpaid five (5) days after the Due Date, such payment or installment shall incur a late charge equal to the sum of (a) three percent (3%) of the Outstanding Amount for

administration and bookkeeping costs associated with the late payment (herein called the "Administrative Fee"), and (b) interest on the Outstanding Amount from the Due Date through and including the date such payment or installment is received by Landlord, at the Lease Interest Rate. Such interest shall be deemed Additional Rent and shall be paid by Tenant to Landlord upon demand. Notwithstanding the foregoing, so long as there is no Event of Default outstanding, Landlord agrees to waive one (1) Administrative Fee respecting late payment of monthly Base Rent once during each calendar year during the Lease Term.

16.22 Counterparts

This Lease may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

16.23 Entire Agreement

This Lease constitutes the entire agreement between the parties hereto, Landlord's managing agent and their respective affiliates with respect to the subject matter hereof and thereof and supersedes all prior dealings between them with respect to such subject matter, and there are no verbal or collateral understandings, agreements, representations or warranties not expressly set forth in this Lease. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant, unless reduced to writing and signed by the party or parties to be charged therewith.

16.24 Liability of Landlord and Tenant

Tenant shall neither assert nor seek to enforce any claim for breach of this Lease against any of Landlord's assets other than Landlord's interest in the Building or the proceeds thereof, and Tenant agrees to look solely to such interest for the satisfaction of any liability of Landlord under this Lease, it being specifically agreed that neither Landlord, nor any successor holder of Landlord's interest hereunder, nor any beneficiary of any Trust of which any person from time to time holding Landlord's interest is Trustee, nor any such Trustee, nor any member, manager, partner, director or stockholder nor Landlord's managing agent shall ever be personally liable for any such liability. This paragraph shall not limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or Landlord's successors-in-interest, or to take any other action which shall not involve the personal liability of Landlord, or of any successor holder of Landlord's interest hereunder, or of any beneficiary of any trust of which any person from time to time holding Landlord's interest is Trustee, or of any such Trustee, or of any manager, member, partner, director or stockholder of Landlord or of Landlord's managing agent, to respond in monetary damages from Landlord's assets other than Landlord's interest in said Building, as aforesaid, but in no event shall Tenant have the right to terminate or cancel this Lease or to withhold rent or to set-off any claim or damages against rent as a result of any default by Landlord or breach by Landlord of its covenants or any warranties or promises hereunder, except: (i) as expressly provided in this Lease, and (ii) in the case of a wrongful eviction of Tenant from the demised

premises (constructive or actual) by Landlord continuing after notice to Landlord thereof and a reasonable opportunity for Landlord to cure the same. Landlord shall neither assert nor seek to enforce any claim for breach of this Lease against any officer, director, stockholder or employee of Tenant. In no event shall either Landlord or Tenant ever be liable to the other for any indirect or consequential damages or loss of profits or the like.

16.25 No Partnership

The relationship of the parties hereto is that of landlord and tenant and no partnership, joint venture or participation is hereby created.

16.26 Security Deposit

(A) Tenant agrees, at the time of execution and delivery of the Lease, to pay the security deposit specified in Section 1.2 (herein sometimes called the "Security Deposit"), as follow. Tenant shall deliver the Security Deposit to Landlord in the form of an irrevocable, unconditional, negotiable letter of credit ("Letter of Credit") conforming to the requirements of this Section 16.26 in the amount of Two Million Four Hundred Three Thousand Eight Hundred Eighty-Two ($2,403,882.00) Dollars. The Letter of Credit shall secure both Tenant's obligations under this Lease, as well as Tenant's obligations under the Existing Lease. Landlord shall, simultaneously at the time that Tenant delivers the Letter of Credit to Landlord, cause the Existing Landlord to return to Tenant the letter of credit ("Existing Letter of Credit") which Landlord is then holding under the Existing Lease. The parties hereby agree that as of the date under the Existing Lease that Landlord would have been required, but for the provisions of this Section 16.26(A), to return the Existing Letter of Credit to Tenant pursuant to Section 16.26(C) of the Existing Lease: (i) the Letter of Credit shall no longer secure Tenant's obligations under the Existing Lease, and (ii) the Letter of Credit shall be amended, by instrument reasonably acceptable to Landlord, so as to eliminate the Existing Landlord as a beneficiary of the Letter of Credit and any references to the Existing Lease.

Landlord shall hold the same, throughout the term of this Lease (including any extension thereof), as security for the performance by Tenant of all obligations on the part of Tenant to be performed. Landlord shall have the right from time to time without prejudice to any other remedy Landlord may have on account thereof, to apply such deposit, or any part thereof, to Landlord's damages arising from any Event of Default on the part of Tenant. If Landlord so applies all or any portion of such deposit, Tenant shall within ten (10) days after notice from Landlord deliver cash or a replacement letter of credit or amendment to the letter of credit to Landlord in an amount sufficient to restore such deposit to the full amount stated in Section 1.2. Tenant not then being in default and having performed all of its obligations under this Lease, including the payment of all Annual Fixed Rent, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied in accordance with the terms of this Section 16.26, to Tenant on the expiration or earlier termination of the Lease Term and surrender of possession of the Premises by Tenant to Landlord in the condition required in the Lease at such time. While Landlord holds such deposit, Landlord shall have no obligation to

pay interest on the same and shall have the right to commingle the same with Landlord's other funds. If Landlord conveys Landlord's interest under this Lease, the deposit, or any part thereof not previously applied, shall be turned over by Landlord to Landlord's grantee for proper application of the deposit in accordance with the terms of this Section 16.26, and the return thereof in accordance herewith, and upon doing so Landlord shall have no further liability therefor.

Neither the holder of a mortgage nor the landlord in a ground lease on property which includes the Premises shall ever be responsible to Tenant for the return or application of any such deposit, whether or not it succeeds to the position of Landlord hereunder, unless such deposit shall have been received in hand by such holder or ground lessor.

Any letter(s) of credit delivered by Tenant to Landlord under this Section 16.26 shall comply with the provisions of this Section 16.26, and are referred to herein (collectively, if applicable) as the "Letter of Credit". Subject to the provisions of this Section 16.26, Landlord shall hold the Letter of Credit throughout the Lease Term (including all Extended Terms, if exercised) (unless sooner returned to Tenant as provided in this Section 16.26) as security for the performance by Tenant of all obligations on the part of Tenant to be performed under this Lease and under the Existing Lease. The Letter of Credit shall (i) be issued by and drawn on a bank reasonably approved by Landlord (Landlord agreeing that, as of the Execution Date, Silicon Valley Bank is an acceptable bank for issuing a letter of credit) and at a minimum having a long term issuer credit rating from Standard and Poor's Professional Rating Service of A or a comparable rating from Moody's Professional Rating Service, (ii) be substantially in the form attached hereto as Exhibit J, (iii) permit one or more draws thereunder to be made accompanied only by certification by Landlord or Landlord's managing agent that pursuant to the terms of this Lease, Landlord is entitled to draw upon such Letter of Credit, (iv) permit transfers at any time without charge, and (v) provide that any notices to Landlord be sent to the notice address provided for Landlord in this Lease. If the credit rating for the issuer of such Letter of Credit falls below the standard set forth in (i) above or if the financial condition of such issuer changes in any other material adverse way or if any trustee, receiver or liquidator shall be appointed for the issuer, Landlord shall have the right to require that Tenant provide a substitute letter of credit that complies in all respects with the requirements of this Section, and Tenant's failure to provide the same within thirty (30) days following Landlord's written demand therefor shall entitle Landlord to immediately draw upon the Letter of Credit. If Tenant is delivering a substitute letter of credit, Landlord agrees to cooperate with Tenant to provide for a simultaneous exchange of the substitute letter of credit and the existing letter of credit. Any such Letter of Credit shall be for a term of two (2) years (or for one (1) year if the issuer thereof regularly and customarily only issues letters of credit for a maximum term of one (1) year) and shall in either case provide for automatic renewals through the date which is ninety (90) days subsequent to the scheduled expiration of this Lease (as the same may be extended). Any failure or refusal of the issuer to honor the Letter of Credit shall be at Tenant's sole risk and shall not relieve Tenant of its obligations hereunder with regard to the security deposit. Upon the occurrence of any Event of Default, Landlord shall have the right from time to time without prejudice to any other remedy Landlord may have on account

thereof, to draw on all or any portion of such deposit held as a Letter of Credit and to apply the proceeds of such Letter of Credit or any cash held as such deposit, or any part thereof, to Landlord's damages arising from such Event of Default on the part of Tenant under the terms of this Lease. If Landlord so applies all or any portion of such deposit, Tenant shall within ten (10) days after notice from Landlord deposit cash (or a replacement letter of credit or amendment to the letter of credit) with Landlord in an amount sufficient to restore such deposit to the full amount stated in this Section 16.26. While Landlord holds any cash deposit Landlord shall have no obligation to pay interest on the same and shall have the right to commingle the same with Landlord's other funds.

(B) Reduction in Security Deposit/Letter of Credit Amount.

(1) If Tenant satisfies the First Reduction Conditions, as hereinafter defined, then, upon written request of Tenant, the amount of the Letter of Credit shall be reduced by Eight Hundred One Thousand Two Hundred Ninety-Four ($801,294.00) Dollars ("First Reduction Amount"). If, after having satisfied the First Reduction Conditions, as hereinafter defined, Tenant subsequently satisfies the Second Reduction Conditions, then, upon written request of Tenant, the amount of the Letter of Credit shall be reduced by an additional Eight Hundred One Thousand Two Hundred Ninety-Four ($801,294.00) Dollars ("Second Reduction Amount"). In no event, however, shall the amount of the Letter of Credit be less than Eight Hundred One Thousand Two Hundred Ninety-Four ($801,294.00) Dollars.

(2) Tenant shall be deemed to have satisfied the "First Reduction Conditions" as of any date during the Term of the Lease (subject to the last sentence of this subsection (2)) if all of the following shall be true as of such date: (i) no monetary or material non-monetary Event of Default by Tenant has occurred during the one year period prior to such date, (ii) during a period ("First Reduction Period") consisting of one Fiscal Year immediately preceding such date, Tenant achieves Adjusted Gross Revenues, as hereinafter defined, of at least $100,000,000.00 and Earnings, as hereinafter defined, of at least $6,500,000.00, as evidenced by an Audited Financial Statement, as hereinafter defined, delivered by Tenant to Landlord, (iii) the Lease is then in full force and effect, (iv) there is no material uncured non-monetary Event of Default by Tenant on such date, and (v) Tenant is in full compliance with its monetary obligations under the Lease as of such date. If Landlord refuses to recognize that Tenant has achieved the First Reduction Conditions based upon Tenant's failure to be in full compliance with its monetary obligations under the Lease, then Landlord shall promptly so advise Tenant in writing, and if Tenant shall thereafter cure such non-compliance, then Landlord shall reduce the Letter of Credit by the First Reduction Amount if, on the date that Tenant cures such non-compliance, all of the First Reduction Conditions are the satisfied. In no event shall the First Reduction Conditions be deemed to be satisfied prior January 1, 2014.

(3) Tenant shall be deemed to have satisfied the "Second Reduction Conditions" as of any date during the Term of the Lease (subject to the last sentence of this subsection (3)) if all of the following shall be true as of such date: (i) the First Reduction Conditions have been previously satisfied, (ii) no monetary or material non-monetary Event of

Default by Tenant has occurred during the one year period prior to such date, (iii) during a period ("Second Reduction Period") consisting of one Fiscal Year immediately preceding such date, Tenant achieves Adjusted Gross Revenues, as hereinafter defined, of at least $100,000,000.00 and Earnings, as hereinafter defined, of at least $13,000,000.00, as evidenced by an Audited Financial Statement, as hereinafter defined, delivered by Tenant to Landlord, (iv) the Lease is then in full force and effect, (v) there is no material uncured non-monetary Event of Default by Tenant on such date, and (vi) Tenant is in full compliance with its monetary obligations under the Lease as of such date. If Landlord refuses to recognize that Tenant has achieved the Second Reduction Conditions based upon Tenant's failure to be in full compliance with its monetary obligations under the Lease, then Landlord shall promptly so advise Tenant in writing, and if Tenant shall thereafter cure such non-compliance, then Landlord shall reduce the Letter of Credit by the Second Reduction Amount if, on the date that Tenant cures such non-compliance, all of the Second Reduction Conditions are the satisfied. In no event shall any portion of the First Reduction Period be part of the Second Reduction Period, and in no event shall the Second Reduction Conditions be deemed to be satisfied prior to January 1, 2016.

(4) "Fiscal Year" shall be defined as Tenant's fiscal year for accounting purposes. "Earnings" shall be defined as Tenant's earnings before taxes, depreciation and amortization less capital expenditures, as set forth in Tenant's Audited Financial Statement. "Audited Financial Statement" shall be defined as Tenant's audited financial statements for the Fiscal Years in question prepared by Tenant's auditor, who shall be a major national independent certified accounting firm, Tenant's present auditor-Ernst & Young, or another independent certified public accountant. "Adjusted Gross Revenues" shall be defined as gross revenues in accordance with GAAP, as disclosed in Tenant's Audited Financial Statement, however, deferred revenues and backlog assumed in acquisitions at fair value which would otherwise be excluded from gross revenues in accordance with GAAP, shall be included in Adjusted Gross Revenues.

(5) If the Security Deposit is held by Landlord in the form of cash, then, after Tenant has satisfied the First Reduction Condition or the Second Reduction Condition, as the case may be, Landlord shall return the First Reduction Amount or the Second Reduction Amount, as the case may be, to Tenant within ten (10) business days after Landlord's receipt of written request from Tenant. If the Security Deposit is held by Landlord in the form of a Letter of Credit, then, after Tenant has satisfied the First Reduction Condition or the Second Reduction Condition, as the case may be, Landlord shall, at Tenant's election and within ten (10) business days after Landlord's receipt of written request from Tenant, effect the return of the First Reduction Amount or the Second Reduction Amount by either accepting an amendment to the Letter of Credit which Landlord is then holding (which amendment shall be in form and substance reasonably acceptable to Landlord) or by exchanging the Letter of Credit which Landlord is then holding for a substitute Letter of Credit complying with the requirements of this Section 16.26 in the appropriate amount. If Tenant is delivering a substitute Letter of Credit, as aforesaid, Landlord agrees to cooperate with Tenant to provide for a simultaneous exchange of the substitute Letter of Credit and the existing Letter of Credit.

(C) Return of Security Deposit/Letter of Credit. Subject, however, to the provisions of Section 9.5(b)(ii) of this Lease, to the extent that Landlord has not previously drawn upon the Letter of Credit, and Tenant is not then in default and has performed all of its obligations under this Lease, including, but not limited to, the payment of all Annual Fixed Rent, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied in accordance with the terms of this Section 16.26, to Tenant (i)(a) on the expiration of the term of this Lease (as the same may have been extended), or (b) on the earlier termination of this Lease by mutual agreement of Landlord and Tenant so long as Tenant is not then in default under the terms of this Lease without the benefit of notice or grace, and (ii) in the case of either item (i)(a) or (i)(b) on the surrender of possession of the Premises by Tenant to Landlord in the condition required in the Lease at such time.

16.27 Governing Law

This Lease shall be governed exclusively by the provisions hereof and by the law of The Commonwealth of Massachusetts, as the same may from time to time exist.

16.28 Waiver of Trial by Jury

To induce both parties to enter into this Lease, Landlord and Tenant hereby waive any right to trial by jury in any action, proceeding or counterclaim brought by either Landlord or Tenant on any matters whatsoever arising out of or any way connected with this Lease, the relationship of the Landlord and the Tenant, the Tenant's use or occupancy of the premises and/or any claim of injury or damage, including but not limited to, any summary process eviction action.

(page ends here)

EXECUTED as a sealed instrument in two or more counterparts by persons or officers hereunto duly authorized on the Date set forth in Section 1.2 above.

WITNESS:

/s/ Illegible

LANDLORD:

BP RUSSIA WHARF LLC
a Delaware limited liability company

By: Boston Properties Limited Partnership,
a Delaware limited partnership,
its sole member

By: Boston Properties, Inc.,
a Delaware corporation,
its general partner

By: /s/ Bryan J. Koop
Name: Bryan J. Koop
Title: Senior Vice President –
Regional Manager

TENANT:

WITNESS:

/s/ Illegible

BRIGHTCOVE INC.

By: /s/ Christopher A. Menard
Name: Christopher A. Menard
Title: CFO
Hereunto duly authorized

EXHIBIT A

ATLANTIC WHARF
LEGAL DESCRIPTION OF LOT

PARCEL 1

A certain parcel of land known as Russia Wharf and located at 520-540 Atlantic Avenue and 258-264, 270-272, and 282-300 Congress Street, City of Boston, Suffolk County, Commonwealth of Massachusetts, situated on the Southeasterly side of Atlantic Avenue and shown on a "Plan of Land in Boston, Mass.", dated October 31, 1978 by Boston Survey Consultants, recorded with Suffolk Registry of Deeds, Book 9122, End, and also shown on "Plan of Land in Boston, Mass., Boston Proper, Suffolk County, Scale 1:240, March 2, 1981, by Boston Survey Consultants, prepared for Russia Wharf Company."

Said parcel is more particularly described to follows:

Beginning at a point in the most easterly corner of said Atlantic Avenue and Congress Street;

Thence running along the Southeasterly sideline of said Atlantic Avenue, North 56° 13' 12" East, 185.16 feet to a point at land now or formerly of Boston Edison Co.

Thence turning and running by a line through the middle of 28" wall, South 36° 57' 46" East, 160.33 feet to a point;

Thence turning and running by a line through a party wall, South 53° 02' 14" West, 1.00 foot to a point;

Thence turning and running by a line through a party wall, South 37° 01' 54" East, 56.23 feet to a point;

Thence turning and running by a line through a party wall, South 37° 05' 24" East, 146.60 feet to a point;

Thence turning and running North 42° 12' 16" East, 1.02 feet to a point;

Thence turning and running South 37° 05' 24" East, 118.19 feet to a point on the former Massachusetts Harbor Line established by Chapter 170 of the Acts of 1880, said last six (6) courses by land now or formerly of Boston Edison Co.

Thence turning and running South 26° 08' 12" West 195.02 feet along said former Harbor Line to a point on the Northeasterly sideline of said Congress Street;

Thence turning and running along the Northeasterly sideline of said Congress Street, North 38° 06' 39" West, 579.79 feet to the point of beginning.

PARCEL 2

Air rights affecting three parcels as described in deed from Boston Redevelopment Authority to MA-Russia Wharf, L.L.C. dated October 6, 2006 and recorded with the Suffolk County Registry of Deeds in Book 40591, Page 50, shown as Area AB, Area C and Area D on a plan entitled, "Boston Redevelopment Authority Taking Plan Congress Street and Atlantic Avenue Boston Proper," dated November 10, 2005 and recorded with the Suffolk County Registry of Deeds at Book 2005, Page 1007 with the Order of Taking dated December 1, 2005 recorded in Book 38642, Page 47.

BEING AND INTENDING TO BE the same premises conveyed pursuant to a certain Quitclaim Deed of MA-Russia Wharf, L.L.C. to BP Russia Wharf LLC dated March 30, 2007 and recorded with the Suffolk County Registry of Deeds at Book 41541, Page 168.

EXHIBIT B

LANDLORD'S WORK
("Work Agreement")

I. Definitions

(1) The "Actual Substantial Completion Date" with respect to Landlord's Work shall be defined as the date on which (i) the Landlord's Work has been Substantially Completed, and (iii) the issuance of a temporary or permanent Certificate of Occupancy by the appropriate City of Boston authority permitting the use of the Premises by Tenant. If Landlord obtains a temporary Certificate of Occupancy, Landlord shall use diligent efforts to satisfy any conditions to such temporary Certificate of Occupancy and to obtain a permanent Certificate of Occupancy with an reasonable period of time. Landlord shall give Tenant at least forty-eight (48) hours prior written notice of the Actual Substantial Completion Date.

(2) "Substantial Completion" and "Substantially Completed" of the Landlord's Work shall each mean the date upon which:

(a) The Landlord's Work has been completed (or would have been completed except for Tenant Delays) except for items of work and adjustment of equipment and fixtures which can be completed after occupancy has been taken without causing unreasonable interference with Tenant's use of the Premises (i.e., so-called "punch list" items), and

(b) Permission has been obtained from the applicable governmental authority, to the extent required by law, for occupancy by Tenant of the Premises for the Permitted Use, unless the failure to obtain such permission is due to a Tenant Delay.

In the event of any dispute as to the date on which Landlord's Work has been substantially completed, the reasonable determination of Landlord's Architect as to such date shall be deemed conclusive and binding on both Landlord and Tenant unless within five (5) days of receiving notice, Tenant gives written notice to Landlord setting with specificity, Tenant's reasonable objections to such certificate.

After Substantial Completion of Landlord's Work, Landlord shall proceed diligently to complete all Punch List Items relating to the Landlord's Work at Landlord's expense, within sixty (60) days after the occurrence of Substantial Completion of Landlord's Work (except for items which can only be performed during certain seasons or weather, which items shall be completed diligently as soon as the season and/or weather permits, and

except for items which have a lead time of longer than sixty (60) days, which items shall be completed as soon as reasonably possible after the occurrence of Substantial Completion of Landlord's Work).

(3) The "Substantial Completion Date" with respect to Landlord's Work shall be defined as the Actual Substantial Completion Date with respect to Landlord's Work, provided however, that if Landlord is delayed in the performance of Landlord's Work by reason of any Tenant Delay, as hereinafter defined, then the Substantial Completion Date with respect to Landlord's Work shall be deemed to be the date that Landlord would have achieved the Actual Substantial Completion Date of Landlord's Work, but for such Tenant Delay. Tenant agrees that no Tenant Delay shall delay the occurrence of the Commencement Date, regardless of the reason for such delay or whether or not it is within the control of Tenant or any such employee. Nothing contained in this paragraph shall limit or qualify or prejudice any other covenants, agreements, terms, provisions and conditions contained in this Lease. The above notwithstanding the parties shall schedule a joint inspection of the Premises at a mutually convenient time to confirm that the Landlord's Work has been Substantially Completed and to identify any minor details, adjustments or other items of the Landlord's Work which in accordance with good construction practice should be performed after Substantial Completion thereof (collectively, the "Punchlist Items"), if any, in writing; provided, however, such joint inspection shall take place at a mutually acceptable time on or before the Substantial Completion Date, the parties expressly agreeing that the occurrence of such joint inspection on or before the Substantial Completion Date shall not be a condition to the occurrence of the Substantial Completion Date. If Landlord and Tenant disagree as to whether the Landlord's Work is Substantially Complete or as to the existence or nature of any Punchlist Items, and such dispute has not been resolved within ten (10) days of the earlier of: (i) the joint inspection, or (ii) the date Landlord gives Tenant written notice that the Substantial Completion Date has occurred, either party shall have the right to submit such dispute to expedited arbitration pursuant to the then current rules and procedures of the American Arbitration Association. Such arbitration shall be final and binding upon Landlord and Tenant; provided, however, the during the pendency of any such dispute and/or arbitration proceeding, the Substantial Completion Date shall be as determined by Landlord, subject to adjustment upon the resolution of the dispute by the parties or by arbitration. The costs of any such arbitration shall be paid by the losing party.

(4) A "Tenant Delay" shall be defined as any of the following acts or, where there is a duty of Tenant to act under this Lease, omissions which actually delays the Landlord's Work:

(a) Tenant's failure to deliver the requisite plans to Landlord by the Preliminary Plans Date, the Interim Plans Date, the Final Plans Date, as the case may be, to give Landlord authorization to purchase an long lead time items on or before the Long Lead Items Release Date, or to give authorization to Landlord to proceed with Landlord's Work on or before the Authorization to Proceed Date; or

(b) Tenant or Tenant's architect's (which architect may be Tenant) failure timely to respond to any written request from Landlord, Landlord's Architect, Landlord's contractor and/or Landlord's Construction Representative including, without limitation, within the time periods set forth in Section III of this Exhibit B;

(c) Tenant's failure to pay the Tenant Plan Excess Costs in accordance with Section III of this Exhibit B;

(d) Any delay due to Long Lead Items, as defined in Section III.A(5) of this Exhibit B;

(e) Any delay due to changes, alterations or additions required or made by Tenant after Landlord approves Tenant's Plans including, without limitation, Change Orders; or

(f) Any other delays based upon acts or, where there is a duty of Tenant to act under this Lease, omissions which actually delays the Landlord's Work and which are caused by Tenant, Tenant's contractors, architects, engineers or anyone else engaged by Tenant in connection with the preparation of the Premises for Tenant's occupancy, including, without limitation, utility companies and other entities furnishing communications, data processing or other service, equipment, or furniture.

Tenant shall not be charged with any period of Tenant Delay prior to the time that Tenant receives written notice of such Tenant Delay; provided, however, that the provisions of this sentence shall not apply to (and Tenant shall not be entitled to any notice with respect to) any Tenant Delay which is based upon Tenant's failure to act within a time certain which is expressly set forth in the Lease.

(5) The term "Hard Costs" shall be defined as the cost of leasehold improvements made in the Premises, including, without limitation, ceiling system, HVAC, electricity, life safety, paint, carpet, demolition, installation of new partitions and glass, and Landlord's Construction Management Fee. Hard costs shall include any direct Building costs associated with the performance of Landlord's Work (including, without

limitation, shut down fees, etc.); however, Hard Costs shall not include the use of freight elevators and loading docks during normal building hours on a non-dedicated basis.

(6) The term "Soft Costs" shall be defined as architectural and engineering design services, working drawings, installation of wiring and cabling in the Premises, and the cost of expediters engaged by Landlord in connection with obtaining permits necessary for performing Landlord's Work.

(7) The term "Other Costs" shall be defined as other costs incurred by Tenant in connection with the preparation of the Premises for Tenant's occupancy, including the cost of furniture and audio visual equipment.

(8) The term "Soft/Other Costs Cap" shall be defined as One Million Six Hundred Forty-Three Thousand Six Hundred Eight ($1,643,680.00) Dollars.

(9) The term "Permitted Costs" shall be defined as the sum of all Hard Costs, Soft Costs, and Other Costs incurred by the parties in connection with Landlord's Work, subject, however, to the limitations set forth in this Exhibit B.

(10) The term "Tenant Requisition" relates to Soft Costs and Other Costs only and shall mean written documentation showing in reasonable detail the Soft Costs or Other Costs, as the case may be, for which Tenant is seeking reimbursement. Each Tenant Requisition shall be accompanied by evidence reasonably satisfactory to Landlord that all work covered by previous Tenant Requisitions has been fully paid by Tenant. Landlord shall have the right, upon reasonable advance notice to Tenant, to inspect Tenant's books and records relating to each Tenant Requisition in order to verify the amount thereof. Tenant may submit a Tenant Requisition to Landlord no more often than one (1) time per calendar month.

(11) The term "Budget" shall mean a budget prepared by Tenant which constitutes Tenant's good faith estimate of the total amount of Permitted Costs to be incurred in connection with Landlord's Work, provided, however, that the amount included in the Budget with respect to Hard Costs shall be based upon the bidding process for Landlord's Work, as hereinafter set forth. Tenant shall submit an updated Budget to Landlord, from time to time (at the time that Tenant gives Landlord a written authorization to proceed with Landlord's Work) based upon the then current information available to Tenant about the amount of Permitted Costs.

(12) The term "Landlord's Share" shall mean the ratio, from time to time, of the Maximum Amount of Tenant Allowance to the then total amount of the Budget.

(13) The term "Tenant's Share" shall mean the amount, from time to time, by which 100% exceeds Landlord's Share.

(14) The term "Permit Documentation" shall mean all permits and approvals necessary for Landlord to commence and complete Landlord's Work on a timely basis.

(15) The term "Tenant Plan Excess Costs" shall mean the amount (if any) by which the total of all Permitted Costs exceeds the Maximum Amount of the Tenant Allowance.

II. Tenant's Remedies

The provisions of this Section II set forth Tenant's sole remedies, both in law and in equity, based upon any delay in the performance of Landlord's Work or in the Commencement Date.

(A) Rent Credit. If the Commencement Date does not occur on or before the Initial Rent Credit Date as defined in Section 1.2 of the Lease, Tenant shall be entitled to a rent abatement (to be applied to the first installment(s) of Annual Fixed Rent due hereunder following the Commencement Date) equal to the sum of:

(1) the product ("Initial Tier Rent Credit") of: (x) Six Thousand Six Hundred Forty-Four and 33/100 ($6,644.43) Dollars, multiplied by (y) the lesser of: (i) the number of days between and including the Initial Rent Credit Date and the day before the Increased Rent Credit Date, or (ii) the number of days that elapse from and including the Initial Rent Credit Date until the Commencement Date; plus

(2) if the Commencement Date occurs on or after the Increased Rent Credit Date, the product ("Increased Tier Rent Credit") of: (x) Thirteen Thousand Two Hundred Eighty-Eight and 64/100 ($13,288.64) Dollars, multiplied by (y) the number of days that elapse between and including the Increased Rent Credit Date and the Commencement Date.

Each day of Tenant Delay shall be deemed conclusively to cause an equivalent day of delay by Landlord in substantially completing Landlord's Work, and thereby automatically extend for each such equivalent day of delay the dates of the Initial Rent Credit Date and the Increased Rent Credit Date. In addition, the Initial Rent Credit Date and the Increased Rent Credit Date shall be extended by the number of days that Landlord is delayed in the performance of Landlord's

Work by Force Majeure (but in no event for more than an additional sixty (60) days). For example, if there are 15 days of Tenant Delay and 15 days of Force Majeure Delay (i.e. so that the Initial Rent Credit Date is May 31, 2012 and the Increased Rent Credit is July 31, 2012, and if the Commencement Date occurs on August 14, 2012, then the amount of the aggregate rent abatement to which Tenant shall be entitled with respect to the rent payments due under the Lease shall be $611,284.26, i.e. the sum of an Initial Tier Rent Credit of $411,954.66 plus an Increased Tier Rent Credit in the amount of $199,329.60).

(B) Tenant's Termination Right. If the Commencement Date does not occur on or before the Outside Completion Date as defined in Section 1.2 of the Lease, Tenant shall have the right to terminate the Lease by giving notice to Landlord of Tenant's desire to do so before such completion and within the time period from the Outside Completion Date until the date which is thirty (30) days subsequent to the Outside Completion Date; and, upon the giving of such notice, the term of the Lease shall cease and come to an end without further liability or obligation on the part of either party unless the Commencement Date occurs, on or before the date thirty (30) days after Landlord's receipt of such notice. Each day of Tenant Delay shall be deemed conclusively to cause an equivalent day of delay by Landlord in substantially completing the Landlord's Work, and thereby automatically extend for each such equivalent day of delay the date of the Outside Completion Date. In addition, the Outside Completion Date shall be extended by the number of days that Landlord is delayed in the performance of Landlord's Work by Force Majeure.

III. Landlord's Work.

(A) Plans and Construction Process.

(1) *Preparation of the Plans*. Tenant shall engage an architect licensed by the Commonwealth of Massachusetts and approved by Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed, to prepare the plans and specifications for Landlord's Work ("Plans"). The Final Plans shall contain at least the information required by, and shall conform to the requirements of, Exhibit B-1. Subject to delays arising from the default by Landlord in its obligations under this Section III, Tenant shall cause the Plans to be prepared and delivered to Landlord in accordance with the Plans and Construction Schedule set forth in Section 1.2 of the Lease, and as follows:

Delivery Date	***Deliverable***
Interim Plans Date	50% complete construction documents
Long Lead Items Release Date	Authorization to Landlord to purchase any long lead time items required in connection with Landlord's Work (see Section III.A(3) below)

Final Plans Date	Completed Plans and submission by Tenant to Landlord of all Permit Documentation
Authorization to Proceed Date	Authorization to Landlord to commence the performance of Landlord's Work
Budget Date	Budget

Landlord shall have no obligation to perform Landlord's Work until the Plans shall have been presented to it and approved by it. Provided that the Plans shall contain at least the information required by, and shall conform to the requirements of, Exhibit B-1, Landlord shall not unreasonably withhold or delay its approval of the Plans. However, Landlord's determination of matters relating to aesthetic issues relating to alterations or changes visible outside the Premises shall be in Landlord's sole discretion. Landlord shall have no liability or responsibility for any claim, injury or damage alleged to have been caused by the particular materials, whether building standard or non-building standard, selected by Tenant in connection with Tenant's Work. Landlord shall respond (i.e. by written notice to Tenant either approving Tenant's submission or disapproving Tenant's submission and stating the reasons for such disapproval) to each submission from Tenant within the following time frames:

Deliverable	***Landlord Response Period***
Interim Plans	Fifteen (15) business days
Final Plans	Twenty (20) business days

(2) On or before the date twenty (20) business days after Landlord's receipt of the Final Plans, Landlord shall, in accordance with the procedures set forth in Sections III.A(3) and III.A(4) below, furnish to Tenant a written statement of all Hard Costs of Landlord's Work (the "Tenant Plans Cost Notice"), which shall include a construction management fee ("Landlord's Construction Management Fee") equal to the sum of: (i) $150,000, plus (ii) four (4%) percent of the amount, if any, which the Hard Costs incurred in connection with Landlord's Work (exclusive of Landlord's Construction Management Fee) exceeds Five Million Five Hundred Forty-Seven Thousand Four Hundred Twenty ($5,547,420.00) Dollars. The Tenant Plans Cost Notice shall be based upon the Guaranteed Maximum Price contract which Landlord will enter into with the Contractor, in accordance with the bid procedure set forth below. Landlord, upon Tenant's request, shall provide Tenant reasonable evidence of the cost of the Landlord's Work.

(3) *Definition of Landlord's Work*. "Landlord's Work" shall mean the alterations, leasehold improvements and other work shown on the approved Plans. In addition, Landlord's Work shall include, at no cost to Tenant and without deduction from the Tenant Allowance, the installation of check meters necessary to measure the consumption of base building electricity in the Premises. However, Landlord's Work shall not include, and Landlord shall have no responsibility for, the installation or connection of Tenant's computer, telephone, other communication equipment, systems or wiring. Except for Landlord's Work, Tenant shall take the Premises, without any obligation on the part of Landlord to prepare the Premises for Tenant's occupancy. The foregoing shall not relieve Landlord of its obligations under the Lease. To the extent that Landlord is required, under the Condominium Documents, to obtain approvals in order to allow the performance of Landlord's Work, Landlord shall obtain such approvals.

(4) *Bid Process; Tenant Plan Excess Costs*.

(a) It is understood and agreed that Landlord shall bid the Landlord's Work as a Guaranteed Maximum Price ("GMP") contract. Landlord shall obtain bids for the performance of Landlord's Work from at least three (3) general contractors and shall require that all general contractor bids be based upon such general contractor having solicited and received bids from no less than three (3) licensed subcontractors with respect to all major sub-trades (defined as subcontracts in excess of $50,000.00) forming a part of Landlord's Work. Landlord shall provide Tenant with a copy of each such bid. When bids are solicited, upon the receipt of bids from any general contractors selected to perform the Landlord's Work (the "Contractor") shall prepare a bid format which compares each bid, and shall deliver such bid format, together with copies of the bids themselves to Tenant (together with Landlord's designation of the bid Landlord intends to accept). Landlord shall review the bids with Tenant. The Contractor shall be: (i) any one of the contractors listed on **Exhibit B-2**,(ii) another reputable contractor selected by Landlord, subject to Tenant's prior written approval, which approval shall not be unreasonably withheld, or (iii) another reputable contractor selected by Tenant, subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, except that Landlord shall be deemed to be reasonable in withholding such consent if, in Landlord's bona fide business judgment:

(x) the proposed contractor does not have adequate experience in performing and completing projects of at least the size of Landlord's Work within the schedule required in order to complete Landlord's Work on a timely basis as contemplated under this Lease, or

(y) the quality of work performed by such contractor is not consistent with the quality of tenant improvement work found in Class A office space in the Business District of the City of Boston.

(b) Landlord shall have the right to select the general contractor who will perform Landlord's Work, subject to Tenant's approval (not to be unreasonably withheld, conditioned or delayed); provided, however, that Tenant may not object to the selection of any general contractor who will be able to complete Landlord's Work on or prior to the Estimated Commencement Date and whose bid for Landlord's Work does not exceed the lowest received bid by more than five (5%) percent. In the event that Tenant does not approve of a general contractor selected by Landlord who can complete Landlord's Work on or prior to the Estimated Commencement Date but whose bid exceeds the lowest received bid by more than five (5%) percent, any delay in the completion of the Landlord's Work resulting from Tenant's failure to approve Landlord's selected general contractor shall be deemed to be a Tenant Delay hereunder. In all events, Landlord and Tenant shall cooperate with each other in good faith in order to expedite the bid process.

(c) No Hard Cost incurred by Landlord in performing Landlord's Work which is in excess of the approved Guaranteed Maximum Price for Landlord's Work, determined as aforesaid, shall be considered to be Permitted Costs and shall be paid by Landlord without deduction from the Allowance, except that any costs of Landlord's Work in excess of the approved Guaranteed Maximum Price arising from the following shall be included in Permitted Costs: (i) Tenant Delays, (ii) Change Orders requested or approved by Tenant, and (iii) Change Orders or claims established by the Contractor to be based upon any errors or omissions in Tenant's Plans.

(d) Tenant shall notify Landlord in writing, within ten (10) business days (but not sooner than the Authorization to Proceed Date) after its receipt by Tenant of Landlord's statement of Tenant Plan Excess Costs, of either its approval thereof and its authorization to Landlord to proceed with Landlord's Work in accordance with the Plans in the event Landlord had no objection to the Plans, or to submit revised Plans prepared by Tenant's architect to respond to any objections raised by Landlord or to reduce the Tenant Plan Excess Costs. In the event of the latter modification of the Plans, Landlord shall within five (5) business days of Landlord's receipt any such proposed changes in the Plans prepared by Tenant's architect, quote to Tenant all changes in Tenant Plan Excess Costs resulting from said plan modifications and whether Landlord approves the revised Plans (which approval shall not be unreasonably withheld). Tenant shall, within two (2) business days after receipt of Landlord's revised quotation of Tenant Plan Excess Costs submit to Landlord any revisions to the Plans required by Landlord or Tenant in

accordance with this Exhibit B. To the extent the Permitted Costs exceed the Maximum Amount of Tenant Allowance, as set forth in Section 1.2 of the Lease, such excess shall, subject to Section III.A(4)(c) above, be paid by Tenant to Landlord, as Additional Rent, as hereinafter set forth.

(e) Promptly following Tenant's approval of the Contractor and the Tenant Plans Cost Notice, Landlord shall enter into a construction contract (the "Construction Contract") with the Contractor for the performance of the Landlord's Work on the basis of the approved GMP. Landlord agrees to copy Tenant (which copy may be via email to Tenant's general counsel) on the final, executed Construction Contract executed between Landlord and the Contractor.

(5) *Authorization to Proceed Date; Long Lead Item Release Date*. Tenant shall, on or before the Authorization to Proceed Date, give Landlord written authorization to proceed with Landlord's Work in accordance with Tenant's approved Plans ("Notice to Proceed"). Notwithstanding anything to the contrary herein contained, if, for any reason other than a breach by Landlord in its obligations under this Exhibit B, Tenant does not, on or before the Authorization Proceed Date, approve Landlord's statement of Tenant Plan Excess Costs and authorize Landlord in writing to commence the performance of Landlord's Work, then any delay in the performance of Landlord's Work arising from such failure by Tenant shall be considered to be a Tenant Delay.

"Long Lead Items" shall be defined as any items of work for which, in Landlord's reasonable judgment, there is a long lead time in obtaining the materials therefor or which are specially or specifically manufactured, produced or milled for the work in or to the Premises and require additional time for receipt or installation. In connection with its review and approval of the Plans, Landlord shall give written notice ("Long Lead Notice") identifying and notifying Tenant of any items contained in the Plans which Landlord then reasonably believes to be a Long Lead Item as soon as Landlord is advised by the Contractor that an item is a Long Lead Item, but, in any event, on or before the date twenty (20) business days after Landlord receives the Final Plans. Landlord will give to Tenant Landlord's best, good faith estimate of the period(s) of any delay which would be caused by a long-lead item. On or before the Long Lead Item Release Date, Tenant shall have the right to either (a) revise the Plans to eliminate any such long-lead item or (b) give Landlord written authorization to proceed to purchase and/or contract for Long Lead Items. Landlord shall advise Tenant, in its Long Lead Notice of any Long Lead Items which, in Landlord's judgment, may still delay completion of the Landlord's Work and thus result in a Tenant Delay even if Tenant authorizes their purchase or before the Long Lead Item Release Date. Tenant acknowledges that any such Long Lead Items so identified by Landlord may delay completion of Landlord's Work and thus result in a

Tenant Delay. No item shall be deemed to be a Long Lead Item unless Landlord identifies such item as a Long Lead Item in a Long Lead Notice in accordance with this Section III.A(5).

(6) *Change Orders*. Tenant shall have the right, in accordance herewith, to submit for Landlord's approval change proposals subsequent to Landlord's approval of the Plans and Tenant's approval of the Tenant Plan Excess Costs, if any (each, a "Change Proposal"). Landlord agrees to respond to any such Change Proposal within such time as is reasonably necessary (taking into consideration the information contained in such Change Proposal) after the submission thereof by Tenant, advising Tenant of any anticipated increase in costs ("Change Order Costs") associated with such Change Proposal, as well as an estimate of any delay which would likely result in the completion of the Landlord's Work if a Change Proposal is made pursuant thereto ("Landlord's Change Order Response"). Tenant shall have the right to then approve or withdraw such Change Proposal within five (5) business days after Tenant's receipt of Landlord's Change Order Response. If Tenant fails to respond to Landlord's Change Order Response within such five-(5)-business day period, such Change Proposal shall be deemed withdrawn. If Tenant approves such Change Proposal, then such Change Proposal shall be deemed a "Change Order" hereunder and if the Change Order is made, then the Change Order Costs associated with the Change Order shall be deemed additions to the Tenant Plan Excess Costs and shall be paid in the same manner as Tenant Plan Excess Costs are paid as set forth in this Exhibit B.

(7) *Tenant Response to Requests for Information and Approvals*. Except to the extent that another time period is expressly herein set forth, Tenant shall respond to any request from Landlord, Landlord's Architect, Landlord's contractor and/or Landlord's Construction Representative for approvals or information in connection with Landlord's Work, within three (3) business days of Tenant's receipt of such request.

(8) *Tenant's Rights*. Landlord will reasonably cooperate with Tenant and Tenant's Construction Representative in the performance of the Landlord's Work to: (x) provide Tenant access to the Premises both prior to and during construction, (y) the right to attend the job meetings between Landlord and Contractor for the Landlord's Work as set forth below, and (z) review subcontractor submittals and shop drawings, provided that Tenant's review of such submittals and shop drawings shall not be a condition of releasing materials. Tenant shall cause Tenant's architect to inspect the quality of construction of the Landlord's Work and the compliance of the Landlord's Work with the Tenant Plans, provided that: (i) such inspections are performed at a time mutually agreeable to Landlord and Tenant, and (ii) such inspections will not cause any delay in the performance of the Landlord's Work. Tenant shall have the right to

review and approve change orders to any portion of the Landlord's Work proposed by Landlord or Contractor, which such approval shall not be unreasonably withheld, conditioned or delayed; provided, however, that Tenant's approval of the following change orders shall be in Tenant's sole discretion, except to the extent that the same arise by reason of any errors or omissions in Tenant's Plans or by reason of a Tenant Delay: (a) a Change Order which materially affects the scope or quality of the Landlord's Work (it being acknowledged and agreed that for the purposes hereof, the substitution of items of comparable quality to those shown on the Tenant Plans shall not be deemed to materially affect the scope or quality of the Landlord's Work), or (ii) a Change Order which causes an increase in the Tenant Plan Excess Costs.

(9) *Insurance*. In addition to and not in limitation of the insurance required to be maintained by Landlord under this Lease, Landlord shall require the Contractor performing Landlord's Work to maintain at all times during the construction of Landlord's Work commercially reasonable insurance coverages under a Commercial General Liability policy comparable to those being maintained by contractors on similar projects in the Central Business District of the City of Boston. Landlord shall use commercially reasonable efforts to cause the Contractor to name Tenant as a certificate holder and additional insured on all insurance coverages required under the Construction Contract (provided, however, that the failure or refusal by the Contractor to thus name Tenant shall not be considered to be a default by Landlord of any of its obligations under this Lease). The cost of such insurance documented as allocable to the Landlord's Work under this subsection Work Letter shall be a part of the Approved Tenant Plan Costs.

(10) *Time of the Essence*. Time is of the essence in connection with Tenant's obligations under this Section 1.1.

(B) Tenant Delay.

(1) *Tenant Obligations with Respect to Tenant Delays*.

(a) Tenant covenants that no Tenant Delay (as defined above in Section I of this Exhibit B) shall delay commencement of the Term or the obligation to pay Annual Fixed Rent or Additional Rent, regardless of the reason for such Tenant Delay or whether or not it is within the control of Tenant or any such employee. Landlord's Work shall be deemed substantially completed as of the date when Landlord's Work would have been substantially completed but for any Tenant Delays.

(b) Tenant shall reimburse Landlord for the amount, if any, by which the cost of Landlord's Work is increased as the result of any Tenant Delay, subject to Tenant's right to apply the Tenant Allowance towards such costs in accordance with Section (D) below.

(c) Any amounts due from Tenant to Landlord under this Section (B)(1) shall be due and payable within thirty (30) days of billing therefore (except that amounts due in connection with Change Orders shall be paid as provided in Section III.E below), and shall be considered to be Additional Rent. Nothing contained in this Section (B)(1) shall limit or qualify or prejudice any other covenants, agreements, terms, provisions and conditions contained in the Lease.

(C) Performance of Landlord's Work.

(1) *Incomplete Work*. Landlord shall complete as soon as conditions practically permit any incomplete items of Landlord's Work, and Tenant shall cooperate with Landlord in providing access as may be required to complete such work in a normal manner.

(2) *Early Access by Tenant*. Landlord shall permit Tenant access specifically for the purpose of installing Tenant's furniture, trade fixtures and Cable in portions of the Premises from time to time prior to substantial completion (but at least thirty (30) days prior to substantial completion), so long as such installation of trade fixtures can be done without material interference with remaining work or with the maintenance of harmonious labor relations, and provided that in Landlord's bone fide business judgment no unreasonable interference is anticipated to occur. Any such access by Tenant shall be at upon all of the terms and conditions of the Lease (other than the payment of Annual Fixed Rent) and shall be at Tenant's sole risk, and Landlord shall not be responsible for any injury to persons or damage to property resulting from such early access by Tenant.

(3) *Prohibition on Access by Tenant Prior to Actual Substantial Completion*. If, prior to the date that the Premises are in fact actually substantially complete, the Premises are deemed to be substantially complete pursuant to the provisions of this Exhibit B (i.e., and the Commencement Date has therefore occurred), Tenant shall not (except with Landlord's consent) be entitled to take possession of the Premises for the Permitted Use until the Premises are in fact actually substantially complete.

(D) Special Allowance for Landlord's Work

(1) Landlord shall, in the manner hereinafter set forth, contribute an amount ("Tenant Allowance") equal to up to the Maximum Amount of Tenant Allowance, as defined in Section 1.2 of the Lease, towards Permitted Costs. Landlord shall be under no obligation to apply any portion of Tenant Allowance for any purposes other than to pay for Permitted Costs.

(2) The maximum aggregate amount of the Tenant Allowance which may be applied against the sum of Soft Costs and Other Costs shall not exceed the Soft/Other Costs Cap.

(3) Landlord shall have no obligation to pay any amount to Tenant on account of Other Costs until all Hard Costs and any Soft Costs for which Tenant is seeking reimbursement have been fully paid for from Tenant Allowance.

(4) Provided that Tenant is not in monetary default, or material non-monetary default, of its obligations under the Lease at the time that Landlord receives any Tenant Requisition, and subject to the provisions of this Section III, Landlord shall pay to Tenant Landlord's Share of the cost of the work shown on each Tenant Requisition received for any Soft Costs and Other Costs within thirty (30) days after Landlord's receipt of such requisition. Notwithstanding the foregoing, if Landlord refuses to pay any portion of Tenant Allowance based upon a default of Tenant, then Tenant shall have the right to resubmit its request for payment of such portion of Tenant Allowance (and Landlord shall make payment to Tenant on account of such resubmission, in accordance with the provisions of this Section III.D) on the conditions that: (i) Tenant has cured such default, (ii) Tenant is then in full compliance with its obligations under the Lease, and (iii) the Lease is then in full force and effect.

(5) Provided that Tenant is not in monetary default, or material non-monetary default, of its obligations under the Lease, Landlord shall apply the Tenant Allowance towards Landlord's Share of the Hard Costs incurred (as Landlord's Work progresses) by Landlord in connection with Landlord's Work, including, Landlord's Construction Management Fee. Notwithstanding the foregoing, if Landlord refuses to apply any portion of the Tenant Allowance based upon a default of Tenant, then if: (i) Tenant has cured such default, (ii) Tenant is then in full compliance with its obligations under the Lease, and (iii) the Lease is then in full force and effect, Landlord shall recommence the application of Landlord's Share of the Hard Costs, as aforesaid.

(6) Notwithstanding anything to the contrary herein contained, it shall be a condition to Landlord's obligation to pay any amount due based upon an invoice submitted by any contractor of Tenant's that Tenant have submitted a Budget (or updated Budget), as applicable.

(7) Notwithstanding anything to the contrary herein contained:

(a) Landlord shall have no obligation to pay any undisbursed amount of the Tenant Allowance in respect of any Tenant Requisition submitted after the first anniversary of the Commencement Date.

(b) Tenant shall not be entitled to any unused portion of the Tenant Allowance, nor shall there be any application of the Tenant Allowance toward Annual Fixed Rent or Additional Rent owed by Tenant under the Lease.

(E) Payment of Tenant Plan Excess Costs

To the extent, if any, that there are Tenant Plan Excess Costs, Tenant shall reimburse Landlord, as Additional Rent, within twenty-one (21) days after the receipt of a Funding Request (as hereinafter defined) from Landlord, the Tenant Plan Excess Costs in the proportion that the Tenant Plan Excess Costs bear to the total cost of the Landlord's Work; except that if Tenant Plan Excess Costs exceed $1,000,000.00, then Tenant shall pay to Landlord, as Additional Rent, prior to the commencement of Landlord's Work (or prior to a Change Order or other event which causes the aggregate amount ("Pre-Paid Tenant Plan Excess Costs") of Tenant Plan Excess Costs to exceed $1,000,000.00), all such Tenant Plan Excess Costs in excess of $1,000,000.

The following paragraph shall apply with respect to all Tenant Plan Excess Costs other than Pre-Paid Tenant Plan Excess Costs: Landlord shall submit disbursement requests (each, a "Funding Request") to Tenant not more than once during each calendar month along with, for each payment, a payment request, which shall be substantially in the form of an Application for Payment on AIA Document G702 and G703 (it being acknowledged and agreed that individual contractors often make slight modifications to these AIA Documents) certified by the Contractor seeking Tenant's Share of the Tenant Plan Excess Costs. Landlord shall, upon request from time to time make available for Tenant's review any copies of any insurance certificates or policies obtained by Landlord from the contractor performing Landlord's Work, as well as lien waivers received by Landlord from Landlord's contractors with respect to Landlord's Work. Tenant shall cause its Tenant's Construction Representative or architect to inspect the Landlord's Work to confirm completion of the work represented by the Funding Request. Such inspection shall occur within seven (7) business days after receipt of the applicable Funding Request (which such seven (7) business day period shall be included within the twenty-one (21) day period within which Tenant has to fund the applicable portion of the Tenant Plan Excess Costs). If Tenant fails to give written notice that it has approved a Funding Request within seven (7) business days after its receipt of such Funding Request, Tenant shall be conclusively be deemed to have approved such Funding Request.

(F) Quality and Performance of Work.

(1) All construction work required or permitted by this Lease shall be done in a good and workmanlike manner and in compliance with Legal Requirements, all

Insurance Requirements (as defined in Section 9.1 hereof) and, with respect to the Landlord's Work, with the Tenant Plans. Any work performed by or on behalf of Tenant under this Lease shall be coordinated with any work being performed by or on behalf of Landlord and in such manner as to maintain harmonious labor relations.

(2) Each party authorizes the other to rely in connection with design and construction upon the written approval or other written authorizations on such party's behalf by any Construction Representative of the party named in Section 1.1 or any person hereafter designated in substitution or addition by notice to the party relying. Each party may inspect the work of the other at reasonable times and shall promptly give notice of observed defects. Tenant acknowledges that Tenant is acting for its own benefit and account and that Tenant will not be acting as Landlord's agent in performing any work that may be undertaken by or on behalf of Tenant under this Lease, and accordingly, no contractor, subcontractor or supplier of Tenant shall have a right to lien Landlord's interest in the Property in connection with any such work.

(3) Landlord warrants to Tenant that: (a) the materials and equipment furnished in the performance of the Landlord's Work will be of good quality; (b) the Landlord's Work will be free from defects not inherent in the quality described in the applicable plans and specifications therefor; and (c) the Landlord's Work shall be weather-tight and otherwise in good working order and condition. Any portion of the Landlord's Work not conforming to the foregoing requirements will be considered defective. Landlord's warranty hereunder shall not apply to the extent of damage or defect caused by (1) the negligent acts or omissions or the willful misconduct of Tenant, its employees, agents, contractors, sublessees or permitted occupants under Article XII ("Tenant Construction Parties"), (2) improper operation by any of the Tenant Construction Parties, or (3) normal wear and tear and normal usage.

(4) The foregoing warranty shall commence on the date on the Substantial Completion Date and shall expire on the day immediately preceding the first anniversary of the Substantial Completion Date (such period being hereinafter referred to as the "Warranty Period"), provided that in any event Tenant is required to deliver notice to Landlord of any defects at least thirty (30) days prior to the expiration of the applicable Warranty Period (the "Warranty Notice Period") in order to permit Landlord to take action to enforce Landlord's warranty rights with respect to the Landlord's Work, provided, however, that Landlord shall exercise commercially reasonable efforts to enforce Landlord's warranty rights with respect to any notice delivered by Tenant after the Warranty Notice Period. Landlord agrees that it shall, without cost to Tenant, correct any portion of the Landlord's Work which during the Warranty Period is found not to be in accordance with the warranties set forth in this Subsection (4). All defective items shall, subject to Tenant Delays and provided that Tenant has afforded Landlord with reasonable access to the Premises in order to undertake the work

described herein, be completed by Landlord within a reasonable period of time to be mutually agreed upon by Landlord and Tenant given the nature of the defect at issue after Landlord's receipt of a written notice from Tenant setting forth in reasonable detail the nature of the defect and Tenant's assessment of why it believes such defect is covered by the warranties set forth herein (Landlord hereby agreeing to use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises, consistent with the fact that Landlord is undertaking to remedy the defective work). The foregoing warranty and the expiration of the applicable Warranty Period shall not serve to limit Landlord's obligations under this Lease, including without limitation, Article VII and Exhibit C nor reduce or eliminate any of the limitations on or exclusions from Operating Expenses set forth in Section 7.4.

(5) Except to the extent to which Tenant shall have given Landlord notice of respects in which Landlord has not performed Landlord's construction obligations under this Exhibit B within the applicable Warranty Notice Period, Tenant shall be deemed conclusively to have approved Landlord's construction and shall have no claim that Landlord has failed to perform any of Landlord's obligations under this Exhibit B. Notwithstanding the foregoing, Landlord agrees that upon and after the expiration of the applicable Warranty Notice Period, Landlord shall, at Tenant's request and at Tenant's sole cost and expense, enforce and exercise on behalf of Tenant any and all construction and manufacturers' warranties and guaranties with respect to the Landlord's Work to the extent still in force and effect at the time of Tenant's request. The provisions of this Subsection (F) shall not relieve Landlord of any obligation which Landlord has to make repairs or to perform maintenance pursuant to Article VII of the Lease nor limit any rights and remedies Tenant may have at law or in equity against the Contractor or any other party (other than Landlord) performing work or supplying materials in connection with the Landlord's Work.

EXHIBIT B-1

ATLANTIC WHARF
TENANT PLAN AND WORKING DRAWING REQUIREMENTS

1. Floor plan indicating location of partitions and doors (details required of partition and door types).
2. Location of standard electrical convenience outlets and telephone outlets.
3. Location and details of special electrical outlets; (e.g. Xerox), including voltage, amperage, phase and NEMA configuration of outlets.
4. Reflected ceiling plan showing layout of standard ceiling and lighting fixtures. Partitions to be shown lightly with switches located indicating fixtures to be controlled.
5. Locations and details of special ceiling conditions, lighting fixtures, speakers, etc.
6. Location and heat load in BTU/Hr. of all special air conditioning and ventilating requirements and all necessary HVAC mechanical drawings.
7. Location and details of special structural requirements, e.g., slab penetrations and areas with floor loadings exceeding a live load of 70 lbs./s.f.
8. Locations and details of all plumbing fixtures; sinks, drinking fountains, etc.
9. Location and specifications of floor coverings, e.g., vinyl tile, carpet, ceramic tile, etc.
10. Finish schedule plan indicating wall covering, paint or paneling with paint colors referenced to standard color system.
11. Details and specifications of special millwork, glass partitions, rolling doors and grilles, blackboards, shelves, etc.
12. Hardware schedule indicating door number keyed to plan, size, hardware required including butts, latchsets or locksets, closures, stops, and any special items such as thresholds, soundproofing, etc. Keying schedule is required.
13. Verified dimensions of all built-in equipment (file cabinets, lockers, plan files, etc.).
14. Location of any special soundproofing requirements.
15. All drawings to be uniform size (30” X 42”) and shall incorporate the standard project electrical and plumbing symbols and be at a scale of 1/8” = 1’ or larger.

16. Drawing submittal shall include the appropriate quantity required for Landlord to file for permit along with four half size sets and one full size set for Landlord's review and use.

17. Provide all other information necessary to obtain all permits and approvals for Landlord's Work.

18. Upon completion of the work, Tenant shall provide Landlord with two hard copies and one CAD file of updated architectural and mechanical drawings including all project sketches and changes, including the record drawings showing all changes and adjustments made, but shall not be required to pay the additional cost to have all such changes incorporated into full "as-built" drawings in CAD format.

EXHIBIT B-2
APPROVED GENERAL CONTRACTORS

Turner Construction
Elaine Construction
Shawmut Construction
Lee Kennedy Construction
Commodore Construction

EXHIBIT C

LANDLORD SERVICES

I. CLEANING:

Cleaning and janitor services as provided below:

A. OFFICE AREAS:

Daily: (Monday through Friday, inclusive, holidays observed by the cleaning company under its contract with Landlord excepted).

1. Empty all waste receptacles and remove waste material from the Premises; wash receptacles as necessary.

2. Sweep and dust mop all uncarpeted areas using a dust-treated mop.

3. Vacuum all rugs and carpeted areas.

4. Hand dust and wipe clean with treated cloths all horizontal surfaces, including furniture, office equipment, window sills, door ledges, chair rails, and convector tops, within normal reach.

5. Wash clean all water fountains and sanitize.

6. Move and dust under all desk equipment and telephones and replace same (but not computer terminals, specialized equipment or other materials).

7. Wipe clean all chrome and other bright work.

8. Hand dust grill work within normal reach.

9. Main doors to premises shall be locked and lights shut off upon completion of cleaning.

Weekly:

1. Dust coat racks and the like.

2. Spot clean entrance doors, light switches and doorways.

Quarterly:

1. Render high dusting not reached in daily cleaning to include:

a) dusting all pictures, frames, charts, graphs and similar wall hangings.

b) dusting of all vertical surfaces, such as walls, partitions, doors and door frames, etc.

c) dusting all pipes, ducts and moldings.

d) dusting of all vertical blinds.

e) dust all ventilating, air conditioning, louvers and grills.

2. Spray buff all resilient floors.

B. LAVATORIES:

Daily: (Monday through Friday, inclusive, holidays observed by the cleaning company under its contract with Landlord excepted).

1. Sweep and damp mop.
2. Clean all mirrors, powder shelves, dispensers and receptacles, bright work, flushometers, piping and toilet seat hinges.
3. Wash both sides of all toilet seats.
4. Wash all basins, bowls and urinals.
5. Dust and clean all powder room fixtures.
6. Empty and clean paper towel and sanitary disposal receptacles.
7. Remove waste paper and refuse.
8. Refill tissue holders, soap dispensers, towel dispensers, and sanitary dispensers.

Monthly:

1. Machine scrub lavatory floors.
2. Wash all partitions and tile walls in lavatories.
3. Dust all lighting fixtures and grills in lavatories.

C. MAIN LOBBIES, ELEVATORS, STAIRWELLS AND COMMON CORRIDORS:

Daily: (Monday through Friday, inclusive, holidays observed by the cleaning company under its contract with Landlord excepted).

1. Sweep and damp mop all floors, empty and clean waste receptacles, dispose of waste.

2. Clean elevators, wash or vacuum floors, wipe down walls and doors.

3. Spot clean any metal work inside lobbies.

4. Spot clean any metal work surrounding building entrance doors.

5. Sweep all stairwells and dust handrails.

Monthly:

1. All resilient tile floors in public areas to be spray buffed.

D. WINDOW CLEANING:

All exterior windows shall be washed twice per year.

II. Base Building HVAC:

A. Heating, ventilating and air conditioning equipment will be provided with sufficient capacity to accommodate a maximum population density of one (1) person per one hundred fifty (150) square feet of useable floor area served, and a combined lightning and standard electrical load of 5.5 watts per square foot of useable floor area (excluding consumption of electricity by the Base Building HVAC system, but including consumption of electricity by VAV boxes). In the event Tenant introduces into the Premises personnel or equipment which overloads the system's ability to adequately perform its proper functions, Landlord shall so notify Tenant in writing and supplementary system(s) may be required and installed by Landlord at Tenant's expense, if within fifteen (15) days Tenant has not modified its use so as not to cause such overload.

Operating criteria of the basic system shall not be less than the following:

i) Cooling season indoor temperature of not in excess of 73 - 79 degrees Fahrenheit when outdoor temperature is 91 degrees Fahrenheit ambient.

ii) Heating season minimum room temperature of 68 - 75 degrees Fahrenheit when outdoor temperature is 6 degrees Fahrenheit ambient.

B. Landlord shall provide heating, ventilating and air conditioning as normal seasonal changes may require so as to reasonably heat or cool the Premises in accordance with the foregoing standards during Normal Building Operating Hours (8:00 a.m. to 6:00 p.m., Monday through Friday, legal holidays in all cases excepted, and, if requested by Tenant on or before 3:00 p.m. during the immediately preceding Friday, on any Saturday from 8 a.m. to 12 noon).

If Tenant shall require air conditioning (during the air conditioning season) or heating or ventilating during any season outside Normal Building Operating Hours, Landlord shall use Landlord's best efforts to furnish such services for the area or areas specified by written request of Tenant submitted through the online work order system to the Landlord before 3:00 p.m. of the business day requiring the extra usage (or the previous day if such services are required on Saturday, Sunday or Holidays. For such services, Tenant shall pay Landlord, as additional rent, upon receipt of billing, Landlord's then-current standard overtime HVAC charges at a rate designated by Landlord, from time to time, reflecting the cost of operating the equipment, the cost of administration, and an appropriate amount for accelerated depreciation of the asset use. Overtime HVAC charges shall not exceed rates then charged, from time to time, for overtime HVAC usage by other first-class office buildings in the City of Boston.

III. ELECTRICAL SERVICES:

A. Landlord shall provide electric power for a combined load of 5.5 watts per square foot of useable area for lighting and for office machines through standard receptacles for the typical office space.

B. Landlord, at its option, may require separate metering and direct billing to Tenant for the electric power required for any special equipment (such as computers and reproduction equipment) in excess of 3.5 watts per square foot. Tenant shall be solely responsible for the cost associated with such meter(s) required for Tenant's special equipment and installation thereof.

C. Landlord will furnish and install, at Tenant's expense, all replacement lighting tubes, lamps and ballasts required by Tenant. Landlord will clean lighting fixtures on a regularly scheduled basis at Tenant's expense.

IV. ELEVATORS:

Provide reasonable passenger elevator service, including reasonably reduced service during all hours outside Normal Building Operating Hours (so as to provide for maintenance of elevators as may be necessary.

V. WATER:

Provide hot water for lavatory purposes and cold water for drinking, lavatory and toilet purposes.

VI. CARD ACCESS SYSTEM:

Landlord will provide a card access system at one entry door of the Building and initially provide free of charge access cards to all properly identified employees of Tenant, such that all such employees can access the Building 24 hours per day, 7 days per week, 365 days per year (subject to causes beyond Landlord's control). Tenant shall pay to Landlord, as additional rent, reasonable charges as Landlord will establish from time to time, for any additional and/or replacement access cards.

VII. CONDENSER/CHILLED WATER:

To the extent that Tenant requests the use of the Building's condenser or chilled water system in connection with the operation of supplemental HVAC equipment serving the Premises, Landlord shall allow Tenant to tap into such system on the condition that Tenant pay, as additional rent, for the Building standard charge for the use and operation of such system, the parties hereby agreeing that: (i) with respect to Tenant's needs in connection with the initial Landlord's Work, at least 15 tons per floor of the Premises shall be available for Tenant's use, and (ii) with respect to Tenant's needs after the substantial completion of Landlord's Work, Tenant's use of the capacity of such system shall be determined by Landlord on an "as available" basis.

EXHIBIT D

FLOOR PLAN

EXHIBIT E

DECLARATION AFFIXING THE COMMENCEMENT DATE OF LEASE

THIS AGREEMENT made this _____ day of _____, 2011, by and between BP RUSSIA WHARF LLC (hereinafter "Landlord") and BRIGHTCOVE INC. (hereinafter "Tenant").

W I T N E S S E T H T H A T:

1. This Agreement is made pursuant to Section 3.1 of that certain Lease dated _____, 2011, between Landlord and Tenant (the "Lease").

2. It is hereby stipulated that the Lease Term commenced on _____, (being the "Commencement Date" under the Lease), and shall end and expire on _____, unless sooner terminated or extended, as provided for in the Lease.

WITNESS the execution hereof under seal by persons hereunto duly authorized, the date first above written.

LANDLORD:

BP RUSSIA WHARF LLC
a Delaware limited liability company

By: Boston Properties Limited Partnership, a Delaware limited partnership,
its sole member
By: Boston Properties, Inc.,
a Delaware corporation,
its general partner

By: _____
Name: _____
Title: _____

TENANT:

ATTEST:

BRIGHTCOVE INC.
a Delaware corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____
Hereunto duly authorized

EXHIBIT F

ATLANTIC WHARF PROCEDURE FOR ADJUSTMENT OF COSTS OF ELECTRIC POWER USAGE BY TENANTS

This memo outlines the procedure for adjusting charges for electric power to office tenants of the Building.

1. Main electric service will be provided by the local utility company to a central utility metering center. All charges by the utility will be read from these meters and billed to and paid by Landlord at rates established by the applicable electricity supplier and the electricity distribution company (collectively the "Utility Companies").

2. In order to assure that charges for electric service are allocated among tenants in relation to the relative amounts of electricity used by each tenant, meters (known as "check meters") will be used to monitor tenant electric usage. On each whole floor of the Premises Landlord, at its sole cost, shall install one check meter serving the floor. On multi-tenant floors in the case of a ROFO exercise by Tenant, Tenant, at its cost, shall install a check meter in order to monitor usage on such floor. However, in no event shall Landlord have any obligation or responsibility to install, hook-up, connect or otherwise activate any of Tenant's equipment and Tenant shall be solely responsible for installation and connection into electrical bus, tenant electrical panels and other like equipment and appurtenances.

3. The Landlord will cause the check meters to be read periodically by its employees and on multi-tenant floors will perform an analysis of such information for the purpose of determining whether any adjustments are required to achieve an allocation of the costs of electric service among the tenants in relation to the respective amounts of usage of electricity for those tenants. For this purpose, the Landlord shall, as far as possible in each case, read the check meters to determine usage for periods that include one or more entire periods used by the Utility Companies for the reading of the meters located within the central utility metering center (so that the Landlord may, in its discretion, choose periods that are longer than those used by the Utility Companies – for example, quarterly, semi-annual or annual periods).

4. Tenant's share of electricity shall be determined by Landlord on the following basis:

    a. The cost of the total amount of electricity supplied for usage by tenants during the period being measured shall be determined by dividing the total cost of electricity through the central utility metering center as invoiced by the Utility Companies (without mark-up by Landlord) for the same period by the total amount of kilowatt hour usage as measured by the meters located within the central utility metering center (herein called "Cost Per Kilowatt Hour").

b. Tenant's allocable share of electricity costs for the period ("Tenant Electricity") shall be determined by multiplying the Cost Per Kilowatt Hour by the number of kilowatt hours utilized by Tenant for such period as indicated by the check meter(s) for Tenant's Premises.

c. Where a floor is occupied by more than one tenant, and where all of the tenant spaces on such floor are not separately check-metered, the cost of Tenant Electricity for tenant spaces that are not separately check-metered shall first be determined by the same procedure as set forth in paragraph (b) above (after subtracting out the usage shown on any check meter that runs off such floor meter), and then the allocable share of each tenant on that floor whose space is not separately check-metered shall be determined by multiplying the total costs of Tenant Electricity for that floor by a fraction, the numerator of which is the rentable area leased to such tenant and the denominator of which is the total rentable area under lease from time to time to tenants on said floor (other than those who are separately check metered); provided, however, that if the Landlord reasonably determines that the cost of electricity furnished to the Tenant at the Premises exceeds the amount being paid under this Subsection (c), then Landlord shall charge Tenant for such excess and Tenant shall promptly pay the same upon billing therefor as Additional Rent under the Lease.

d. Where part or all of the rentable area on a floor has been occupied for less than all of the period for which adjustments are being made, appropriate and equitable modifications shall be made to the allocation formula so that each tenant's allocable share of costs equitably reflects its period of occupancy, provided that in no event shall the total of all costs as allocated to tenants (or to unoccupied space) be less than the total cost of Tenant Electricity for said period.

5. a. Other than payments due pursuant to Section 4e above, Tenant shall pay to Landlord Tenant's allocable share of Tenant Electricity costs for the period within thirty (30) days after billing therefor.

b. In lieu of making payments as provided in subsection (a) above, at Landlord's option, Tenant shall pay to Landlord an amount from time to time reasonably estimated by Landlord to be sufficient to cover, in the aggregate, a sum equal to the Tenant's allocable share of Tenant Electricity costs for each calendar year during the Lease Term. Such estimated payments shall be made at the same time and in the same manner as Tenant's monthly installments of Annual Fixed Rent. No later than one hundred twenty (120) days after the end of the first calendar year or fraction thereof ending December 31 and of each succeeding calendar

year during the Lease Term or fraction thereof at the end of the Lease Term, Landlord shall render Tenant a statement in reasonable detail certified by an officer of Landlord, showing for the preceding calendar year or fraction thereof, as the case may be, the Tenant's allocable share of Tenant Electricity costs. Said statement to be rendered to Tenant also shall show for the preceding year or fraction thereof, as the case may be, the amounts already paid by Tenant on account of Tenant's allocable share of Tenant Electricity costs and the amount of Tenant's allocable share of Tenant Electricity costs remaining due from, or overpaid by, Tenant for the year or other period covered by the statement. If such statement shows a balance remaining due to Landlord, Tenant shall pay same to Landlord on or before the thirtieth (30th) day following receipt by Tenant of said statement. Any balance shown as due to Tenant shall be credited against Annual Fixed Rent next due, or refunded to Tenant if the Lease Term has then expired and Tenant has no further obligation to Landlord. Payments by Tenant on account of Tenant's allocable share of Tenant Electricity costs shall be deemed Additional Rent and shall be made monthly at the time and in the fashion herein provided for the payment of Annual Fixed Rent. Landlord shall, upon written request made by Tenant on or before the date six (6) months after Landlord delivers to Tenant any invoice for Tenant Electricity pursuant to this Exhibit F, give Tenant reasonable back-up supporting Landlord's invoices on account of Tenant's allocable share of Tenant Electricity.

All costs of electricity billed to Landlord for the Building through the central utility metering center (excluding the cost of electricity provided to the leasable areas of the Building for plugs, lights, VAV boxes, and supplemental uses), shall be treated as part of the Operating Expenses for the Building for purposes of determining the allocation of those costs, which shall not include electricity for the residential, retail or Garage portions of Atlantic Wharf.

Tenant shall be required to maintain any check meter located within its Premises. Further, Tenant agrees that it will not make any material alteration or material addition to the electrical equipment and/or appliances in the Premises without the prior written consent of Landlord in each instance first obtained, which consent will not be unreasonably withheld, conditioned or delayed and will promptly advise Landlord of any other material alteration or addition to such electrical equipment and/or appliances.

EXHIBIT G

FORMS OF LIEN WAIVERS

CONTRACTOR'S PARTIAL WAIVER AND SUBORDINATION OF LIEN

STATE OF _____ Date: _____

_____ COUNTY Application for Payment No.: _____

OWNER: _____

CONTRACTOR: _____

LENDER / MORTGAGEE: None

1. Original Contract Amount: $ _____

2. Approved Change Orders: $ _____

3. Adjusted Contract Amount: (line 1 plus line 2) $ _____

4. Completed to Date: $ _____

5. Less Retainage: $ _____

6. Total Payable to Date: (line 4 less line 5) $ _____

7. Less Previous Payments: $ _____

8. Current Amount Due: (line 6 less line 7) $ _____

9. Pending Change Orders: $ _____

10. Disputed Claims: $ _____

The undersigned who has a contract with _____ for furnishing labor or materials or both labor and materials or rental equipment, appliances or tools for the erection, alteration, repair or removal of a building or structure or other improvement of real property known and identified as located in _____ (city or town), _____ County, _____ and owned by _____, upon receipt of _____ ($_____) in payment of an invoice/requisition/application for payment dated _____ does hereby:

(a) waive any and all liens and right of lien on such real property for labor or materials, or both labor and materials, or rental equipment, appliances or tools, performed or furnished through the following date _____ (payment period), except for retainage, unpaid agreed or pending change orders, and disputed claims as stated above;

(b) subordinate any and all liens and right of lien to secure payment for such unpaid, agreed or pending change orders and disputed claims, and such further labor or materials, or both labor and materials, or rental equipment, appliances or tools, except for retainage, performed or furnished at any time through the twenty-fifth day after the end of the above payment period, to the extent of the amount actually advanced by the above lender/mortgagee through such twenty-fifth day.

Signed under the penalties of perjury this _____ day of _____, 20__.

WITNESS:

_____

Name: _____

Title: _____

CONTRACTOR:

_____

Name: _____

Title: _____

SUBCONTRACTOR'S LIEN WAIVER

General Contractor: _____

Subcontractor: _____

Owner: _____

Project: _____

Total Amount Previously Paid: $ _____

Amount Paid This Date: $ _____

Retainage (Including This Payment) Held to Date: $ _____

In consideration of the receipt of the amount of payment set forth above and any and all past payments received from the Contractor in connection with the Project, the undersigned acknowledges and agrees that it has been paid all sums due for all labor, materials and/or equipment furnished by the undersigned to or in connection with the Project and the undersigned hereby releases, discharges, relinquishes and waives any and all claims, suits, liens and rights under any Notice of Identification, Notice of Contract or statement of account with respect to the Owner, the Project and/or against the Contractor on account of any labor, materials and/or equipment furnished through the date hereof.

The undersigned individual represents and warrants that he is the duly authorized representative of the undersigned, empowered and authorized to execute and deliver this document on behalf of the undersigned and that this document binds the undersigned to the extent that the payment referred to herein is received.

The undersigned represents and warrants that it has paid in full each and every sub-subcontractor, laborer and labor and/or material supplier with whom undersigned has dealt in connection with the Project and the undersigned agrees at its sole cost and expense to defend, indemnify and hold harmless the Contractor against any claims, demands, suits, disputes, damages, costs, expenses (including attorneys' fees), liens and/or claims of lien made by such sub-subcontractors, laborers and labor and/or material suppliers arising out of or in any way related to the Project. This document is to take effect as a sealed instrument.

Signed under the penalties of perjury as of this _____ day of _____, 20__.

SUBCONTRACTOR:

Signature and Printed Name of Individual
Signing this Lien Waiver

WITNESS:

Name:
Title:

Dated:

CONTRACTOR'S WAIVER OF CLAIMS AGAINST OWNER AND ACKNOWLEDGMENT OF FINAL PAYMENT

Commonwealth of Massachusetts

Date: _____

COUNTY OF _____

Invoice No.: _____

OWNER: _____

CONTRACTOR: _____

PROJECT: _____

1. Original Contract Amount: $ _____

2. Approved Change Orders: $ _____

3. Adjusted Contract Amount: $ _____

4. Sums Paid on Account of Contract Amount: $ _____

5. Less Final Payment Due: $ _____

The undersigned being duly sworn hereby attests that when the Final Payment Due as set forth above is paid in full by Owner, such payment shall constitute payment in full for all labor, materials, equipment and work in place furnished by the undersigned in connection with the aforesaid contract and that no further payment is or will be due to the undersigned.

The undersigned hereby attests that it has satisfied all claims against it for items, including by way of illustration but not by way of limitation, items of: labor, materials, insurance, taxes, union benefits, equipment, etc. employed in the prosecution of the work of said contract, and acknowledges that satisfaction of such claims serves as an inducement for the Owner to release the Final Payment Due.

The undersigned hereby agrees to indemnify and hold harmless the Owner from and against all claims arising in connection with its Contract with respect to claims for the furnishing of labor, materials and equipment by others. Said indemnification and hold harmless shall include the reimbursement of all actual attorneys' fees and all costs and expenses of every nature, and shall be to the fullest extent permitted by law.

The undersigned hereby irrevocably waives and releases any and all liens and right of lien on such real property and other property of the Owner for labor or materials, or both labor and materials, or rental equipment, appliances or tools, performed or furnished by the undersigned, and anyone claiming by, through, or under the undersigned, in connection with the Project.

The undersigned hereby releases, remises and discharges the Owner, any agent of the Owner and their respective predecessors, successors, assigns, employees, officers, shareholders, directors, and principals, whether disclosed or undisclosed (collectively "Releasees") from and against any and all claims, losses, damages, actions and causes of action (collectively "Claims") which the undersigned and anyone claiming by, through or under the undersigned has or may have against the Releasees, including, without limitation, any claims arising in connection with the Contract and the work performed thereunder.

Notwithstanding anything to the contrary herein, payment to the undersigned of the Final Payment Due sum as set forth above, shall not constitute a waiver by the Owner of any of its rights under the contract including by way of illustration but not by way of limitation guarantees and/or warranties. Payment will not be made until a signed waiver is returned to Owner.

The undersigned individual represents and warrants that he/she is the duly authorized representative of the undersigned, empowered and authorized to execute and deliver this document on behalf of the undersigned.

Signed under the penalties of perjury as a sealed instrument as of this ____ day of _____, _____.

_____ Corporation

By: _____
Name: _____
Title: _____
Hereunto duly authorized

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF SUFFOLK

On this ____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it as _____ for _____, a corporation/partnership voluntarily for its stated purpose.

_____
NOTARY PUBLIC
My Commission Expires:

EXHIBIT H

BROKER DETERMINATION OF PREVAILING MARKET RENT

Where in the Lease to which this Exhibit is attached provision is made for a Broker Determination of Prevailing Market Rent (defined in Section 3.2B of the Lease), the following procedures and requirements shall apply:

1. Tenant's Request. Tenant shall send a notice to Landlord in accordance with Section 3.2 of the Lease, requesting a Broker Determination of the Prevailing Market Rent, which notice to be effective must (i) make explicit reference to the Lease and to the section of the Lease pursuant to which said request is being made, and (ii) include the name of a broker selected by Tenant to act for Tenant, which broker shall be affiliated with a major Boston commercial real estate brokerage firm selected by Tenant and which broker shall have at least ten (10) years experience dealing in properties of a nature and type generally similar to the Building located in the Downtown Boston and Financial District Markets.

2. Landlord's Response. Within thirty (30) days after Landlord's receipt of Tenant's notice requesting the Broker Determination and stating the name of the broker selected by Tenant, Landlord shall give written notice to Tenant of Landlord's selection of a broker having at least the affiliation and experience referred to above.

3. Selection of Third Broker. Within ten (10) days thereafter the two (2) brokers so selected shall select a third such broker also having at least the affiliation and experience referred to above.

4. Rental Value Determination. Within thirty (30) days after the selection of the third broker, the three (3) brokers so selected, by majority opinion, shall make a determination of the Prevailing Market Rent of the Premises for the Extended Term. Such annual fair market rental value determination shall take into account all relevant factors, and (x) may include provision for annual increases in rent during said Extended Term if so determined, (y) shall take into account the as-is condition of the Premises and economic concessions (if any) granted by Landlord to Tenant, and (z) shall take account of, and be expressed in relation to, the payment in respect of taxes and operating costs and the Base Years for taxes and operating costs, as well as provisions for paying for so-called tenant electricity as contained in the Lease. The brokers shall advise Landlord and Tenant in writing by the expiration of said thirty (30) day period of the Prevailing Market Rent as so determined.

5. Resolution of Broker Deadlock. If the Brokers are unable to agree at least by majority on a determination of Prevailing Market Rent, then the brokers shall send a notice to Landlord and Tenant by the end of the thirty (30) day period for making said determination setting forth their individual determinations of Prevailing Market Rent, and the broker who submitted neither the highest such determination nor the lowest such determination shall select either the highest determination or the lowest such determination as the most reflective of the Prevailing Market Rent for the Premises for

the applicable term and shall give notice thereof to Landlord and Tenant, and such determination of the Prevailing Market Rent shall be deemed to be the final and binding determination of the Prevailing Market Rent.

6. Costs. Each party shall pay the costs and expenses of the broker selected by it and each shall pay one half (1/2) of the costs and expenses of the third broker.

7. Failure to Select Broker or Failure of Broker to Serve. If Tenant shall have requested a Broker Determination and Landlord shall not have designated a broker within the time period provided therefor above and such failure shall continue for more than ten (10) days after notice thereof, then Tenant's broker shall alone make the determination of the Prevailing Market Rent in writing to Landlord and Tenant within thirty (30) days after the expiration of Landlord's right to designate a broker hereunder. If Tenant and Landlord have both designated brokers but the two brokers so designated do not, within a period of fifteen (15) days after the appointment of the second broker, agree upon and designate the third broker willing so to act, the Tenant, the Landlord or either broker previously designated may request the Boston Bar Association (or such organization as may succeed to the Boston Bar Association) to designate the third broker willing so to act and a broker so appointed shall, for all purposes, have the same standing and powers as though he had been seasonably appointed by the brokers first appointed. In case of the inability or refusal to serve of any person designated as a broker, or in case any broker for any reason ceases to be such, a broker to fill such vacancy shall be appointed by the Tenant, the Landlord, the brokers first appointed or the Boston Bar Association, as the case may be, whichever made the original appointment, or if the person who made the original appointment fails to fill such vacancy, upon application of any broker who continues to act or by the Landlord or Tenant such vacancy may be filled by the said Boston Bar Association, and any broker so appointed to fill such vacancy shall have the same standing and powers as though originally appointed.

EXHIBIT I

LIST OF MORTGAGES

THE BANK OF NEW YORK MELLON, as administrative Agent for the benefit of the Lenders under that certain Construction Loan Agreement dated April 21, 2009 between Landlord, as borrower, and THE BANK OF NEW YORK MELLON, whose address is One Wall Street, New York, New York 10286, RBS CITIZENS, N.A., whose address is 28 State Street, Boston, Massachusetts 02109, U.S. BANK NATIONAL ASSOCIATION, whose address is One Post Office Square, Boston, Massachusetts 02109, PNC BANK, NATIONAL ASSOCIATION, whose address is 1600 Market Street, Philadelphia, Pennsylvania 19103, SUNTRUST BANK, whose address is 8330 Boone Boulevard, 8th Floor, Vienna, Virginia 22182, and any other Lenders who may become a party hereto, collectively as Lenders (as defined below), and RBS CITIZENS, N.A., as Documentation Agent (in such capacity, hereinafter referred to as "Documentation Agent"), U.S. BANK NATIONAL ASSOCIATION, as Syndication Agent (in such capacity, hereinafter referred to as "Syndication Agent") and THE BANK OF NEW YORK MELLON, as Administrative Agent.

EXHIBIT J

FORM OF LETTER OF CREDIT

[Letterhead of a money center bank acceptable to the Landlord]

[Please note the tenant on this Letter of Credit must match the exact tenant entity in the Lease]

[date]

[Landlord]
c/o Boston Properties LP
800 Boylston Street, Suite 1900
Boston, Massachusetts 02199-8103
Attn: Lease Administration, Legal Dept.

Gentlemen:

We hereby establish our Irrevocable Letter of Credit and authorize you to draw on us at sight for the account of *[Tenant]* ("Applicant"), the aggregate amount of *[spell out dollar amount]* and *[__]*/100 Dollars *[($)]*. You shall have the right to make partial draws against this Letter of Credit from time to time.

Funds under this Letter of Credit are available to the beneficiary hereof as follows:

Any or all of the sums hereunder may be drawn down at any time and from time to time from and after the date hereof by *[Landlord]* ("Beneficiary") when accompanied by this Letter of Credit and a written statement signed by an individual purporting to be an authorized agent of Beneficiary, certifying that such moneys are due and owing to Beneficiary, and a sight draft executed and endorsed by such individual.

This Letter of Credit is transferable in its entirety to any successor in interest to Beneficiary as owner of *[Property, Address, City/Town, State]*. Should a transfer be desired, such transfer will be subject to the return to us of this advice, together with written instructions. Any fees related to such transfer shall be for the account of the Applicant.

The amount of each draft must be endorsed on the reverse hereof by the negotiating bank. We hereby agree that this Letter of Credit shall be duly honored upon presentation and delivery of the certification specified above.

This Letter of Credit shall expire on *[Final Expiration Date]*.

Notwithstanding the above expiration date of this Letter of Credit, the term of this Letter of Credit shall be automatically renewed for successive, additional one (1) year periods unless, at

least sixty (60) days prior to any such date of expiration, the undersigned shall give written notice to Beneficiary, by certified mail, return receipt requested and at the address set forth above or at such other address as may be given to the undersigned by Beneficiary, that this Letter of Credit will not be renewed.

This Letter of Credit is governed by the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication 500.

Very truly yours,

[Name of Issuing Bank]

By: _____
Name: _____
Title _____

EXHIBIT K

FORM OF CERTIFICATE OF INSURANCE

ACORD. CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YY)

PRODUCER

109722-ALL-GL-06-07

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

COMPANIES AFFORDING COVERAGE

COMPANY A

COMPANY B

COMPANY C

COMPANY D

COVERAGES This certificate supersedes and replaces any previously issued certificate.

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	☐ COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	$
	☐ CLAIMS MADE ☐ OCCUR				PERSONAL & ADV INJURY	$
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED EXP (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	☐ ANY AUTO					
	☐ ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	☐ SCHEDULED AUTOS					
	☐ HIRED AUTOS				BODILY INJURY (Per accident)	$
	☐ NON-OWNED AUTOS					
					PROPERTY DAMAGE	$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
	☐ ANY AUTO				OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	$
					AGGREGATE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	☐ UMBRELLA FORM				AGGREGATE	$
	☐ OTHER THAN UMBRELLA FORM					$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				X WC STATU-TORY LIMITS ☐ OTH-ER	
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: ☐ INCL ☐ EXCL				EACH ACCIDENT	$
					DISEASE - POLICY LIMIT	$
					DISEASE - EACH EMPLOYEE	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER NYC-002611111-01

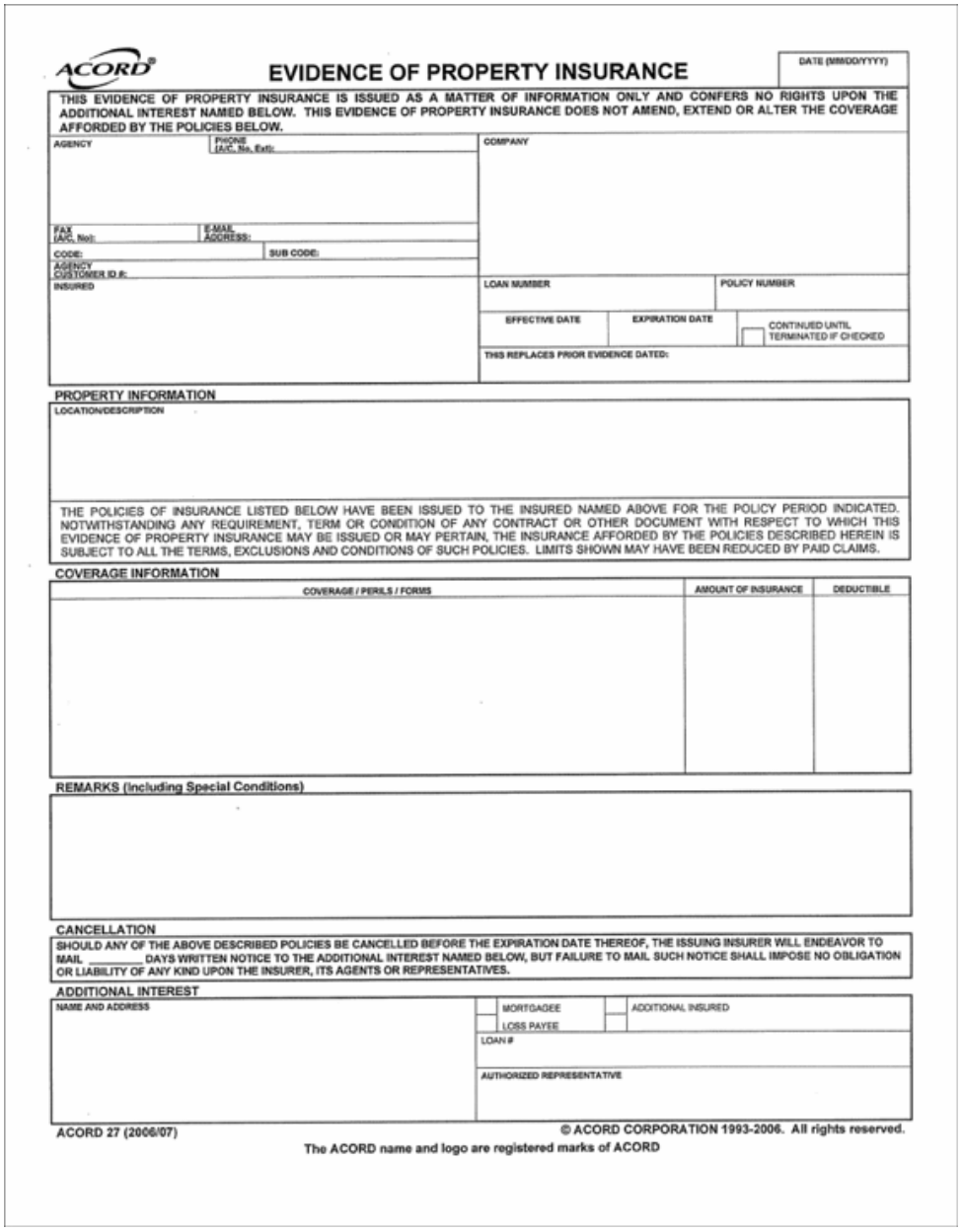
CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURANCE COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Nancy Bartolino

Nancy Bartolino

ACORD 25 (11/05) © ACORD CORPORATION 1988



ACORD

EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE OF PROPERTY INSURANCE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

AGENCY | PHONE (A/C, No, Ext): | COMPANY

FAX (A/C, No): | E-MAIL ADDRESS:

CODE: | SUB CODE:

AGENCY CUSTOMER ID #:

INSURED

LOAN NUMBER | POLICY NUMBER

EFFECTIVE DATE | EXPIRATION DATE | ☐ CONTINUED UNTIL TERMINATED IF CHECKED

THIS REPLACES PRIOR EVIDENCE DATED:

PROPERTY INFORMATION

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE

REMARKS (Including Special Conditions)

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE ADDITIONAL INTEREST NAMED BELOW, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

ADDITIONAL INTEREST

NAME AND ADDRESS | ☐ MORTGAGEE ☐ LOSS PAYEE | ☐ ADDITIONAL INSURED

LOAN #

AUTHORIZED REPRESENTATIVE

ACORD 27 (2006/07)

EXHIBIT L

FORM OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement"), made and entered into as of this _____ day of _____, 200__ by and among BRIGHTCOVE INC., a Delaware corporation, having an offices at _____ ("Tenant"), BP RUSSIA WHARF LLC, a Delaware limited liability company, having an office at c/o Boston Properties Limited Partnership, 800 Boylston Street, Boston, Massachusetts 02199-8103 (the "Landlord") and THE BANK OF NEW YORK MELLON, a New York corporation, having an office at One Wall Street, New York, New York 10286, as Administrative Agent for the benefit of the Lenders (each a "Lender" and collectively the "Lenders") under that certain Construction Loan Agreement hereinafter defined ("Administrative Agent").

W I T N E S S E T H

WHEREAS, by Lease dated _____, 2011 (hereinafter collectively referred to as the "Lease"), Landlord leased and rented to Tenant certain premises located at Atlantic Wharf, 280-294 Congress Street, Boston, Massachusetts (the "Property"), which Property is more particularly described in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the Property is or is to be encumbered by a mortgage or mortgages or other similar security agreement (collectively, the "Mortgage") in favor of or to be assigned to Administrative Agent for the benefit of the Lenders pursuant to the terms of a Construction Loan Agreement dated as of April 21, 2009 by and among Landlord, Administrative Agent and the Lenders party thereto (the "Construction Loan Agreement"); and

WHEREAS, Administrative Agent and the Lenders do not wish to make the loan or loans secured by the Mortgage or to consent to Tenant's Lease, unless Tenant subordinates the Lease and Tenant's rights thereunder to the lien and provisions of the Mortgage; and

WHEREAS, pursuant to and under the terms set forth in the Mortgage, Landlord has assigned to Administrative Agent for the benefit of the Lenders all of its right, title and interest in the Lease and the rents payable thereunder to Administrative Agent for the benefit of the Lenders as security for the performance of Landlord's obligations secured by the Mortgage; and

WHEREAS, Tenant and Administrative Agent desire hereby to establish certain rights, safeguards, obligations and priorities with respect to their respective interests by means of this Subordination, Non-Disturbance and Attornment Agreement;

NOW THEREFORE, for and in consideration of the premises and the mutual covenants and promises herein contained, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Tenant and Administrative Agent agree as follows:

1. Subject to the terms and conditions of this Agreement, the Lease and the rights of Tenant thereunder are and at all times hereafter shall be subject and subordinate to the lien of the Mortgage and to all of the terms, conditions and provisions thereof, to all advances made or to be made thereunder, to the full extent of the principal sum and interest thereon from time to time secured thereby, and to any renewal, substitution, extension, modification, consolidation, spreader or replacement thereof, including any increase in the indebtedness secured thereby or any supplements thereto, with the same force and effect as if the Mortgage had been executed, delivered and recorded prior to the execution and delivery of the Lease. In the event that Administrative Agent, the Lenders or any other person acquires title to the Property pursuant to the exercise of any remedy provided for in the Mortgage or by reason of the acceptance of a deed in lieu of foreclosure (the Administrative Agent, the Lenders and any other such person and their participants, successors and assigns being referred to herein as the "Purchaser"), Tenant covenants and agrees to attorn to and recognize and be bound to Purchaser as its new Landlord, and subject to the proviso in Paragraph 2 of this Agreement, the Lease shall continue in full force and effect as a direct Lease between Tenant and Purchaser, except that, notwithstanding anything to the contrary herein or in the Lease, the provisions of the Mortgage will govern with respect to the disposition of proceeds of Landlord's insurance policies and condemnation awards.

2. So long as the Lease is in full force and effect and Tenant is not in Default under the Lease:

(a) The right of possession of Tenant to the leased premises shall not be terminated or disturbed by any steps or proceedings taken by Administrative Agent or the Lenders in the exercise of any of its rights under the Mortgage;

(b) The Lease shall not be terminated or affected by said exercise of any remedy provided for under the Mortgage, and Administrative Agent hereby covenants that any sale by it of the Property pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, shall be made subject to the Lease and the rights of Tenant thereunder.

3. In no event shall Administrative Agent, the Lenders or any other Purchaser be:

(a) liable for any accrued obligation of, or any act or omission of, the Landlord or any prior landlord, provided, however, the foregoing shall not relieve Administrative Agent, the Lenders or any Purchaser of the obligation to perform Landlord's obligations under the Lease after succeeding to Landlord's interest under the Lease;

(b) liable for the return of any security deposit which was delivered to Landlord, but which was not subsequently delivered to Administrative Agent, the Lenders or any other Purchaser;

(c) subject to any offsets, defenses or counterclaims which the Tenant might have against Landlord or any prior landlord, except for any rights of abatement as expressly set forth in Sections 7.6 and Article XIV of the Lease;

(d) bound by any payment of rent or additional rent which Tenant might have paid to Landlord or any prior landlord for more than the current month; or

(e) bound by any action listed in Paragraph 7(a) through (d) below made without Administrative Agent's or such other Purchaser's prior written consent.

4. Neither Administrative Agent, the Lenders nor any Purchaser shall be obligated to undertake or complete any construction, renovation, addition or capital improvements to the Property or the premises demised under the Lease, nor to pay or reimburse the cost of any construction or other special landlord work (either presently underway or hereafter to be undertaken), nor to make any repairs to the Property or to the premises demised under the Lease as a result of any fire or other casualty or by reason of condemnation, and whether or not the same is set forth in the Lease or any other agreement, nor, so long as the Mortgage remains outstanding and unpaid, shall the proceeds of any insurance or condemnation awards of Landlord be applied other than as provided for in the Mortgage and the Construction Loan Agreement. Nothing set forth in this Section 4 shall affect or postpone Tenant's right to exercise Tenant's express termination rights under the Lease, as such termination rights are affected by Section 5 below.

5. Tenant agrees to give prompt written notice to Administrative Agent of any default by Landlord under the Lease which would entitle Tenant to cancel the Lease or abate the rent payable thereunder, and agrees that notwithstanding any provision of the Lease, no notice of cancellation thereof given on behalf of Tenant shall be effective unless Administrative Agent has received said notice and has failed within thirty (30) days of the date of receipt thereof to cure Landlord's default, or if the default cannot reasonably be cured within thirty (30) days, has failed to commence and to diligently pursue the cure of Landlord's default which gave rise to such right of cancellation or abatement. Tenant further agrees to give such notices to any successor of Administrative Agent, provided that such successor shall have given written notice to Tenant of its acquisition of Administrative Agent's interest in the Mortgage and designated the address to which such notices are to be sent.

6. Tenant acknowledges that Landlord will execute and deliver to Administrative Agent for the benefit of the Lenders Assignments of Leases and Rents conveying the rentals under the Lease as additional security for the loan secured by the Mortgage, and Tenant hereby expressly consents to such Assignments.

7. Tenant agrees that it will not, without the prior written consent of Administrative Agent, which will not unreasonably withheld, conditioned or delayed, do any of the following, and any such purported action without such consent shall be void as against Administrative Agent and the Lenders:

(a) materially modify or materially amend or terminate the Lease, except for the exercise of Tenant's express termination rights set forth in the Lease; or

(b) enter into any extensions or renewals thereof in such a way as to reduce the rent (other than pursuant to the extension or renewal options in the Lease), accelerate rent payments, shorten the term of the lease, or materially change any renewal option; or

(c) prepay any of the rents, additional rents or other sums due under the Lease for more than one (1) month in advance of the due dates thereof other than any security deposits (including last month's rent), exclusive of payments of additional rent on an estimated basis in accordance with the terms of the Lease; or

(d) assign the Lease or sublet the premises demised under the Lease or any part thereof except pursuant to the provisions of the Lease.

8. Landlord hereby irrevocably authorizes and directs Tenant to pay to Administrative Agent, or to such person or firm designated by Administrative Agent, all rent and other monies due and to become due to Landlord under the Lease after notice from Administrative Agent to Tenant that there has occurred and is continuing an Event of Default under the Mortgage. Tenant shall be entitled to rely upon any such notice received from Administrative Agent, and shall have no duty to inquire concerning the truth or efficacy of any such notice or to honor any contrary notice or demand received from Landlord. Tenant shall, after such notice from Administrative Agent, pay to Administrative Agent, or to such person or firm designated by Administrative Agent, all rent and other monies due and to become due to Landlord under the Lease. Such receipt of rent by Administrative Agent or any other party shall not relieve Landlord of its obligations under the Lease, and Tenant shall continue to look to Landlord only for performance thereof. No person or entity who exercises a right, arising under the Mortgage or any assignment of the Lease, to receive the rents, additional rents or other sums payable by Tenant under the Lease shall thereby become obligated to Tenant for the performance of any of the terms, covenants, conditions and agreements of Landlord under the Lease.

9. Tenant agrees that if Administrative Agent or the Lenders acquire title to the Property as a result of foreclosure of the Mortgage, the acceptance of a deed in lieu of such foreclosure, or obtaining control of the Property pursuant to the remedies contained

in the Mortgage, the laws of the Commonwealth of Massachusetts or otherwise, Tenant shall have no recourse to any assets of Administrative Agent or any Lender other than the Property and the rents, issues and proceeds therefrom. Upon Administrative Agent's or the Lenders' acquisition of title to or control of the Premises in the manner aforesaid, the Lease shall be modified to include the provisions contained herein notwithstanding any other provisions of said Lease.

10. Tenant agrees to certify in writing to Administrative Agent, upon request, whether or not, to Tenant's actual knowledge, any default on the part of Landlord then exists under the Lease and the nature of any such default.

11. The foregoing provisions shall be self-operative and effective without the execution of any further instruments on the part of either party hereto. However, Tenant agrees to execute and deliver to Administrative Agent such other commercially reasonable instruments as Administrative Agent shall reasonably request in order to evidence the full subordination of the Lease to the lien of the Mortgage and otherwise effectuate the provisions of this Agreement.

12. From and after payment in full of the loan secured by the Mortgage and the recordation of a release or satisfaction thereof, without the transfer of the Property to Administrative Agent or the Lenders as a Purchaser, this Agreement shall become void and of no further force or effect.

13. The term "Administrative Agent" as used herein shall include the successors and assigns of Administrative Agent and any person, party or entity which shall become the owner of the Property by reason of foreclosure of the Mortgage or the acceptance of a deed in lieu of a foreclosure of the Mortgage or otherwise. The term "Lenders" as used herein shall mean and include the present Lenders under the Construction Loan Agreement and any such Lender's successors and assigns. The term "Landlord" as used herein shall mean and include the present landlord under the Lease and such landlord's predecessors and successors in interest under the Lease. The term "Property" as used herein shall mean the Property, the improvements now or hereafter located thereon and the estates therein encumbered by the Mortgage.

14. The agreements herein contained shall be binding upon and shall inure to the benefit of the parties hereto, their respective participants, successors, and assigns, and, without limiting such, the agreements of Administrative Agent shall specifically be binding upon any Purchaser of the Property at foreclosure or at a sale under power.

15. This Agreement may not be modified other than by an agreement in writing signed by the parties hereto or their respective successors.

16. This Agreement may be signed in counterparts, all of which taken together shall constitute one and the same instrument, and each of the parties hereto may execute this Agreement by signing any such counterpart.

17. If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remaining terms and provisions hereof shall not be affected thereby, but each term and provision hereof shall be valid and enforceable to the fullest extent permitted by law.

18. All notices, demands or requests, and responses thereto, required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when sent by certified or registered mail, postage prepaid, return receipt requested, or nationwide commercial courier service, and addressed to the party as provided below or at such other place as such party may from time to time designate in a notice to the other parties. Any notice shall be effective three (3) business days after the letter transmitting such notice is certified or registered and deposited in the United States Mail, or, if delivery is by nationwide commercial courier service, one (1) business day after the letter transmitting such notice is delivered to such commercial courier service. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been given shall constitute receipt of the notice, demand or request sent. Any such notice if given to Administrative Agent shall be addressed as follows:

The Bank of New York Mellon, as Administrative Agent
One Wall Street – 18th Floor
New York, New York 10286
Attention: Sandra Scaglione

with copies to:

The Bank of New York Mellon, as Administrative Agent
One Wall Street – 21st Floor
New York, New York 10286
Attention: Kenneth McDonnell
Vice President

and to:

Emmet, Marvin & Martin, LLP
120 Broadway
New York, New York 10271
Attention: John P. Uehlinger, Esq.

If given to Tenant shall be addressed as follows:

Brightcove Inc.

Atlantic Wharf
Waterfront Office Building
290 Atlantic Avenue
Boston, Massachusetts 02110
Attention: General Counsel

And to:

Goodwin Procter LLP
Exchange Place
Boston, Massachusetts 02109
Attention: William J. Schnoor, Jr., Esq.

If given to Landlord shall be addressed as follows:

BP Russia Wharf LLC
c/o Boston Properties Limited Partnership
800 Boylston Street
Boston, Massachusetts 02199-8103
Attention: _____

19. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Massachusetts (without regard to conflict of law provisions thereof).

(balance of page left intentionally blank)

IN WITNESS WHEREOF, Tenant, Landlord and Administrative Agent have caused this Agreement to be executed as of the day and year first above written.

TENANT:

BRIGHTCOVE INC.

By: _____
Name:
Title:

ADMINISTRATIVE AGENT:

THE BANK OF NEW YORK MELLON, as Administrative Agent

By: _____
Name: Kenneth McDonnell
Title: Vice President

LANDLORD:

BP RUSSIA WHARF LLC, a Delaware limited liability company

By: Boston Properties Limited Partnership, a Delaware limited partnership, its Sole Member and Manager

By: Boston Properties, Inc., a Delaware corporation, its Sole General Partner

By: _____
Name:
Title:

COMMONWEALTH OF MASSACHUSETTS

_____ ss. _____ 11

Before me, the undersigned Notary Public, personally appeared _____, as _____ of Brightcove, Inc. proved to me through satisfactory evidence of identification, which was ☐ photographic identification with signature issued by a federal or state government agency, ☐ oath or affirmation of a credible witness, ☐ personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document(s), and who swore or affirmed to me that the contents of the document(s) are truthful and accurate to the best of the signatory's knowledge and belief, and acknowledged the foregoing to be the signatory's free act and deed and the free act and deed of Brightcove, Inc.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

_____ ss. _____ 11

Before me, the undersigned Notary Public, personally appeared Kenneth McDonnell of The Bank of New York Mellon in its capacity as Administrative Agent as aforesaid, proved to me through satisfactory evidence of identification, which was ☐ photographic identification with signature issued by a federal or state government agency, ☐ oath or affirmation of a credible witness, ☐ personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document(s), and who swore or affirmed to me that the contents of the document(s) are truthful and accurate to the best of the signatory's knowledge and belief, and acknowledged the foregoing to be the signatory's free act and deed and the free act and deed of The Bank of New York Mellon in its capacity as Administrative Agent as aforesaid.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

_____ ss. _____ 11

Before me, the undersigned Notary Public, personally appeared _____, as _____ of Boston Properties, Inc. in it capacity as the sole general partner of Boston Properties Limited Partnership in its capacity as sole member and manager of BP Russia Wharf LLC proved to me through satisfactory evidence of identification, which was ☐ photographic identification with signature issued by a federal or state government agency, ☐ oath or affirmation of a credible witness, ☐ personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document(s), and who swore or affirmed to me that the contents of the document(s) are truthful and accurate to the best of the signatory's knowledge and belief, and acknowledged the foregoing to be the signatory's free act and deed and the free act and deed of Boston Properties, Inc. in it capacity as the sole general partner of Boston Properties Limited Partnership in its capacity as sole member and manager of BP Russia Wharf LLC.

_____
Notary Public
My Commission Expires:

EXHIBIT A

Page 11
Exhibit L

EXHIBIT M

OPERATING EXPENSE EXCLUSIONS

The following costs and expenses shall be excluded from Operating Expenses:

(1) real estate taxes payable pursuant to Section 6.1;

(2) principal or interest on indebtedness, debt amortization or ground rent paid by Landlord in connection with any mortgages, deeds of trust or other financing encumbrances, or ground leases of the Building or the Site;

(3) All capital expenditures and depreciation, including all costs that under generally accepted accounting principles are properly classified as capital expenses, capital improvements or capital repairs, except as otherwise explicitly provided in this Lease with respect to Permitted Capital Expenditures;

(4) legal, auditing, consulting and professional fees and other costs paid or incurred in connection with financings, refinancings or sales of any interest in Landlord or of Landlord's interest in the Building or the Site or in connection with any ground lease (including, without limitation, recording costs, mortgage recording taxes, title insurance premiums and other similar costs, but excluding those legal, auditing, consulting and professional fees and other costs incurred in connection with the normal and routine maintenance and operation of the Building and/or the Site);

(5) legal fees, space planner's fees, architect's fees, leasing and brokerage commissions, advertising and promotional expenditures and any other marketing expense incurred in connection with the leasing of space in the Building (including new leases, lease amendments, lease terminations and lease renewals);

(6) the cost of any items to the extent to which such cost is reimbursable to Landlord by tenants of the Building and/or Atlantic Wharf (other than through operating cost escalation or pass-through provisions similar to Article VII of the Lease); the cost of any other items which is actually reimbursed to Landlord by other third parties; and the cost of any other items which is covered by a warranty to the extent of actual reimbursement for such coverage;

(7) expenditures for any leasehold improvement which is made in connection with the preparation of any portion of the Building for occupancy by any tenant or which is not made generally to or for the benefit of the Building or the Site;

(8) the cost of performing work or furnishing service to or for any tenant other than Tenant, at Landlord's expense, to the extent such work or service is in excess of any work or service Landlord is obligated to provide to Tenant or generally to other tenants in

the Building at Landlord's expense, and any amounts billed or billable to Tenant or any other tenant for any services furnished to Tenant or any other tenant by Landlord or Landlord's agents or contractors for which a separate charge is made, including, without limitation, the supply of overtime air-conditioning, ventilation and heating, and above-standard cleaning services;

(9) the cost of repairs or replacements incurred by reason of fire or other casualty, or condemnation (other than costs not in excess of the Maximum Deductible, as hereinafter defined, on any insurance maintained by Landlord which provides a recovery for such repair or replacement), to the extent Landlord actually receives proceeds of property and casualty insurance policies or condemnation awards or would have received such proceeds had Landlord maintained the insurance required to be maintained by Landlord under this Lease. For the purposes of this Lease, "Maximum Deductible" shall mean One Hundred Thousand Dollars ($100,000) on a per occurrence basis, increased on an annual basis as of each anniversary of the Commencement Date of this Lease by the corresponding percentage increase in CPI for the immediately preceding twelve (12) month period.

(10) the cost of acquiring sculptures, paintings or other objects of fine art in the Building in excess of amounts typically spent for such items in Class A office buildings of comparable quality in the competitive area of the Building;

(11) bad debt loss, rent loss, or reserves for bad debt or rent loss;

(12) contributions to operating expense reserves or reserves of any kind;

(13) contributions to charitable or political organizations in excess of amounts typically spent for such contributions in Class A office buildings of comparable quality in the competitive area of the Building;

(14) expenses related solely and exclusively to the operation of the Garage, the Retail Unit or the Russia Building;

(15) damage and repairs necessitated by the gross negligence or willful misconduct of Landlord Parties;

(16) fees, costs and expenses incurred by Landlord in connection with or relating to claims against or disputes with tenants of the Building;

(17) interest, fines or penalties for late payment or violations of Legal Requirements by Landlord if any, except to the extent incurring such expense is either (a) a reasonable business expense under the circumstances or (b) caused by a corresponding late payment or violation of a Legal Requirement by Tenant, in which event Tenant shall be responsible for the full amount of such expense;

(18) costs to clean-up, contain, encapsulate, abate, remove or remediate "Hazardous Materials" (as that term is defined in Section 11.2 below) in the Building or on the Site required by "Hazardous Materials Laws" (as that term is defined in Section 11.2 below), provided, however, that the provisions of this clause shall not preclude the inclusion of costs with respect to materials (whether existing at the Property as of the date of this Lease or subsequently introduced to the Property) which are not as of the date of this Lease (or as of the date of introduction) deemed to be Hazardous Materials under applicable Hazardous Materials Laws but which are subsequently deemed to be Hazardous Materials under applicable Hazardous Materials Laws (it being understood and agreed that Tenant shall nonetheless be responsible under Section 11.2 of this Lease for all costs of remediation and removal of Hazardous Materials to the extent caused by Tenant Parties);

(19) costs of replacements, alterations or improvements necessary to make the Building or Atlantic Wharf comply with Legal Requirements in effect and applicable to the Building and/or Atlantic Wharf following Landlord's Substantial Completion of Landlord's Work, except to the extent the need for such replacements, alterations or improvements is caused by Tenant Parties (in which case Tenant shall nonetheless be responsible for such costs in accordance with Section 11.9 of this Lease), provided, however, that the provisions of this clause shall not preclude the inclusion of costs of compliance with Legal Requirements enacted prior to the date of this Lease if such compliance is required for the first time by reason of any amendment, modification or reinterpretation of a Legal Requirement which is imposed after the date of this Lease;

(20) costs for the original construction and development of the Building and/or Atlantic Wharf and nonrecurring costs for the repair or replacement of any structural portion of the Building and/or Atlantic Wharf made necessary as a result of defects in the original design, workmanship or materials;

(21) costs and expenses incurred for the administration of the entity which constitutes Landlord, as the same are distinguished from the costs of operation, management, maintenance and repair of the Property, including, without limitation, entity accounting and legal matters;

(22) salaries and all other compensation (including fringe benefits) of partners, officers and executives above the grade of regional property manager;

(23) the wages and benefits of any employee who does not devote substantially all of his or her employed time to the Property unless such wages and benefits are prorated on a reasonable basis to reflect time spent on the operation and management of the Property vis-à-vis time spent on matters unrelated to the operation and management of the Property;

(24) except as may be otherwise expressly provided in this Lease with respect to specific items, the cost of any services or materials provided by any party related to Landlord, to the extent such cost exceeds, the reasonable cost for such services or materials absent such relationship in self-managed buildings similar to the Building in the vicinity of the Building;

(25) depreciation for the Building except as otherwise provided in Section 7.4(j) of the Lease;

(26) Payments for rented equipment, the cost of which equipment would constitute a capital expenditure if the equipment were purchased to the extent that such payments exceed the amount which could have been included in Landlord's Operating Expenses had Landlord purchased such equipment rather than leasing such equipment;

(27) Penalties, damages, and interest for late payment or violations of any obligations of Landlord, including, without limitation, taxes, Legal Requirements, insurance, equipment leases and other past due amounts;

(28) The costs of new services or substantial increases in existing services (such as a substantial increase in security services) to the extent such new or increased level of services are instituted solely as the result of the presence of a particular occupant of the Building, such as for example, the costs of providing additional security services due to threats against or at the request of a particular occupant of the Building;

(29) Costs in connection with acquiring additional land or development rights or of constructing any additional buildings within Atlantic Wharf ;

(30) Costs of mitigation or impact fees or subsidies imposed or incurred in connection with the initial construction of the Building; and

(31) Costs incurred solely in connection with the operation of any retail or restaurant operations for the Building, including without limitation, any operating subsidy for any cafeteria.

EXHIBIT N
ELEVATION FOR TENANT'S PERMITTED STREET SIGNAGE

Exhibit N

Exhibit 10.8

LOAN AND SECURITY AGREEMENT

This **LOAN AND SECURITY AGREEMENT** (this "**Agreement**") dated as of March 30, 2011 (the "**Effective Date**") is between **SILICON VALLEY BANK**, a California corporation ("**Bank**"), and **BRIGHTCOVE INC.**, a Delaware corporation ("**Borrower**"), and provides the terms on which Bank shall lend to Borrower, and Borrower shall repay Bank. The parties agree as follows:

1 ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP; *provided* that if at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either Borrower or Bank shall so request, Borrower and Bank shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; *provided, further*, that, until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) Borrower shall provide Bank financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Notwithstanding the foregoing, all financial calculations (whether for pricing covenants, or otherwise) shall be made with regard to Borrower only and not on a consolidated basis. The term "financial statements" includes the notes and schedules. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13 of this Agreement. All other terms contained in this Agreement, unless otherwise indicated, shall have the meanings provided by the Code to the extent such terms are defined therein.

2 LOAN AND TERMS OF PAYMENT

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay Bank the outstanding principal amount of all Credit Extensions and accrued and unpaid interest thereon together with any fees and Finance Charges as and when due in accordance with this Agreement.

2.1.1 Financing of Accounts

(a) Availability.

(i) Subject to the terms of this Agreement and provided that Borrower is not Streamline Facility Eligible, Borrower may request that Bank finance specific Eligible Accounts. Bank may, in its good faith business discretion, finance such Eligible Accounts by extending credit to Borrower in an amount equal to the result of the Advance Rate multiplied by the face amount of the Eligible Account. Bank may, in its sole discretion, change the percentage of the Advance Rate for a particular Eligible Account on a case by case basis upon notice to Borrower.

(ii) Subject to the terms of this Agreement and provided that Borrower is Streamline Facility Eligible, Borrower may request that Bank finance Eligible Accounts on an aggregate basis (the "Aggregate Eligible Accounts"). Bank may, in its good faith business discretion, finance Aggregate Eligible Accounts by extending credit to Borrower in an amount equal to the result of the Advance Rate multiplied by the face amount of the Aggregate Eligible Accounts. Bank may, in its good faith business discretion, change the percentage of the Advance Rate and/or Borrowing Base for the Aggregate Eligible Accounts on a case by case basis upon notice to Borrower.

(iii) Any extension of credit made pursuant to the terms of subsections (i) or (ii) above shall hereinafter be referred to as an "Advance", and, collectively, the "Advances". When Bank makes an Advance, the Eligible Account or the Aggregate Eligible Accounts each become a separate "Financed Receivable".

(b) Maximum Advances; Sublimit.

(i) The aggregate face amount of all Financed Receivables outstanding at any time may not exceed the Facility Amount. In addition and notwithstanding the foregoing, (A) the aggregate amount of Advances outstanding at any time may not exceed Eight Million Dollars ($8,000,000.00), and (B) while Borrower is Streamline Facility Eligible, the aggregate amount of (1) Advances outstanding hereunder, plus (2) the Dollar Equivalent amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) issued pursuant to Section 2.1.2 that is not cash secured pursuant to Section 2.1.2, plus (3) the portion of the FX Reduction Amount based on FX Forward Contracts that is not cash secured pursuant to Section 2.1.3, plus (4) the sum of amounts utilized for Cash Management Services pursuant to Section 2.1.4 that are not cash secured pursuant to Section 2.1.4, may not exceed at any time the Availability Amount.

(ii) The sum of (A) the aggregate amount of the Dollar Equivalent amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) issued pursuant to Section 2.1.2, plus (B) the FX Reduction Amount, plus (C) the sum of amounts utilized for Cash Management Services pursuant to Section 2.1.4, may not exceed Two Million Five Hundred Thousand Dollars ($2,500,000.00) in the aggregate at any time.

(iii) If, at any time, amounts outstanding exceed the amounts set forth in this Section 2.1.1(b), Borrower shall immediately pay to Bank in cash such excess amount, and Borrower hereby irrevocably authorizes Bank to debit any of its accounts maintained with Bank or any of Bank's Affiliates (other than accounts designated solely for, and used exclusively for, payroll) in connection therewith.

(c) Borrowing Procedure. Borrower will deliver an Advance Request and Invoice Transmittal in the form attached hereto as **Exhibit C** signed by a Responsible Officer for each Credit Extension it requests, accompanied by (i) an accounts receivable aging and a Borrowing Base Certificate in the form attached hereto as **Exhibit D**, with respect to requests for Credit Extensions while Borrower is Streamline Facility Eligible, or (ii) by invoices, with respect to requests for Advances while Borrower is not Streamline Facility Eligible. Bank may rely on information set forth in or provided with the Advance Request and Invoice Transmittal. In addition, upon Bank's request, Borrower shall deliver to Bank any contracts, purchase orders, or other underlying supporting documentation with respect to any Eligible Account or Aggregate Eligible Accounts.

(d) Credit Quality; Confirmations. Bank may, at its option, conduct a credit check of the Account Debtor for each Account requested by Borrower for financing hereunder to approve any such Account Debtor's credit before agreeing to finance such Account. Bank may also verify directly with the respective Account Debtors the validity, amount and other matters relating to the Accounts (including confirmations of Borrower's representations in Section 5.3 of this Agreement) by means of mail, telephone or otherwise, either in the name of Borrower or Bank from time to time in its sole discretion; provided, however, prior to the occurrence and continuance of an Event of Default, Bank will notify Borrower prior to making any direct contact with Borrower's Account Debtors.

(e) Accounts Notification/Collection. Bank may notify any Account Debtor of Bank's security interest in the Borrower's Accounts and verify and/or collect them; provided, however, prior to the occurrence and continuance of an Event of Default, Bank will notify Borrower prior to making any direct contact with Borrower's Account Debtors.

(f) Early Termination. This Agreement may be terminated prior to the Maturity Date as follows: (i) by Borrower, effective three (3) Business Days after written notice of termination is given to Bank; or (ii) by Bank at any time after the occurrence and during the continuance of an Event of Default, without notice, effective immediately.

(g) Maturity. This Agreement shall terminate and all Obligations outstanding hereunder shall be immediately due and payable in full on the Maturity Date.

(h) Suspension of Credit Extensions. Borrower's ability to request that Bank make Credit Extensions hereunder will terminate if, in Bank's good faith business discretion, there has been a material adverse change in the general affairs, management, results of operation, condition (financial or otherwise) or the prospect of repayment of the Obligations when due, or there has been any material adverse deviation by Borrower from the most recent business plan of Borrower presented to and accepted by Bank prior to the Effective Date.

(i) End of Streamline Facility Eligible Status. On any day that Borrower ceases to be Streamline Facility Eligible, (i) all outstanding Advances made based on Aggregate Eligible Accounts shall be immediately due and payable, together with all Finance Charges accrued thereon, and (ii) all amounts outstanding and/or utilized pursuant to Sections 2.1.2, 2.1.3 and 2.1.4 that are not already cash secured pursuant to Sections 2.1.2, 2.1.3 and 2.1.4, respectively, shall immediately be cash secured pursuant to the terms of Sections 2.1.2, 2.1.3 and/or 2.1.4, as applicable. Provided no Event of Default then exists hereunder and subject to the terms of this Agreement, Bank may, in its good faith business discretion, refinance the outstanding principal amount of such Advances with new Advances made based on specific Eligible Accounts (in accordance with this Agreement, including, without limitation, Section 2.1.1 hereof). In connection with same, Borrower shall deliver to Bank an Advance Request and Invoice Transmittal in the form attached hereto as **Exhibit C** containing detailed invoice reporting, signed by a Responsible Officer, together with a current accounts receivable aging and a copy of each invoice, all in accordance with Section 6.2(h) hereof and Bank may, in its good faith business discretion, finance same (in accordance with this Agreement, including, without limitation, Section 2.1.1 hereof) and each Eligible Account financed shall thereafter be deemed to be a Financed Receivable for purposes of this Agreement. If, following such determination, the outstanding principal amount of the Obligations in connection with Advances made pursuant to Section 2.1.1 exceeds the amount of Advances Bank has agreed to make based on specific Eligible Accounts, Borrower shall immediately pay to Bank the excess and, in connection with same, hereby irrevocably authorizes Bank to debit any account of Borrower maintained by Borrower with Bank or any of Bank's Affiliates (other than accounts designated solely for, and used exclusively for, payroll) for the amount of such excess.

(j) Commencement of Streamline Facility Eligible Status. On any day that Borrower becomes Streamline Facility Eligible, all outstanding Advances made based on Eligible Accounts shall be immediately due and payable, together with all Finance Charges and Collateral Handling Fees accrued thereon. Provided no Event of Default then exists hereunder and subject to the terms of this Agreement, Bank may, in its good faith business discretion, refinance such Advances with new Advances made based on Aggregate Eligible Accounts (in accordance with this Agreement, including, without limitation, Section 2.1.1 hereof). In connection with such request, Borrower shall deliver to Bank (i) an Advance Request and Invoice Transmittal in the form attached hereto as **Exhibit C** containing a current accounts receivable aging, and (ii) a Borrowing Base Certificate in the form attached hereto as **Exhibit D**, and Bank may, in its good faith business discretion, refinance the outstanding principal amount of such Advances with new Advances made based on Aggregate Eligible Accounts (in accordance with this Agreement, including, without limitation, Section 2.1.1 hereof) and the Aggregate Eligible Accounts financed shall thereafter be deemed to be a Financed Receivable for purposes of this Agreement. If, following such determination, the outstanding principal amount of the Obligations in connection with Advances made pursuant to Section 2.1.1 exceeds the amount of Advances Bank has agreed to make based on Aggregate Eligible Accounts, Borrower shall immediately pay to Bank the excess and, in connection with same, hereby irrevocably authorizes Bank to debit any account of Borrower maintained by Borrower with Bank or any of Bank's Affiliates (other than accounts designated solely for, and used exclusively for, payroll) for the amount of such excess.

2.1.2 Letters of Credit.

(a) For so long as Borrower is Streamline Facility Eligible, upon Borrower's request, Bank may, in its good faith business discretion, issue or have issued Letters of Credit denominated in Dollars or a Foreign Currency for Borrower's account. The aggregate Dollar Equivalent amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letters of Credit Reserve) may not exceed the amounts set forth in Section 2.1.1(b) above. Any such aggregate amounts utilized hereunder, to the extent not cash secured as set forth herein, shall reduce the amount otherwise available for Credit Extensions hereunder. If, on the Maturity Date, and immediately when Borrower is no longer Streamline Facility Eligible, there are any outstanding Letters of Credit, then on such date Borrower shall provide to Bank cash collateral in an amount equal to (i) with respect to Letters of Credit denominated in Dollars, one hundred and five percent (105.0%), and (ii) with respect to Letters of Credit denominated in a currency other than Dollars, one hundred ten percent (110.0%), of the Dollar Equivalent amount of all such Letters of Credit plus all interest, fees, and costs due or to become due in connection therewith

(as estimated by Bank in its good faith business judgment), to secure all of the Obligations relating to such Letters of Credit. After Borrower ceases to be Streamline Facility Eligible, Borrower shall continue to maintain such cash collateral as contemplated by the prior sentence until Bank agrees in writing otherwise, in its sole and absolute discretion (and regardless of whether Borrower subsequently becomes Streamline Facility Eligible). All Letters of Credit shall be in form and substance acceptable to Bank in its sole discretion and shall be subject to the terms and conditions of Bank's standard Application and Letter of Credit Agreement (the "Letter of Credit Application"). Borrower agrees to execute any further documentation in connection with the Letters of Credit as Bank may reasonably request. Borrower further agrees to be bound by the regulations and interpretations of the issuer of any Letters of Credit guaranteed by Bank and opened for Borrower's account or by Bank's interpretations of any Letters of Credit issued by Bank for Borrower's account, and Borrower understands and agrees that Bank shall not be liable for any error, negligence, or mistake, whether of omission or commission, in following Borrower's instructions or those contained in the Letters of Credit or any modifications, amendments, or supplements thereto, except for errors or mistakes directly resulting from Bank's gross negligence or willful misconduct.

(b) The obligation of Borrower to immediately reimburse Bank for drawings made under Letters of Credit shall be absolute, unconditional, and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement, such Letters of Credit, and the Letter of Credit Application.

(c) Borrower may request that Bank issue a Letter of Credit payable in a Foreign Currency. If a demand for payment is made under any such Letters of Credit, Bank shall treat such demand as an Advance to Borrower of the equivalent of the amount thereof (plus fees and charges in connection therewith such as wire, cable, SWIFT or similar charges) in Dollars at the then-prevailing rate of exchange in San Francisco, California, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

(d) To guard against fluctuations in currency exchange rates, upon the issuance of any Letters of Credit payable in a Foreign Currency, Bank shall create a reserve (the "Letter of Credit Reserve") in an amount equal to ten percent (10.0%) of the Dollar Equivalent amount of such Letters of Credit. The amount of the Letter of Credit Reserve may be adjusted by Bank from time to time to account for fluctuations in the exchange rate.

(e) Borrower shall pay Bank's customary fees and expenses for the issuance or renewal of Letters of Credit, upon the issuance of such Letter of Credit, each anniversary of the issuance during the term of such Letter of Credit, and upon the renewal of such Letter of Credit by Bank.

2.1.3 Foreign Exchange Sublimit. For so long as Borrower is Streamline Facility Eligible, upon Borrower's request, Bank may, in its good faith business discretion, permit Borrower to use a portion of its availability hereunder (which amount is set forth in Section 2.1.1(b)) to enter into foreign exchange contracts with Bank under which Borrower commits to purchase from or sell to Bank a specific amount of Foreign Currency (each, a "**FX Forward Contract**") on a specified date (the "**Settlement Date**"). FX Forward Contracts shall have a Settlement Date of at least one (1) FX Business Day after the contract date and shall be subject to a reserve of ten percent (10.0%) of each outstanding FX Forward Contract. The amount otherwise available for Credit Extensions hereunder shall be reduced by an amount equal to ten percent (10.0%) of each outstanding FX Forward Contract (the "**FX Reduction Amount**"). Any amounts needed to fully reimburse Bank for any amounts not paid by Borrower in connection with FX Forward Contracts will be treated as Advances made based on Aggregate Eligible Accounts and will accrue interest at the interest rate applicable to Advances made based upon Aggregate Eligible Accounts. If, on the Maturity Date, and immediately when Borrower is no longer Streamline Facility Eligible, there are any outstanding FX Forward Contracts, then on such date Borrower shall provide to Bank cash collateral in an amount consistent with Bank's current foreign exchange contracts policies to secure all of the Obligations relating to such FX Forward Contracts. After Borrower ceases to be Streamline Facility Eligible, Borrower shall continue to maintain such cash collateral as contemplated by the prior sentence until Bank agrees in writing otherwise, in its sole and absolute discretion (and regardless of whether Borrower subsequently becomes Streamline Facility Eligible).

2.1.4 Cash Management Services Sublimit. For so long as Borrower is Streamline Facility Eligible, upon Borrower's request, Bank may, in its good faith business discretion, permit Borrower to use a portion of its availability hereunder (which amount is set forth in Section 2.1.1(b)) for Bank's cash management services, which may include merchant services, direct deposit of payroll, business credit card, and check cashing services identified in Bank's various cash management services agreements (collectively, the "Cash Management Services"). Any amounts Bank pays on behalf of Borrower for any Cash Management Services shall reduce the amount otherwise

available for Credit Extensions hereunder. If, on the Maturity Date, and immediately when Borrower is no longer Streamline Facility Eligible, there are any outstanding Cash Management Services, then on such date Borrower shall provide to Bank cash collateral in an amount consistent with Bank's current cash management services policies to secure all of the Obligations relating to such Cash Management Services. After Borrower ceases to be Streamline Facility Eligible, Borrower shall continue to maintain such cash collateral as contemplated by the prior sentence until Bank agrees in writing otherwise, in its sole and absolute discretion (and regardless of whether Borrower subsequently becomes Streamline Facility Eligible).

2.2 Collections, Finance Charges, Remittances and Fees. The Obligations shall be subject to the following fees and Finance Charges. Unpaid fees and Finance Charges may, in Bank's discretion, accrue interest at the then highest rate applicable to the Obligations.

2.3 Collections. Collections will be credited to the Financed Receivable Balance for such Financed Receivable, but if there is an Event of Default, Bank may apply Collections to the Obligations in any order it chooses. If Bank receives a payment for both a Financed Receivable and a non-Financed Receivable, the funds will first be applied to the Financed Receivable and, if there is no Event of Default then existing, the excess will be remitted to Borrower, subject to Section 2.9 of this Agreement.

2.4 Loan Fee. A fully earned, non-refundable loan fee of Twenty Thousand Dollars ($20,000.00) is due upon the Effective Date (the "**Loan Fee**").

2.5 Finance Charges. In computing Finance Charges on the Obligations under this Agreement, all Collections received by Bank shall be deemed applied by Bank on account of the Obligations on the day of receipt of the Collections. Borrower will pay a finance charge (the **"Finance Charge**") on the Financed Receivable Balance or Account Balance (as applicable) which is equal to **the Applicable** Rate divided by 360 multiplied by the number of days each such Financed Receivable is outstanding multiplied by (a) with respect to Financed Receivables based on Eligible Accounts, the outstanding Financed Receivable Balance of such Financed Receivable, and (b) with respect to Financed Receivables based on Aggregate Eligible Accounts, the outstanding Account Balance. Except as otherwise provided in Section 2.1.1(i), Section 2.1.1(j) and/or Section 2.11.1(b)(i), the Finance Charge is payable when the Advance made based on such Financed Receivable is due and payable in accordance with Section 2.11 of this Agreement. Immediately upon the occurrence and during the continuance of an Event of Default, the Applicable Rate will increase to the Default Rate.

2.6 Collateral Handling Fee. With respect to Financed Receivables based upon Eligible Accounts, Borrower will pay to Bank a collateral handling fee equal to 0.10% per Reconciliation Period of the Financed Receivable Balance for each such Financed Receivable outstanding based upon a 360 day year (the "**Collateral Handling Fee**"). The Collateral Handling Fee is charged on a daily basis and is equal to the Collateral Handling Fee divided by 30, multiplied by the number of days each such Financed Receivable is outstanding, multiplied by the outstanding Financed Receivable Balance. Except as otherwise provided in Section 2.1.1(j), the Collateral Handling Fee is payable when the Advance made based on such Financed Receivable is payable in accordance with Section 2.11 of this Agreement. In computing Collateral Handling Fees under this Agreement, all Collections received by Bank shall be deemed applied by Bank on account of Obligations on the day of receipt of the Collections. Immediately upon the occurrence and during the continuance of an Event of Default, the Collateral Handling Fee will increase an additional 0.50%.

2.7 Accounting. After each Reconciliation Period, Bank will provide Borrower with an accounting of the transactions for that Reconciliation Period, including the amount of all Financed Receivables, all Collections, Adjustments, Finance Charges, Collateral Handling Fees, and the Loan Fee. If Borrower does not object to the accounting in writing within thirty (30) days it shall be considered accurate. All Finance Charges and other interest and fees are calculated on the basis of a 360 day year and actual days elapsed.

2.8 Deductions. Bank may deduct fees, Bank Expenses, Finance Charges, Advances which become due pursuant to Section 2.11 of this Agreement, and other amounts due pursuant to this Agreement from any Credit Extensions made or Collections received by Bank.

2.9 Lockbox; Account Collection Services

(a) Borrower shall direct each Account Debtor (and each depository institution where proceeds of Accounts are on deposit) to remit payments with respect to the Accounts to a lockbox account established with Bank or to wire transfer payments to a cash collateral account that Bank controls (collectively, the "**Lockbox**"). It will be considered an immediate Event of Default if the Lockbox is not established and operational on the Effective Date and at all times thereafter until such Lockbox is established and operational.

(b) Upon receipt by Borrower of any proceeds of Accounts, Borrower shall immediately transfer and deliver same to Bank, along with a detailed cash receipts journal.

(c) Provided no Event of Default exists or an event that with notice or lapse of time will be an Event of Default, within three (3) days of receipt of such amounts by Bank, Bank will turn over to Borrower the proceeds of the Accounts (whether received by Bank in the Lockbox, directly from Borrower, or otherwise) other than Collections with respect to Financed Receivables based upon Eligible Accounts and the amount of Collections in excess of the amounts for which Bank has made an Advance to Borrower based upon Eligible Accounts, which amounts shall be used to repay the applicable outstanding Advance(s) and any other amounts due to Bank, such as the Finance Charge, the Loan Fee, Collateral Handling Fee, and Bank Expenses; provided, however, Bank may hold any proceeds of the Accounts (whether received by Bank in the Lockbox, directly from Borrower, or otherwise and whether or not in respect of Financed Receivables) as a reserve until the end of the applicable Reconciliation Period if Bank, in its discretion, determines that other Financed Receivable(s) may no longer qualify as an Eligible Account or Aggregate Eligible Accounts at any time prior to the end of the subject Reconciliation Period.

(d) This Section 2.9 does not impose any affirmative duty on Bank to perform any act other than as specifically set forth herein. All Accounts and the proceeds thereof are Collateral, and if an Event of Default occurs and is continuing, Bank may, without notice, apply the proceeds of such Accounts to the Obligations.

2.10 Bank Expenses. Borrower shall pay all Bank Expenses (including reasonable attorneys' fees and expenses, plus expenses, for documentation and negotiation of this Agreement) incurred through and after the Effective Date, when due.

2.11 Repayment of Obligations; Adjustments

2.11.1 Repayment.

(a) Borrower will repay each Advance made based upon a specific Eligible Account on the earliest of: (i) the date on which payment is received of the Financed Receivable with respect to which the Advance was made, (ii) the date on which the Financed Receivable is no longer an Eligible Account, (iii) the date on which any Adjustment is asserted to the Financed Receivable (but only to the extent of the Adjustment if the Financed Receivable otherwise remains an Eligible Account), (iv) the date on which there is a breach of any warranty or representation set forth in Section 5.3 with respect to such Financed Receivable, (v) as required pursuant to Section 2.1.1(j), or (vi) the Maturity Date (including any early termination). Each payment will also include all accrued Finance Charges and Collateral Handling Fees with respect to such Advance and all other amounts then due and payable hereunder.

(b) With respect to each Advance made based upon Aggregate Eligible Accounts:

(i) Borrower shall pay to Bank, on the first day of each Reconciliation Period, all accrued Finance Charges on the Advances made based upon the Aggregate Eligible Accounts; and

(ii) Borrower will pay the principal amount of the Advances made based upon Aggregate Eligible Accounts on the earliest of: (A) the date on which the aggregate amount of outstanding Advances made based upon Aggregate Eligible Accounts, plus the Dollar Equivalent amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) issued pursuant to Section 2.1.2 that is not cash secured pursuant to Section 2.1.2, plus the portion of the FX Reduction Amount based on FX Forward Contracts that is not cash secured pursuant to

Section 2.1.3, plus the sum of amounts utilized for Cash Management Services pursuant to Section 2.1.4 that are not cash secured pursuant to Section 2.1.4, exceeds the Availability Amount (but only up to the amount exceeding the Availability Amount), (B) the Maturity Date (including any early termination), or (C) as required pursuant to Section 2.1.1(i). Each payment will also include all accrued Finance Charges with respect to such Advance and all other amounts then due and payable hereunder.

2.11.2 Repayment on Event of Default. When there is an Event of Default, Borrower will, if Bank demands (or, upon the occurrence of an Event of Default under Section 8.5 of this Agreement, immediately without notice or demand from Bank) repay all of the Obligations. The demand may, at Bank's option, include any and all Credit Extensions, and all accrued Finance Charges, interest, Collateral Handling Fees, Bank Expenses and any other Obligations.

2.11.3 Debit of Accounts. Bank may debit any of Borrower's deposit accounts (other than accounts designated solely for, and used exclusively for, payroll) for payments or any amounts Borrower owes Bank hereunder. Bank shall promptly notify Borrower when it debits Borrower's accounts. These debits shall not constitute a set-off.

2.12 Power of Attorney. Borrower irrevocably appoints Bank and its successors and assigns as attorney-in-fact and authorizes Bank and its successor and assigns, to: (a) following the occurrence and during the continuance of an Event of Default, (i) sell, assign, transfer, pledge, compromise, or discharge all or any part of the Financed Receivables; (ii) demand, collect, sue, and give releases to any Account Debtor for monies due and compromise, prosecute, or defend any action, claim, case or proceeding about the Financed Receivables, including filing a claim or voting a claim in any bankruptcy case in Bank's or Borrower's name, as Bank chooses; and (iii) prepare, file and sign Borrower's name on any notice, claim, assignment, demand, draft, or notice of or satisfaction of lien or mechanics' lien or similar document; and (b) regardless of whether an Event of Default has occurred and is continuing, (i) notify all Account Debtors to pay Bank directly; provided, however, prior to the occurrence and continuance of an Event of Default, Bank will notify Borrower prior to making any direct contact with an Account Debtor of Borrower; (ii) receive, open, and dispose of mail addressed to Borrower; (iii) endorse Borrower's name on checks or other instruments (to the extent necessary to pay amounts owed pursuant to any of the Loan Documents); and (iv) execute on Borrower's behalf any instruments, documents, financing statements to perfect Bank's interests in the Financed Receivables and Collateral and do all acts and things necessary or prudent, as determined solely and exclusively by Bank, to protect or preserve, Bank's rights and remedies under the Loan Documents, as directed by Bank.

3 CONDITIONS OF LOANS

3.1 Conditions Precedent to Initial Credit Extension. Bank's obligation to make the initial Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, such documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate, including, without limitation:

(a) the Loan Documents;

(b) the SVB Control Agreement and any other Control Agreements required by Bank;

(c) Borrower's Operating Documents and a good standing certificate of Borrower certified by the Secretary of State of the State of Delaware as of a date no earlier than thirty (30) days prior to the Effective Date;

(d) the completed and executed Borrowing Resolutions for Borrower;

(e) certified copies, dated as of a recent date, of financing statement searches, as Bank shall request, accompanied by written evidence (including any UCC termination statements) that the Liens indicated in any such financing statements either constitute Permitted Liens or have been or, in connection with the initial Credit Extension, will be terminated or released;

(f) the Perfection Certificate of Borrower, together with the duly executed original signature thereto;

(g) a legal opinion of Borrower's counsel (authority/enforceability), in form and substance acceptable to Bank;

(h) evidence satisfactory to Bank that the insurance policies required by Section 6.4 of this Agreement are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses and cancellation notice to Bank (including certificates on Acord 25 and Acord 28 forms and endorsements to the policies reflecting the same);

(i) the completion of the Initial Audit;

(j) payment of the fees and Bank Expenses then due as specified in Section 2.10 of this Agreement; and

(m) Certificates of Foreign Qualification (as applicable).

3.2 Conditions Precedent to all Credit Extensions. Bank's agreement to make each Credit Extension, including the initial Credit Extension, is subject to the following:

(a) receipt of the Advance Request and Invoice Transmittal;

(b) Bank shall have (at its option) conducted the confirmations and verifications as described in Section 2.1.1(d) of this Agreement;

(c) each of the representations and warranties in Section 5.3 of this Agreement shall be true and accurate on the date of the Advance Request and Invoice Transmittal and on the effective date of each Credit Extension and no Event of Default shall have occurred and be continuing, or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in Section 5.3 of this Agreement are true and accurate; and

(d) each of the representations and warranties in this Agreement (other than in Section 5.3) shall be true and accurate in all material respects on the date of the Advance Request and Invoice Transmittal and on the effective date of each Credit Extension and no Event of Default shall have occurred and be continuing, or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement (other than in Section 5.3) are true and accurate in all material respects.

3.3 Covenant to Deliver. Borrower agrees to deliver to Bank each item required to be delivered to Bank under this Agreement as a condition precedent to any Credit Extension. Borrower expressly agrees that a Credit Extension made prior to the receipt by Bank of any such item shall not constitute a waiver by Bank of Borrower's obligation to deliver such item, and the making of any Credit Extension in the absence of a required item shall be in Bank's sole discretion.

4 CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest. Borrower hereby grants Bank, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof. Borrower represents, warrants, and covenants that the security interest granted herein shall be and shall at all times continue to be a first priority perfected security interest in the Collateral subject only to Permitted Liens that are permitted to have priority over Bank's Liens hereunder. If Borrower shall at any time acquire a commercial tort claim, Borrower shall promptly notify Bank in a writing signed by Borrower of the general details thereof and grant to Bank in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to Bank.

If this Agreement is terminated, Bank's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnify obligations) and at such time as this Agreement has been terminated, Bank shall, at Borrower's sole cost and expense, release its Liens in the Collateral and all rights therein shall revert to Borrower.

4.2 Authorization to File Financing Statements. Borrower hereby authorizes Bank to file financing statements, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Bank's interest or rights hereunder, including a notice that any disposition of the Collateral, by either Borrower or any other Person, shall be deemed to violate the rights of Bank under the Code. Any such financing statements may indicate the Collateral as "all assets of the Debtor" or words of similar effect, or as being of an equal or lesser scope, or with greater detail, all in Bank's discretion.

5 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 Due Organization and Authorization. Borrower and each of its Subsidiaries are duly existing and in good standing as Registered Organizations in their respective jurisdictions of formation and are qualified and licensed to do business and are in good standing in any other jurisdiction in which the conduct of their respective business or ownership of property requires that they be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, Borrower has delivered to Bank a completed certificate signed by Borrower, entitled Perfection Certificate (the "**Perfection Certificate**"). Borrower represents and warrants to Bank that (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) Borrower (and each of its predecessors) has not, in the past five (5) years, changed its jurisdiction of formation, corporate structure, organizational type, or any organizational number assigned by its jurisdiction; and (f) all other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one or more specific provisions in this Agreement). If Borrower is not now a Registered Organization but later becomes one, Borrower shall promptly notify Bank of such occurrence and provide Bank with Borrower's organizational identification number.

The execution, delivery and performance by Borrower of the Loan Documents to which it is a party have been duly authorized, and do not (i) conflict with any of Borrower's organizational documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Borrower or any of its Subsidiaries or any of their property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification by Borrower with, or Governmental Approval from, any Governmental Authority (except such Governmental Approvals which have already been obtained and are in full force and effect), or (v) constitute an event of default under any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a material adverse effect on Borrower's business.

5.2 Collateral. Borrower has good title to, has rights in, and the power to transfer, each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Borrower has no deposit accounts other than the deposit accounts with Bank, the deposit accounts, if any, described in the Perfection Certificate delivered to Bank in connection herewith, or of which Borrower has given Bank notice and taken such actions as are necessary to give Bank a perfected security interest therein. The Accounts are bona fide, existing obligations of the Account Debtors. All Inventory is in all material respects of good and marketable quality, free from material defects.

The Collateral is not in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate. None of the components of the Collateral valued in excess of One Hundred Thousand Dollars ($100,000.00) (in the aggregate for all such Collateral at all locations) are currently being maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2 of this Agreement.

Borrower is the sole owner of the Intellectual Property which it owns or purports to own except for (a) non-exclusive licenses granted to its customers in the ordinary course of business, (b) over-the-counter software that is commercially available to the public, and (c) material Intellectual Property licensed to Borrower and noted on the Perfection Certificate. Each Patent which it owns or purports to own and which is material to Borrower's business is valid and enforceable, and no part of the Intellectual Property which Borrower owns or purports to own and which is material to Borrower's business has been judged invalid or unenforceable, in whole or in part. To the best of Borrower's knowledge, no claim has been made that any part of the Intellectual Property violates the rights of any third party except to the extent such claim would not reasonably be expected to have a material adverse effect on Borrower's business. Except as noted on the Perfection Certificate, Borrower is not a party to, nor is it bound by, any Restricted License.

5.3 Financed Receivables. Borrower represents and warrants for each Financed Receivable:

(a) Such Financed Receivable is an Eligible Account;

(b) Borrower is the owner of and has the legal right to sell, transfer, assign and encumber such Financed Receivable;

(c) The correct amount is on the Advance Request and Invoice Transmittal and is not disputed;

(d) Payment is not contingent on any obligation or contract and Borrower has fulfilled all its obligations as of the Advance Request and Invoice Transmittal date;

(e) Such Financed Receivable is based on an actual sale and delivery of goods and/or services rendered, is due to Borrower, is not past due or in default, has not been previously sold, assigned, transferred, or pledged and is free of any liens, security interests and encumbrances other than Permitted Liens;

(f) There are no defenses, offsets, counterclaims or agreements for which the Account Debtor may claim any deduction or discount;

(g) Borrower reasonably believes no Account Debtor is insolvent or subject to any Insolvency Proceedings;

(h) Borrower has not filed or had filed against it Insolvency Proceedings and does not anticipate any filing;

(i) Bank has the right to endorse and/ or require Borrower to endorse all payments received on Financed Receivables and all proceeds of Collateral; and

(j) No representation, warranty or other statement of Borrower in any certificate or written statement given to Bank in respect of a Financed Receivable contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement contained in the certificates or statement not misleading in light of the circumstances in which they were made.

5.4 Litigation. There are no actions or proceedings pending or, to the knowledge of Borrower's Responsible Officers, threatened in writing by or against Borrower or any Subsidiary in which an adverse decision could reasonably be expected to cause a Material Adverse Change.

5.5 No Material Deviation in Financial Statements and Deterioration in Financial Condition. All consolidated financial statements for Borrower and its Subsidiary delivered to Bank fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations as of the date thereof. There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Bank.

5.6 Solvency. The fair salable value of Borrower's assets (including goodwill minus disposition costs) exceeds the fair value of its liabilities; Borrower is not left with unreasonably small capital after the transactions in this Agreement; and Borrower is able to pay its debts (including trade debts) as they mature.

5.7 Regulatory Compliance. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Neither Borrower nor any of its Subsidiaries is a "holding company" or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company" as each term is defined and used in the Public Utility Holding Company Act of 2005. Borrower has complied in all material respects with the Federal Fair Labor Standards Act. Borrower has not violated any laws, ordinances or rules, the violation of which could reasonably be expected to cause a Material Adverse Change. None of Borrower's or any Subsidiary's properties or assets have been used by Borrower or any Subsidiary or, to Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary to continue their respective businesses as currently conducted.

5.8 Subsidiaries. Borrower does not own any stock, partnership interest or other equity securities except for Permitted Investments.

5.9 Tax Returns and Payments; Pension Contributions. Borrower and each Subsidiary have timely filed all required tax returns and reports, and Borrower and each Subsidiary have timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower and each Subsidiary. Borrower may defer payment of any contested taxes, provided that Borrower (a) in good faith contests its obligation to pay the taxes by appropriate proceedings promptly and diligently instituted and conducted, (b) notifies Bank in writing of the commencement of, and any material development in, the proceedings and (c) posts bonds or takes any other steps required to prevent the Governmental Authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien". Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower. Borrower has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.10 Full Disclosure. No written representation, warranty or other statement of Borrower in any certificate or written statement given to Bank in connection with the Loan Documents, as of the date such representation, warranty, or other statement was made, taken together with all such written certificates and written statements given to Bank, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not misleading in light of the circumstances in which they were made (it being recognized by Bank that any projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

6 AFFIRMATIVE COVENANTS

Borrower shall do all of the following:

6.1 Government Compliance

(a) Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a material adverse effect on Borrower's business or operations. Borrower shall comply, and have each Subsidiary comply, with all laws, ordinances and regulations to which it is subject, noncompliance with which could reasonably be expected to have a material adverse effect on Borrower's business.

(b) Obtain all of the Governmental Approvals necessary for the performance by Borrower of its obligations under the Loan Documents to which it is a party and the grant of a security interest to Bank in all of its property. Borrower shall promptly provide copies of any such obtained Governmental Approvals to Bank.

(c) Deliver to Bank, within five (5) days after the same are sent or received, copies of all correspondence, reports, documents and other filings with any Governmental Authority regarding compliance with or maintenance of Governmental Approvals or Requirements of Law or that could reasonably be expected to have a material adverse effect on any of the Governmental Approvals or otherwise on the operations of Borrower or any of its Subsidiaries.

6.2 Financial Statements, Reports, Certificates

(a) Deliver to Bank: (i) as soon as available, but no later than thirty (30) days after the last day of each Reconciliation Period, a company prepared consolidated balance sheet and income statement covering Borrower's consolidated operations during the period certified by a Responsible Officer and in a form acceptable to Bank; (ii) as soon as available, but no later than one hundred eighty (180) days after the last day of Borrower's fiscal year, audited consolidated financial statements prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements from an independent certified public accounting firm reasonably acceptable to Bank; (iii) in the event that Borrower becomes subject to the reporting requirements under the Exchange Act, within five (5) days of filing, copies of all statements, reports and notices made available to Borrower's security holders or to any holders of Subordinated Debt and all reports on Form 10-K, 10-Q and 8-K filed with the SEC; (iv) a prompt report of any legal actions pending or threatened against Borrower or any Subsidiary that could result in damages or costs to Borrower or any Subsidiary of One Hundred Thousand Dollars ($100,000.00) or more; (v) as soon as available, but no later than ten (10) days after approval by Borrower's board of directors, annual financial projections for the following fiscal year approved by Borrower's board of directors and commensurate in form and substance with those provided to Borrower's venture capital investors, together with any related business forecasts used in the preparation of such annual financial plans and projections; and (vi) budgets, sales projections, operating plans or other financial information reasonably requested by Bank.

(b) Within thirty (30) days after the last day of each Reconciliation Period, deliver to Bank with the monthly financial statements a Compliance Certificate signed by a Responsible Officer in the form of Exhibit B.

(c) Allow Bank to inspect the Collateral and audit and copy Borrower's Books, including, but not limited to, Borrower's Accounts, upon reasonable notice to Borrower. Such inspections or audits shall be conducted no more often than once every twelve (12) months unless an Event of Default has occurred and is continuing. The foregoing inspections and audits shall be at Borrower's expense. In the event Borrower and Bank schedule an audit more than ten (10) days in advance, and Borrower cancels or seeks to reschedule the audit with less than ten (10) days written notice to Bank, then (without limiting any of Bank's rights or remedies), Borrower shall pay Bank a fee of One Thousand Dollars ($1,000.00) plus any out-of-pocket expenses incurred by Bank to compensate Bank for the anticipated costs and expenses of the cancellation or rescheduling. Borrower hereby acknowledges that the Initial Audit will be conducted prior to any Credit Extensions being made hereunder. After the occurrence of an Event of Default, Bank may audit Borrower's Collateral at Borrower's expense, including, but not limited to, Borrower's Accounts as frequently as Bank deems necessary at Borrower's expense and at Bank's sole and exclusive discretion, without notification to and authorization from Borrower.

(d) Upon Bank's reasonable request, provide a written report on any Financed Receivable, where payment of such Financed Receivable does not occur by its due date and include the reasons for the delay.

(e) Provide Bank with, as soon as available, but no later than twenty (20) days following each Reconciliation Period, an aged listing of accounts receivable and accounts payable by invoice date, in form and detail acceptable to Bank.

(f) Provide Bank with, as soon as available, but no later than twenty (20) days following each Reconciliation Period, a Deferred Revenue report, in form and detail acceptable to Bank.

(g) Immediately upon Borrower becoming Streamline Facility Eligible, and thereafter until Borrower is no longer Streamline Facility Eligible, provide Bank with, as soon as available, but no later than twenty (20) days following each Reconciliation Period, a duly completed Borrowing Base Certificate signed by a Responsible Officer.

(h) Immediately upon Borrower ceasing to be Streamline Facility Eligible, provide Bank with a current aging of Accounts and, to the extent not previously delivered to Bank, a copy of the invoice for each Eligible Account and an Advance Request and Invoice Transmittal with respect to each such Account.

6.3 Taxes. Make, and cause each Subsidiary to make, timely payment of all foreign, federal, state, and local taxes or assessments (other than taxes and assessments which Borrower is contesting in good faith, with adequate reserves maintained in accordance with GAAP) and will deliver to Bank, on demand, appropriate certificates attesting to such payments.

6.4 Insurance. Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location, and as Bank may reasonably request. Insurance policies shall be in a form, with companies, and in amounts that are satisfactory to Bank. All property policies shall have a lender's loss payable endorsement showing Bank as the sole lender loss payee and waive subrogation against Bank, and all liability policies shall show, or have endorsements showing, Bank as an additional insured. All policies (or the lender loss payable and additional insured endorsements) shall provide that the insurer must give Bank at least twenty (20) days notice before canceling, amending, or declining to renew its policy. At Bank's request, Borrower shall deliver certified copies of policies and evidence of all premium payments. Proceeds payable under any policy shall, at Bank's option, be payable to Bank on account of the Obligations. Notwithstanding the foregoing, (a) so long as no Event of Default has occurred and is continuing, Borrower shall have the option of applying the proceeds of any casualty policy up to One Hundred Thousand Dollars ($100,000.00), in the aggregate, toward the replacement or repair of destroyed or damaged property; provided that any such replaced or repaired property (i) shall be of equal or like value as the replaced or repaired Collateral and (ii) shall be deemed Collateral in which Bank has been granted a first priority security interest subject only to Permitted Liens and (b) after the occurrence and during the continuance of an Event of Default, all proceeds payable under such casualty policy shall, at the option of the Bank, be payable to Bank on account of the Obligations. If Borrower fails to obtain insurance as required under this Section 6.4 or to pay any amount or furnish any required proof of payment to third persons and Bank, Bank may make all or part of such payment or obtain such insurance policies required in this Section 6.4, and take any action under the policies Bank deems prudent.

6.5 Accounts

(a) To permit Bank to monitor Borrower's financial performance and condition, maintain Borrower's and its Subsidiaries' depository and operating accounts and securities accounts with Bank and Bank's Affiliates, which accounts shall contain at least (i) a majority of Borrower's and its Subsidiaries' cash and (ii) a majority of Borrower's cash. Any Guarantor shall maintain all depository and operating accounts with Bank, and, with respect to securities accounts, with an affiliate of Bank.

(b) Provide Bank five (5) days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than Bank or Bank's Affiliates. For each Collateral Account that Borrower at any time maintains, Borrower shall cause the applicable bank or financial institution (other than Bank) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Bank. The provisions of the previous sentence shall not apply to deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such.

6.6 Inventory; Returns; Notices of Adjustments. Keep all Inventory in good and marketable condition, free from material defects. Returns and allowances between Borrower and its Account Debtors shall follow Borrower's customary practices as they exist at the Effective Date. If, at any time during the term of this Agreement, any Account Debtor asserts an Adjustment in excess of One Hundred Thousand Dollars ($100,000.00), Borrower issues a credit memorandum, or any representation, warranty or covenant set forth in this Agreement or the other Loan Documents is no longer true in all material respects, Borrower will promptly advise Bank.

6.7 Protection of Intellectual Property Rights

(a) (i) Protect, defend and maintain the validity and enforceability of its Intellectual Property; (ii) promptly advise Bank in writing of material infringements of its Intellectual Property; and (iii) not allow any Intellectual Property material to Borrower's business to be abandoned, forfeited or dedicated to the public without Bank's written consent.

(b) Provide written notice to Bank within ten (10) days of entering or becoming bound by any Restricted License (other than over-the-counter software that is commercially available to the public). Borrower shall take such steps as Bank requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License to be deemed "Collateral" and for Bank to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Bank to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Bank's rights and remedies under this Agreement and the other Loan Documents.

6.9 Litigation Cooperation. From the Effective Date and continuing through the termination of this Agreement, make available to Bank, without expense to Bank, Borrower and its officers, employees and agents and Borrower's Books, to the extent that Bank may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Bank with respect to any Collateral or relating to Borrower.

6.10 Further Assurances. Execute any further instruments and take further action as Bank reasonably requests to perfect or continue Bank's Lien in the Collateral or to effect the purposes of this Agreement.

7 NEGATIVE COVENANTS

Borrower shall not do any of the following without Bank's prior written consent.

7.1 Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (collectively a "**Transfer**"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for Transfers (a) of Inventory in the ordinary course of business; (b) of worn-out, obsolete, or surplus Equipment; and (c) in connection with Permitted Liens and Permitted Investments.

7.2 Changes in Business, Management, Ownership, or Business Locations. (a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such Subsidiary, as applicable, or reasonably related thereto; (b) liquidate or dissolve; or (c) (i) suffer the resignation or departure of any Key Person and not hire a replacement reasonably acceptable to Bank for such Key Person within ninety (90) days of such Key Person's resignation or departure; or (ii) enter into any transaction or series of related transactions in which the stockholders of Borrower who were not stockholders immediately prior to the first such transaction own more than forty percent (40.0%) of the voting stock of Borrower immediately after giving effect to such transaction or related series of such transactions (other than by the sale of Borrower's equity securities in a public offering or to venture capital investors (or other similar institutional investors reasonably acceptable to Bank) so long as Borrower identifies to Bank such investors prior to the closing of the transaction and provides to Bank a description of the material terms of the transaction).

Borrower shall not, without at least thirty (30) days prior written notice to Bank: (1) add any new offices or business locations, including warehouses (unless each such new office or business location contains less than Twenty-Five Thousand Dollars ($25,000.00) in Borrower's assets or property), (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, (5) change any organizational number (if any) assigned by its jurisdiction of organization, or (6) deliver any portion of the Collateral to a bailee, unless (i) such bailee location contains less than Twenty-Five Thousand Dollars ($25,000.00) in Borrower's assets or property and (ii) Bank and such bailee are parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral.

Borrower hereby agrees upon Borrower adding any new office or business location, including any warehouse, Borrower will cause its landlord to enter into a landlord consent in favor of Bank prior to such new office or business location containing Twenty-Five Thousand Dollars ($25,000.00) of Collateral.

Borrower hereby agrees that prior to Borrower delivering any Collateral to a bailee, Borrower shall cause such bailee to execute and deliver a bailee agreement in form and substance satisfactory to Bank.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person, except for Permitted Acquisitions. A Subsidiary may merge or consolidate into another Subsidiary or into Borrower.

7.4 Indebtedness. Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 Encumbrance. Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, or permit any Collateral not to be subject to the first priority security interest granted herein, or enter into any agreement, document, instrument or other arrangement (except with or in favor of Bank) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's Intellectual Property, except as is otherwise permitted in Section 7.1 of this Agreement and the definition of "Permitted Liens" herein.

7.6 Maintenance of Collateral Accounts. Maintain any Collateral Account except pursuant to the terms of Section 6.5 of this Agreement.

7.7 Distributions; Investments. (a) Directly or indirectly acquire or own any Person, or make any Investment in any Person, other than Permitted Investments, or permit any of its Subsidiaries to do so; or (b) pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock, provided that Borrower may (i) pay dividends solely in common stock or (ii) repurchase the stock of former employees, directors or consultants pursuant to stock repurchase agreements so long as an Event of Default does not exist at the time of any such repurchase and would not exist after giving effect to any such repurchase, provided such repurchases do not exceed in the aggregate of One Hundred Thousand Dollars ($100,000.00) per fiscal year.

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person and transactions permitted pursuant to the terms of Section 7.2 hereof.

7.9 Subordinated Debt. (a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount owed by Borrower thereof, shorten the maturity thereof, increase the rate of interest applicable thereto or adversely affect the subordination thereof to Obligations owed to Bank.

7.10 Compliance. Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, each as defined in ERISA, to occur; fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on Borrower's business, or permit any of its Subsidiaries to do so; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

8 EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

8.1 Payment Default. Borrower fails to pay any of the Obligations when due;

8.2 Covenant Default. Borrower fails or neglects to perform any obligation in Section 2.9 or Section 6 of this Agreement or violates any covenant in Section 7 of this Agreement or fails or neglects to perform, keep, or observe any other material term, provision, condition, covenant or agreement contained in this Agreement, any Loan Documents and as to any default under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within ten (10) days after the occurrence thereof; provided, however, grace and cure periods provided under this Section 8.2 shall not apply to financial covenants or any other covenants that are required to be satisfied, completed or tested by a date certain;

8.3 Material Adverse Change. A Material Adverse Change occurs;

8.4 Attachment; Levy; Restraint on Business

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or of any entity under the control of Borrower (including a Subsidiary) on deposit or otherwise maintained with Bank or any Bank Affiliate, or (ii) a notice of lien or levy is filed against any of Borrower's assets by any government agency, and the same under subclauses (i) and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); *provided, however*, no Credit Extensions shall be made during any ten (10) day cure period; or

(b) (i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting any material part of its business;

8.5 Insolvency. (a) Borrower is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower and not dismissed or stayed within forty-five (45) days (but no Credit Extensions shall be made while of any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 Other Agreements. There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties, (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of One Hundred Thousand Dollars ($100,000.00); or (b) any default by Borrower or Guarantor, the result of which could result in a Material Adverse Change to Borrower's or any Guarantor's business;

8.7 Judgments. One or more final judgments, orders, or decrees for the payment of money in an amount, individually or in the aggregate, of at least Fifty Thousand Dollars ($50,000.00) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against Borrower and the same are not, within ten (10) days after the entry thereof, discharged or execution thereof stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay (provided that no Credit Extensions will be made prior to the discharge, stay, or bonding of such judgment, order, or decree);

8.8 Misrepresentations. Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Bank or to induce Bank to enter this Agreement or any Loan Document, and such representation, warranty, or other statement is incorrect in any material respect when made;

8.9 Subordinated Debt. Any document, instrument, or agreement evidencing any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, any Person shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement;

8.10 Guaranty. (a) Any guaranty of any Obligations terminates or ceases for any reason to be in full force and effect; (b) any Guarantor does not perform any obligation or covenant under any guaranty of the Obligations; (c) any circumstance described in Sections 8.3, 8.4, 8.5, 8.6, 8.7, or 8.8 of this Agreement occurs with respect to any Guarantor; (d) the death, liquidation, winding up, or termination of existence of any Guarantor; or (e) (i) a material impairment in the perfection or priority of Bank's Lien in the collateral provided by Guarantor or in the value of such collateral or (ii) a material adverse change in the general affairs, management, results of operation, condition (financial or otherwise) or the prospect of repayment of the Obligations occurs with respect to any Guarantor; or

8.11 Governmental Approvals. Any Governmental Approval shall have been (a) revoked, rescinded, suspended, modified in an adverse manner or not renewed in the ordinary course for a full term or (b) subject to any decision by a Governmental Authority that designates a hearing with respect to any applications for renewal of any such Governmental Approval or that could result in the Governmental Authority taking any of the actions described in clause (a) above, and such decision or such revocation, rescission, suspension, modification or non-renewal (i) has, or could reasonably be expected to have, a Material Adverse Change, or (ii) adversely affects the legal qualifications of Borrower or any of its Subsidiaries to hold such Governmental Approval in any applicable jurisdiction and such revocation, rescission, suspension, modification or non-renewal could reasonably be expected to materially adversely affect the status of or legal qualifications of Borrower or any of its Subsidiaries to hold any Governmental Approval in any other jurisdiction.

9 BANK'S RIGHTS AND REMEDIES

9.1 Rights and Remedies. When an Event of Default occurs and continues beyond any applicable grace period Bank may, without notice or demand, do any or all of the following to the extent not prohibited by applicable law:

(a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 of this Agreement occurs, all Obligations are immediately due and payable without any action by Bank);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Bank;

(c) demand that Borrower (i) deposit cash with Bank in an amount equal to (i) one hundred five percent (105.0%) of the aggregate face amount of all such Letters of Credit denominated in Dollars, and (ii) one hundred ten percent (110.0%) of the Dollar Equivalent of the aggregate face amount of all such Letters of Credit denominated in a Foreign Currency, remaining undrawn (plus all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment)), to secure all of the Obligations relating to such Letters of Credit, as collateral security for the repayment of any future drawings under such Letters of Credit, and Borrower shall forthwith deposit and pay such amounts, and (ii) pay in advance all letter of credit fees scheduled to be paid or payable over the remaining term of any Letters of Credit;

(d) terminate any FX Forward Contracts;

(e) settle or adjust disputes and claims directly with Account Debtors for amounts, on terms and in any order that Bank considers advisable and notify any Person owing Borrower money of Bank's security interest in such funds and verify the amount of such account. Borrower shall collect all payments in trust for Bank and, if requested by Bank, immediately deliver the payments to Bank in the form received from the Account Debtor, with proper endorsements for deposit;

(f) make any payments and do any acts it considers necessary or reasonable to protect its security interest in the Collateral. Borrower shall assemble the Collateral if Bank requests and make it available as Bank designates that is reasonably convenient to Bank and Borrower. Bank may peaceably enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Borrower grants Bank a license to enter and occupy any of its premises, without charge by Borrower, to exercise any of Bank's rights or remedies;

(g) apply to the Obligations any (i) balances and deposits of Borrower it holds, or (ii) any amount held by Bank owing to or for the credit or the account of Borrower;

(h) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Bank is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements inure to Bank's benefit;

(i) place a "hold" on any account maintained with Bank and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(j) demand and receive possession of Borrower's Books; and

(k) exercise all rights and remedies available to Bank under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Protective Payments. If Borrower fails to obtain the insurance called for by Section 6.4 of this Agreement or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document, Bank may obtain such insurance or make such payment, and all amounts so paid by Bank are Bank Expenses and immediately due and payable, bearing interest at the then highest rate applicable to the Obligations, and secured by the Collateral. Bank will make reasonable efforts to provide Borrower with notice of Bank obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Bank are deemed an agreement to make similar payments in the future or Bank's waiver of any Event of Default.

9.3 Bank's Liability for Collateral. So long as Bank complies with applicable law and reasonable banking practices regarding the safekeeping of the Collateral in the possession or under the control of Bank, Bank shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bears all risk of loss, damage or destruction of the Collateral.

9.4 No Waiver; Remedies Cumulative. Bank's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Bank thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Bank's rights and remedies under this Agreement and the other Loan Documents are cumulative. Bank has all rights and remedies provided under the Code, by law, or in equity. Bank's exercise of one right or remedy is not an election and shall not preclude Bank from exercising any other remedy under this Agreement or other remedy available at law or in equity, and Bank's waiver of any Event of Default is not a continuing waiver. Bank's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.5 Demand Waiver. Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Bank on which Borrower is liable.

10 NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Bank or Borrower may change its mailing or electronic mail address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to Borrower:	Brightcove Inc. One Cambridge Center Cambridge, Massachusetts 02142 Attn: General Counsel Fax: (617) 225-6934 Email: general_counsel@brightcove.com
with a copy to:	Goodwin Procter LLP 53 State Street Boston, Massachusetts 02109 Attn: Mark D. Smith Fax: (617) 523-1231 Email: marksmith@goodwinprocter.com
If to Bank:	Silicon Valley Bank 275 Grove Street, Suite 2-200 Newton, Massachusetts 02466 Attn: Ms. Kate Leland Fax: (617) 527-0177 Email: KLeland@svb.com
with a copy to:	Riemer & Braunstein LLP Three Center Plaza Boston, Massachusetts 02108 Attn: David A. Ephraim, Esquire Fax: (617) 880-3456 Email: DEphraim@riemerlaw.com

11 CHOICE OF LAW, VENUE and JURY TRIAL WAIVER

Massachusetts law governs the Loan Documents without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Massachusetts; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided to Borrower in accordance with, Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

12 GENERAL PROVISIONS

12.1 Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this Agreement or any rights or obligations under it without Bank's prior written consent (which may be granted or withheld in Bank's discretion). Bank has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights, and benefits under this Agreement and the other Loan Documents.

12.2 Indemnification. Borrower agrees to indemnify, defend and hold Bank and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Bank (each, an "**Indemnified Person**") harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "**Claims**") claimed or asserted by any other party in connection with the transactions contemplated by the Loan Documents; and (b) all losses or expenses (including Bank Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of, following from, consequential to, or arising from transactions between Bank and Borrower (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person's gross negligence or willful misconduct.

12.3 Right of Set-Off. Borrower hereby grants to Bank, a lien, security interest and right of setoff as security for all Obligations to Bank, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of Bank (including a Bank subsidiary) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Bank may set off the same or any part thereof and apply the same to any Obligations of Borrower then due regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

12.4 Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

12.5 Correction of Loan Documents. Bank may correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties.

12.6 Severability of Provisions. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.7 Amendments in Writing; Waiver; Integration. No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by the party against which enforcement or admission is sought. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents.

12.8 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

12.9 Survival. All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to its terms and all Obligations (other than inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) have been paid in full and satisfied. The obligation of Borrower in Section 12.2 of this Agreement to indemnify Bank shall survive until the statute of limitations with respect to such claim or cause of action shall have run.

12.10 Confidentiality. In handling any confidential information, Bank shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (a) to Bank's Subsidiaries or Affiliates (such Subsidiaries and Affiliates, together with Bank, each a "**Bank Entity**" and collectively, the "**Bank Entities**"); (b) to prospective transferees or purchasers of any interest in the Credit Extensions (provided, however, Bank shall use its best efforts to obtain any prospective transferee's or purchaser's agreement to the terms of this Section 12.10); (c) as required by law, regulation, subpoena, or other order; (d) to Bank's regulators or as otherwise required in connection with Bank's examination or audit; (e) as Bank considers appropriate in exercising remedies under the Loan Documents; and (f) to third-party service providers of Bank so long as such service providers have executed a confidentiality agreement with Bank with terms no less restrictive than those contained herein. Confidential information does not include information that is: (i) either in the public domain other than as a result of Bank's breach of this Section 12.10 or is in Bank's possession when disclosed to Bank; or (ii) disclosed to Bank by a third party on a nonconfidential basis if Bank does not know that the third party is prohibited from disclosing the information.

Bank Entities may use the confidential information for reporting purposes and the development and distribution of databases and market analyses so long as such confidential information is aggregated and anonymized prior to distribution unless otherwise expressly prohibited by Borrower. The provisions of the immediately preceding sentence shall survive the termination of this Agreement.

12.11 Electronic Execution of Documents. The words "execution," "signed," "signature" and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

12.12 Captions. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12.13 Construction of Agreement. The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

12.14 Relationship. The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

12.15 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

13 DEFINITIONS

13.1 Definitions. As used in the Loan Documents, the word "shall" is mandatory, the word "may" is permissive, the word "or" is not exclusive, the words "includes" and "including" are not limiting, the singular includes the plural, and numbers denoting amounts that are set off in brackets are negative. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to Borrower.

"**Account Balance**" is, on any date, the aggregate outstanding amount of all Advances made based upon Aggregate Eligible Accounts.

"**Account Debtor**" is as defined in the Code and shall include, without limitation, any person liable on any Financed Receivable, such as, a guarantor of the Financed Receivable and any issuer of a letter of credit or banker's acceptance.

"**Adjusted Quick Ratio**" is the ratio of (a) Quick Assets to (b) Current Liabilities minus the current portion of Deferred Revenue.

"**Adjustments**" are all discounts allowances, returns, recoveries, disputes, claims of any kind (including, without limitation, counterclaims or warranty claims), offsets, defenses, rights of recoupment, rights of return, or short payments, asserted by or on behalf of any Account Debtor for any Financed Receivable.

"**Advance**" is defined in Section 2.1.1 of this Agreement.

"**Advance Rate**" is (a) with respect to Eligible Accounts, eighty percent (80.0%), net of any offsets related to each specific Account Debtor, including, without limitation, Deferred Revenue, or such other percentage as Bank establishes under Section 2.1.1 of this Agreement upon notice to Borrower, and (b) with respect to Aggregate Eligible Accounts, eighty percent (80.0%), net of any offsets related to each specific Account Debtor, except for Deferred Revenue, or such other percentage as Bank establishes under Section 2.1.1 of this Agreement upon notice to Borrower.

"**Advance Request and Invoice Transmittal**" shows Eligible Accounts and/or Aggregate Eligible Accounts, which Bank may finance, and (a) with respect to requests for Advances based upon Eligible Accounts, includes the Account Debtor's name, address, invoice amount, invoice date and invoice number, (b) with respect to requests for Advances based upon Aggregate Eligible Accounts, includes (i) the Account Debtor's name, address, invoice amount, invoice date and invoice number, (ii) the current outstanding amount of Advances made based upon Aggregate Eligible Accounts and (iii) the Availability Amount, and (c) with respect to requests for Credit Extensions made pursuant to Sections 2.1.2, 2.1.3 and/or 2.1.4, includes (i) the type of Credit Extension requested and (ii) the requested amount of such Credit Extension.

"**Affiliate**" of any Person is a Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's senior executive officers, directors, partners, and, for any Person that is a limited liability company, that Person's managers and members.

"**Aggregate Eligible Accounts**" is defined in Section 2.1.1.

"**Agreement**" is defined in the preamble of this Agreement.

"**Applicable Rate**" is a per annum rate equal to the Prime Rate plus one and one-half of one percent (1.50%).

"**Availability Amount**" is the lesser of (a) Eight Million Dollars ($8,000,000.00) and (b) the Borrowing Base.

"**Bank**" is defined in the preamble of this Agreement.

"**Bank Entities**" is defined in Section 12.10.

"**Bank Expenses**" are all audit fees and expenses, and other costs and expenses (including reasonable documented attorneys' fees and expenses) for preparing, amending, negotiating, administering, defending and enforcing the Loan Documents (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower.

"**Borrower**" is defined in the preamble of this Agreement.

"**Borrower's Books**" are all Borrower's books and records including ledgers, federal and state tax returns, records regarding Borrower's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"**Borrowing Base**" is eighty percent (80.0%) (or such other percentage as Bank establishes under Section 2.1.1 upon notice to Borrower) multiplied by Borrower's Aggregate Eligible Accounts (net of any offsets related to each specific Account Debtor, except for Deferred Revenue).

"**Borrowing Base Certificate**" is that certain certificate in the form attached hereto as **Exhibit D**.

"**Borrowing Resolutions**" are, with respect to any Person, those resolutions adopted by such Person's board of directors and delivered by such Person to Bank approving the Loan Documents to which such Person is a party and the transactions contemplated thereby, together with a certificate executed by its Secretary on behalf of such Person certifying that (a) such Person has the authority to execute, deliver, and perform its obligations under each of the Loan Documents to which it is a party, (b) that attached as Exhibit A to such certificate is a true, correct, and complete copy of the resolutions then in full force and effect authorizing and ratifying the execution, delivery, and performance by such Person of the Loan Documents to which it is a party, (c) the name(s) of the Person(s) authorized to execute the Loan Documents on behalf of such Person, together with a sample of the true signature(s) of such Person(s), and (d) that Bank may conclusively rely on such certificate unless and until such Person shall have delivered to Bank a further certificate canceling or amending such prior certificate.

"**Business Day**" is any day that is not a Saturday, Sunday or a day on which Bank is closed.

"**Cash Equivalents**" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor's Ratings Group or Moody's Investors Service, Inc.; (c) Bank's certificates of deposit issued maturing no more than one (1) year after issue; and (d) money market funds at least ninety five percent (95.0%) of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (c) of this definition.

"**Cash Management Services**" is defined in Section 2.1.4.

"**Claims**" is defined in Section 12.2 of this Agreement.

"**Code**" is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the Commonwealth of Massachusetts; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Bank's Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the Commonwealth of Massachusetts, the term "**Code**" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"**Collateral**" is any and all properties, rights and assets of Borrower described on **Exhibit A**.

"**Collateral Account**" is any Deposit Account, Securities Account, or Commodity Account.

"**Collateral Handling Fee**" is defined in Section 2.6 of this Agreement.

"**Collections**" are all funds received by Bank from or on behalf of an Account Debtor for Financed Receivables.

"**Commodity Account**" is any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"**Compliance Certificate**" is attached as **Exhibit B**.

"**Contingent Obligation**" is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but "Contingent Obligation" does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

"**Control Agreement**" is any control agreement entered into among the depository institution at which Borrower maintains a Deposit Account or the securities intermediary or commodity intermediary at which Borrower maintains a Securities Account or a Commodity Account, Borrower, and Bank pursuant to which Bank obtains control (within the meaning of the Code) over such Collateral Account.

"**Copyrights**" are any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

"**Credit Extension**" is any Advance, Letter of Credit, FX Forward Contract, amount utilized for Cash Management Services, or any other extension of credit by Bank for Borrower's benefit.

"**Current Liabilities**" are all consolidated obligations and liabilities of Borrower to Bank, plus, without duplication, the aggregate amount of Borrower's consolidated Total Liabilities that mature within one (1) year.

"**Default Rate**" is a per annum rate of interest which is five percent (5.0%) above the rate that is then in effect.

"**Deferred Revenue**" is all amounts received or invoiced, as appropriate, in advance of performance under contracts and not yet recognized as revenue.

"**Deposit Account**" is any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"**Dollar Equivalent**" is, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a Foreign Currency, the equivalent amount therefor in Dollars as determined by Bank at such time on the basis of the then-prevailing rate of exchange in San Francisco, California, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

"**Dollars**," "**dollars**" or use of the sign "**$**" means only lawful money of the United States and not any other currency, regardless of whether that currency uses the "$" sign to denote its currency or may be readily converted into lawful money of the United States.

"EBITDA" means earnings before interest, taxes, depreciation and amortization in accordance with GAAP.

"Effective Date" is defined in the preamble hereof.

"**Eligible Accounts**" are billed Accounts in the ordinary course of Borrower's business that meet all Borrower's representations and warranties in Section 5.3 of this Agreement, have been, at the option of Bank, confirmed in accordance with Section 2.1.1(d) of this Agreement, and are due and owing from Account Debtors deemed creditworthy by Bank in its sole discretion. Without limiting the fact that the determination of which Accounts are eligible hereunder is a matter of Bank discretion in each instance, Eligible Accounts shall not include the following Accounts (which listing may be amended or changed in Bank's discretion with notice to Borrower):

(a) Accounts for which the Account Debtor is Borrower's Affiliate, officer, employee, or agent;

(b) Accounts that the Account Debtor has not paid within one hundred twenty (120) days of invoice date regardless of invoice payment period terms;

(c) Accounts billed and/or payable outside of the United States;

(d) Accounts owing from an Account Debtor to the extent that Borrower is indebted or obligated in any manner to the Account Debtor (as creditor, lessor, supplier or otherwise - sometimes called "contra" accounts, accounts payable, customer deposits or credit accounts), with the exception of customary credits, adjustments and/or discounts given to an Account Debtor by Borrower in the ordinary course of its business;

(e) Accounts owing from an Account Debtor which is a United States government entity or any department, agency, or instrumentality thereof unless Borrower has assigned its payment rights to Bank and the assignment has been acknowledged under the Federal Assignment of Claims Act of 1940, as amended;

(f) Accounts for demonstration or promotional equipment, or in which goods are consigned, or sold on a "sale guaranteed", "sale or return", "sale on approval", or other terms if Account Debtor's payment may be conditional;

(g) Accounts owing from an Account Debtor where goods or services have not yet been rendered to the Account Debtor (sometimes called memo billings or pre-billings);

(h) Accounts subject to contractual arrangements between Borrower and an Account Debtor where payments shall be scheduled or due according to completion or fulfillment requirements where the Account Debtor has a right of offset for damages suffered as a result of Borrower's failure to perform in accordance with the contract (sometimes called contracts accounts receivable, progress billings, milestone billings, or fulfillment contracts);

(i) Accounts owing from an Account Debtor the amount of which may be subject to withholding based on the Account Debtor's satisfaction of Borrower's complete performance (but only to the extent of the amount withheld; sometimes called retainage billings);

(j) Accounts subject to trust provisions, subrogation rights of a bonding company, or a statutory trust;

(k) Accounts owing from an Account Debtor that has been invoiced for goods that have not been shipped to the Account Debtor unless Bank, Borrower, and the Account Debtor have entered into an agreement acceptable to Bank in its sole discretion wherein the Account Debtor acknowledges that (i) it has title to and has ownership of the goods wherever located, (ii) a bona fide sale of the goods has occurred, and (iii) it owes payment for such goods in accordance with invoices from Borrower (sometimes called "bill and hold" accounts);

(l) Accounts for which the Account Debtor has not been invoiced;

(m) Accounts that represent non-trade receivables or that are derived by means other than in the ordinary course of Borrower's business;

(n) Accounts subject to chargebacks or other payment deductions taken by an Account Debtor;

(o) Accounts arising from product returns and/or exchanges (sometimes called "warranty" or "RMA" accounts);

(p) Accounts in which the Account Debtor disputes liability or makes any claim (but only up to the disputed or claimed amount), or if the Account Debtor is subject to an Insolvency Proceeding, or becomes insolvent, or goes out of business;

(q) with respect to requested Advances based upon Eligible Accounts (but not Aggregate Eligible Accounts), Accounts owing from an Account Debtor with respect to which Borrower has received Deferred Revenue (but only to the extent of such Deferred Revenue);

(r) with respect to requested Advances based upon Aggregate Eligible Accounts, Accounts owing from an Account Debtor, fifty percent (50.0%) or more of whose Accounts have not been paid within one hundred twenty (120) days of invoice date; and

(s) Accounts for which Bank in its good faith business judgment determines collection to be doubtful upon notice thereof to Borrower, including, without limitation, accounts represented by "refreshed" or "recycled" invoices.

"**Equipment**" is all "equipment" as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"**ERISA**" is the Employee Retirement Income Security Act of 1974, and its regulations.

"**Events of Default**" are set forth in Section 8 of this Agreement.

"**Exchange Act**" is the Securities Exchange Act of 1934, as amended.

"**Facility Amount**" is Ten Million Dollars ($10,000,000.00).

"**Finance Charges**" is defined in Section 2.5 of this Agreement.

"**Financed Receivables**" are all those Eligible Accounts and Aggregate Eligible Accounts, including their proceeds which Bank finances and makes an Advance, as set forth in Section 2.1.1 of this Agreement. A Financed Receivable stops being a Financed Receivable (but remains Collateral) when the Advance made for the Financed Receivable has been fully paid.

"**Financed Receivable Balance**" is the total outstanding gross face amount, at any time, of any Financed Receivable.

"**Foreign Currency**" means lawful money of a country other than the United States.

"**FX Business Day**" is any day when (a) Bank's Foreign Exchange Department is conducting its normal business and (b) the Foreign Currency being purchased or sold by Borrower is available to Bank from the entity from which Bank shall buy or sell such Foreign Currency.

"FX Forward Contract" is defined in Section 2.1.3.

"**FX Reduction Amount**" is defined in Section 2.1.3.

"**GAAP**" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"**Governmental Approval**" is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

"**Governmental Authority**" is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"Guarantor" is any present or future guarantor of the Obligations.

"**Indebtedness**" is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations and (d) Contingent Obligations.

"**Indemnified Person**" is defined in Section 12.2 of this Agreement.

"**Initial Audit**" is Bank's inspection of Borrower's Accounts, the Collateral, and Borrower's Books with results satisfactory to Bank in its sole and absolute discretion.

"**Insolvency Proceeding**" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

"**Intellectual Property**" means all of Borrower's right, title, and interest in and to the following:

(a) its Copyrights, Trademarks and Patents;

(b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how, operating manuals;

(c) any and all source code;

(d) any and all design rights which may be available to a Borrower;

(e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and

(f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

"**Inventory**" is all "inventory" as defined in the Code in effect on the Effective Date with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower's custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

"**Investment**" is any beneficial ownership of (including stock, partnership interest or other securities) any Person, or any loan, advance or capital contribution to any Person.

"**Key Person**" is either of Borrower's Chief Executive Officer or its Chief Financial Officer.

"**Letter of Credit**" means a standby letter of credit issued by Bank or another institution based upon an application, guarantee, indemnity or similar agreement on the part of Bank, including, without limitation, as set forth in Section 2.1.2.

"**Letter of Credit Application**" is defined in Section 2.1.2(a).

"**Letter of Credit Reserve**" has the meaning set forth in Section 2.1.2(d).

"**Lien**" is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

"**Loan Documents**" are, collectively, this Agreement, the Perfection Certificate, the SVB Control Agreement, the Borrowing Resolutions, any subordination agreements, any note, or notes or guaranties executed by Borrower and/or any Guarantor, and any other present or future agreement between Borrower and/or any Guarantor and/or for the benefit of Bank in connection with this Agreement, all as amended, restated, or otherwise modified.

"**Loan Fee**" is defined in Section 2.4 of this Agreement.

"**Lockbox**" is defined in Section 2.9 of this Agreement.

"**Material Adverse Change**" is: (a) a material impairment in the perfection or priority of Bank's Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in the business, operations, or condition (financial or otherwise) of Borrower; or (c) a material impairment of the prospect of repayment of any portion of the Obligations.

"**Maturity Date**" is two (2) years from the Effective Date.

"**Obligations**" are Borrower's obligations to pay when due any debts, principal, interest, Bank Expenses and other amounts Borrower owes Bank now or later, whether under this Agreement, the Loan Documents, or otherwise, including, without limitation, all obligations relating to letters of credit (including reimbursement obligations for drawn and undrawn letters of credit), cash management services, and foreign exchange contracts, if any, and including interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of Borrower assigned to Bank, and to perform Borrower's duties under the Loan Documents.

"**Operating Documents**" are, for any Person, such Person's formation documents, as certified with the Secretary of State of such Person's state of formation on a date that is no earlier than 30 days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

"**Patents**" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"Perfection Certificate" is defined in Section 5.1 of this Agreement.

"**Permitted Acquisition**" means a transaction whereby Borrower merges or consolidates, or permits any of its Subsidiaries to merge or consolidate, with any other Person, or acquires, or permits any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person, under all of the following conditions:

(a) the total aggregate consideration to be paid by Borrower or its Subsidiaries (including the value of Borrower's or its Subsidiaries' stock issued by Borrower or its Subsidiaries) in connection therewith in all of the contemplated transactions during the term of the Agreement does not exceed Fifteen Million Dollars ($15,000,000.00);

(b) the party or parties being acquired is in the same or a substantially similar line of business as Borrower;

(c) the transaction shall be accretive to Borrower's EBITDA on a non-GAAP basis within four (4) quarters;

(d) no Event of Default has occurred and is continuing or would exist after giving effect to the transaction;

(e) Borrower survives such transaction;

(f) no Indebtedness will be incurred, assumed, or would exist with respect to Borrower or its Subsidiaries as a result of the contemplated transaction, other than Permitted Indebtedness, and no Liens will be incurred, assumed, or would exist with respect to the assets of Borrower or its Subsidiaries as a result of the contemplated transaction, other than Permitted Liens; and

(g) any Person whose capital stock is acquired or any Subsidiary that acquires assets in such contemplated transaction shall, contemporaneously with the consummation of the transaction, become a co-borrower or Guarantor (unless otherwise agreed to by Bank in its sole discretion) hereunder (as determined by Bank in its sole discretion) and shall grant a Lien in all of its assets (other than Intellectual Property) to Bank, all on documentation acceptable to Bank in its discretion.

"**Permitted Indebtedness**" is:

(a) Borrower's Indebtedness to Bank under this Agreement and the other Loan Documents;

(b) Indebtedness existing on the Effective Date which is shown on the Perfection Certificate;

(c) Subordinated Debt;

(d) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(e) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business; and

(f) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (e) above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"**Permitted Investments**" are:

(a) Investments (including, without limitation, Subsidiaries) existing on the Effective Date which are shown on the Perfection Certificate (but specifically excluding any future Investments in any Subsidiaries unless otherwise permitted hereunder);

(b) Investments consisting of Cash Equivalents;

(c) Investments consisting of travel advances or other loans to employees in the ordinary course of business not exceeding Twenty-Five Thousand Dollars ($25,000.00) in the aggregate at any time; and

(d) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers or in settlement of delinquent obligations of or disputes with customers or suppliers arising in the ordinary course of business.

"**Permitted Liens**" are:

(a) Liens existing on the Effective Date which are shown on the Perfection Certificate or arising under this Agreement and the other Loan Documents;

(b) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which Borrower maintains adequate reserves on Borrower's Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;

(c) purchase money Liens (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than Four Million Dollars ($4,000,000.00) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;

(d) Leases or subleases and non-exclusive licenses or sublicenses granted in the ordinary course of Borrower's business, if the leases, subleases, licenses and sublicenses permit granting Bank a security interest; and

(e) Liens incurred in the extension, renewal or refinancing of the indebtedness secured by Liens described in (a) through (d), but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness may not increase.

"**Person**" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"**Prime Rate**" is the greater of (a) four percent (4.0%) and (b) Bank's most recently announced "prime rate," even if it is not Bank's lowest rate.

"**Quick Assets**" is, on any date, Borrower's consolidated unrestricted and unencumbered cash and net billed accounts receivable as set forth on Borrower's most recent consolidated balance sheet delivered to Bank pursuant to Section 6.2(a)(i), determined according to GAAP.

"**Reconciliation Period**" is each calendar month.

"**Registered Organization**" is any "registered organization" as defined in the Code with such additions to such term as may hereafter be made.

"**Requirement of Law**" is as to any Person, the organizational or governing documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" is any of the Chief Executive Officer, President, Chief Financial Officer and Controller of Borrower.

"**Restricted License**" is any material license or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or any other property, or (b) for which a default under or termination of could interfere with Bank's right to sell any Collateral.

"**SEC**" shall mean the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

"**Securities Account**" is any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"**Settlement Date**" is defined in Section 2.1.3.

"**Streamline Facility Eligible**" means, as of any day during any Subject Month, Borrower has provided evidence to Bank that it (a) had an Adjusted Quick Ratio of at least 1.0 to 1.0 at all times during the applicable Testing Month, and (b) has an Adjusted Quick Ratio of at least 1.0 to 1.0 on such day.

"**Subject Month**" is the month which is two (2) calendar months after any Testing Month.

"**Subordinated Debt**" is indebtedness incurred by Borrower subordinated to all of Borrower's now or hereafter indebtedness to Bank (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Bank entered into between Bank and the other creditor), on terms acceptable to Bank.

"**Subsidiary**" is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

"**SVB Control Agreement**" is that certain Securities Account Control Agreement by and among SVB Securities, Penson Financial Services, Inc., Borrower, and Bank of even date herewith.

"**Testing Month**" is any month with respect to which Bank has tested Borrower's Adjusted Quick Ratio to determine whether Borrower is Streamline Facility Eligible.

"**Total Liabilities**" is on any day, obligations that should, under GAAP, be classified as liabilities on Borrower's consolidated balance sheet, including all Indebtedness.

"**Trademarks**" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

"**Transfer**" is defined in Section 7.1 of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as a sealed instrument under the laws of the Commonwealth of Massachusetts as of the Effective Date.

BORROWER

BRIGHTCOVE INC.

By: /s/ Christopher A. Menard
Name: Christopher A. Menard
Title: Treasurer

BANK

SILICON VALLEY BANK

By: /s/ Kate Leland
Name: Kate Leland
Title: Vice President

EXHIBIT A

The Collateral consists of all of Borrower's right, title and interest in and to the following:

All goods, equipment, inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, general intangibles (including payment intangibles) accounts (including health-care receivables), documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and any copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work, whether published or unpublished, now owned or later acquired; any patents, trademarks, service marks and applications therefor; trade styles, trade names, any trade secret rights, including any rights to unpatented inventions, know-how, operating manuals, license rights and agreements and confidential information, now owned or hereafter acquired; or any claims for damages by way of any past, present and future infringement of any of the foregoing; and

All Borrower's books relating to the foregoing and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Notwithstanding the foregoing, the Collateral shall not be deemed to include any copyrights (including computer programs, blueprints and drawings), copyright applications, copyright registration and like protection in each work of authorship and derivative work thereof, whether published or unpublished, now owned or hereafter acquired; any design rights; any patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, trademarks, servicemarks and applications therefor, whether registered or not, except that the Collateral shall include all accounts, license and royalty fees and other revenues, proceeds, or income arising out of or relating to any of the foregoing.

EXHIBIT B

SPECIALTY FINANCE DIVISION
Compliance Certificate

I, an authorized officer of BRIGHTCOVE INC. ("Borrower") certify under the Loan and Security Agreement (as amended, the "Agreement") between Borrower and Silicon Valley Bank ("Bank") as follows (all capitalized terms used herein shall have the meaning set forth in the Agreement):

Borrower represents and warrants for each Financed Receivable:

Each Financed Receivable is an Eligible Account;

Borrower is the owner with legal right to sell, transfer, assign and encumber such Financed Receivable;

The correct amount is on the Advance Request and Invoice Transmittal and is not disputed;

Payment is not contingent on any obligation or contract and Borrower has fulfilled all its obligations as of the Advance Request and Invoice Transmittal date;

Each Financed Receivable is based on an actual sale and delivery of goods and/or services rendered, is due to Borrower, is not past due or in default, has not been previously sold, assigned, transferred, or pledged and is free of any liens, security interests and encumbrances other than Permitted Liens;

There are no defenses, offsets, counterclaims or agreements for which the Account Debtor may claim any deduction or discount;

Borrower reasonably believes no Account Debtor is insolvent or subject to any Insolvency Proceedings;

Borrower has not filed or had filed against it Insolvency Proceedings and does not anticipate any filing;

Bank has the right to endorse and/or require Borrower to endorse all payments received on Financed Receivables and all proceeds of Collateral; and

No representation, warranty or other statement of Borrower in any certificate or written statement given to Bank in respect of a Financed Receivable contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement contained in the certificates or statement not misleading in light of the circumstances in which they were made.

Additionally, Borrower represents and warrants as follows:

Borrower and each Subsidiary is duly existing and in good standing in its state of formation and qualified and licensed to do business in, and in good standing in, any state in which the conduct of its business or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to cause a Material Adverse Change. The execution, delivery and performance of the Loan Documents have been duly authorized, and do not conflict with Borrower's organizational documents, nor constitute an event of default under any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which or by which it is bound in which the default could reasonably be expected to cause a Material Adverse Change.

Borrower has good title to the Collateral, free of Liens except Permitted Liens. All inventory is in all material respects of good and marketable quality, free from material defects.

Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Neither Borrower nor any of its Subsidiaries is a "holding company" or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company" as each term is defined and used in the Public Utility Holding Company Act of 2005. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Borrower has complied in all material respects with the Federal Fair Labor Standards Act. Borrower has not violated any laws, ordinances or rules, the violation of which could reasonably be expected to cause a Material Adverse Change. None of Borrower's or any Subsidiary's properties or assets have been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each Subsidiary has timely filed all required tax returns and paid, or made adequate provision to pay, all material taxes, except those being contested in good faith with adequate reserves under GAAP. Borrower and each Subsidiary has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all government authorities that are necessary to continue its business as currently conducted except where the failure to obtain or make such consents, declarations, notices or filings would not reasonably be expected to cause a Material Adverse Change.

Streamline Facility Eligibility

	Required	Actual	Eligible
Adjusted Quick Ratio	≥1.0:1.0	__:1.0	Yes No

All other representations and warranties in the Agreement are true and correct in all material respects on this date, and Borrower represents that there is no existing Event of Default.

Sincerely,

BRIGHTCOVE INC.

Signature

Title

Date

EXHIBIT C

NON-STREAMLINE

Invoice Transmittal

Client Name: **Brightcove**

Date Submitted: **March 31, 2011** **Transmittal #: _____**

Invoice #	Customer Name	Customer Address	Invoice Date	Invoice Amount
			Gross Total	**$ 0.00**
			Advance Rate	**80%**
			Net Cash Advance	**$0.00**

Comments:

The Borrower ("Borrower") named on this Invoice Transmittal ("Transmittal"), hereby delivers this Transmittal to Silicon Valley Bank ("Bank") pursuant to a Loan and Security Agreement between Borrower and Bank ("Agreement"). By forwarding this Transmittal along with copies of the invoices listed herein, Borrower is requesting Bank to make advances ("Advances") based on such receivables in accordance with the terms of the Agreement and hereby represents and warrants that the request has been made by an authorized representative of Borrower with full right, power and authority to deliver this Transmittal to Bank. Borrower acknowledges that such Advances (together with all fees, interest and other charges associated with such Advances) shall be repaid in accordance with the terms of the Agreement. Borrower hereby ratifies and reaffirms all of its representations and warranties in the Agreement, including, without limitation, Borrower's representations set forth in Section 5.3 thereof.

For SVB Use Only	**Disbursement Instructions**
Date	SVB DDA #
AM Approval	Wire To
PM/TL Approval	ABA #
SCO Approval	Account #

STREAMLINE

Invoice Transmittal

Client Name: **Brightcove**

Date Submitted: **March 31, 2011** **Transmittal #: _____**

Invoice #	Customer Name	Customer Address	Invoice Date	Invoice Amount
	Placeholder			
			Gross Total	**$ 0.00**
			Advance Rate	**100%**
			Net Cash Advance	**$ 0.00**

Comments:

The Borrower ("Borrower") named on this Invoice Transmittal ("Transmittal"), hereby delivers this Transmittal to Silicon Valley Bank ("Bank") pursuant to a Loan and Security Agreement between Borrower and Bank ("Agreement"). By forwarding this Transmittal along with copies of the invoices listed herein, Borrower is requesting Bank to make advances ("Advances") based on such receivables in accordance with the terms of the Agreement and hereby represents and warrants that the request has been made by an authorized representative of Borrower with full right, power and authority to deliver this Transmittal to Bank. Borrower acknowledges that such Advances (together with all fees, interest and other charges associated with such Advances) shall be repaid in accordance with the terms of the Agreement. Borrower hereby ratifies and reaffirms all of its representations and warranties in the Agreement, including, without limitation, Borrower's representations set forth in Section 5.3 thereof.

For SVB Use Only	**Disbursement Instructions**
Date	SVB DDA #
AM Approval	Wire To
PM/TL Approval	ABA #
SCO Approval	Account #

EXHIBIT D

BORROWING BASE CERTIFICATE

Borrower: Brightcove Inc.
Lender: Silicon Valley Bank
Commitment Amount: $8,000,000.00

ACCOUNTS RECEIVABLE		
1. Accounts Receivable (domestic and foreign) (invoiced) Book Value as of _____	$	_____
2. Additions (please explain on next page)	$	_____
3. Less: Intercompany / Employee / Non-Trade Accounts	$	_____
4. NET TRADE ACCOUNTS RECEIVABLE	$	_____
ACCOUNTS RECEIVABLE DEDUCTIONS (without duplication)		
5. Affiliate/Intercompany/Employee Accounts	$	_____
6. 120 Days Past Invoice Date	$	_____
7. Balance of 50% over 120 Day Accounts (cross-age or current affected)	$	_____
8. Accounts billed and/or payable outside the United States	$	_____
9. Contra/Customer Deposit Accounts	$	_____
10 U.S. Government Accounts w/o assignment of claims	$	_____
11. Promotion or Demo Accounts; Guaranteed Sale or Consignment Sale Accounts	$	_____
12. Accounts with Memo or Pre-Billings	$	_____
13. Contract Accounts; Accounts with Progress/Milestone Billings	$	_____
14. Accounts for Retainage Billings	$	_____
15. Trust / Bonded Accounts	$	_____
16. Bill and Hold Accounts	$	_____
17. Unbilled Accounts	$	_____
18. Non-Trade Accounts (if not already deducted above)	$	_____
19. Accounts with Extended Term Invoices (Net 120+)	$	_____
20. Chargebacks Accounts / Debit Memos	$	_____
21. Product Returns/Exchanges	$	_____
22. Disputed Accounts; Insolvent Account Debtor Accounts	$	_____
23. Other (please explain on next page)	$	_____
24. TOTAL ACCOUNTS RECEIVABLE DEDUCTIONS	$	_____
25. Eligible Accounts (#4 minus #24)	$	_____
26. ELIGIBLE AMOUNT OF ACCOUNTS (80.0% of #25)	$	_____
BALANCES		
27. Maximum Loan Amount	$	8,000,000.00
28. Total Funds Available (Lesser of #26 or 27)	$	_____
29. Present balance owing on Line of Credit	$	_____
30. Outstanding under Sublimits (LC/FX/Cash Management)	$	_____
31. RESERVE POSITION (#28 minus #29 and #30)	$	_____

[Continued on following page.]

Explanatory comments from previous page:

The undersigned represents and warrants that this is true, complete and correct, and that the information in this Borrowing Base Certificate complies with the representations and warranties in the Loan and Security Agreement between the undersigned and Silicon Valley Bank.

COMMENTS:

BRIGHTCOVE INC.

By: _____
Authorized Signer
Date: _____

BANK USE ONLY

Received by: _____
AUTHORIZED SIGNER
Date: _____
Verified: _____
AUTHORIZED SIGNER
Date: _____
Compliance Status: Yes No

FIRST LOAN MODIFICATION AGREEMENT

This First Loan Modification Agreement (this "Loan Modification Agreement") is entered into as of June 24, 2011, by and between **SILICON VALLEY BANK**, a California corporation, with its principal place of business at 3003 Tasman Drive, Santa Clara, California 95054 and with a loan production office located at 275 Grove Street, Suite 2-200, Newton, Massachusetts 02466 ("Bank") and **BRIGHTCOVE INC.**, a Delaware corporation with its principal place of business at One Cambridge Center, Cambridge, Massachusetts 02142 ("Borrower").

1. DESCRIPTION OF EXISTING INDEBTEDNESS AND OBLIGATIONS. Among other indebtedness and obligations which may be owing by Borrower to Bank, Borrower is indebted to Bank pursuant to a loan arrangement dated as of March 30, 2011, evidenced by, among other documents, a certain Loan and Security Agreement dated as of March 30, 2011, between Borrower and Bank (the "Loan Agreement"). Capitalized terms used but not otherwise defined herein shall have the same meaning as in the Loan Agreement.

2. DESCRIPTION OF COLLATERAL. Repayment of the Obligations is secured by the Collateral as described in the Loan Agreement (together with any other collateral security granted to Bank, the "Security Documents"). Hereinafter, the Security Documents, together with all other documents evidencing or securing the Obligations shall be referred to as the "Existing Loan Documents".

3. DESCRIPTION OF CHANGE IN TERMS.

A. Modifications to Loan Agreement.

1 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.1.1:

"(g) Maturity. This Agreement shall terminate and all Obligations outstanding hereunder shall be immediately due and payable in full on the Maturity Date."

and inserting in lieu thereof the following:

"(g) Maturity. All Obligations outstanding hereunder (i) with respect to Credit Extensions other than those made pursuant to Section 2.1.5 shall be immediately due and payable in full on the Maturity Date or earlier termination of this Agreement, and (ii) with respect to Credit Extensions made pursuant to Section 2.1.5 shall be immediately due and payable in full on the applicable Term Advance Maturity Date or earlier termination of this Agreement."

2 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.1.1(b):

"(ii) The sum of (A) the aggregate amount of the Dollar Equivalent amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) issued pursuant to Section 2.1.2, plus (B) the FX Reduction Amount, plus (C) the sum of amounts utilized for Cash Management Services pursuant to Section 2.1.4, may not exceed Two Million Five Hundred Thousand Dollars ($2,500,000.00) in the aggregate at any time."

and inserting in lieu thereof the following:

"(ii) The sum of (A) the aggregate amount of the Dollar Equivalent amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) issued pursuant to Section 2.1.2, plus (B) the FX Reduction Amount, plus (C) the sum of amounts utilized for Cash Management Services pursuant to Section 2.1.4, may not exceed Three Million Dollars ($3,000,000.00) in the aggregate at any time."

3 The Loan Agreement shall be amended by inserting the following new Section 2.1.5, appearing immediately after Section 2.1.4 thereof:

" **2.1.5 Term Advances.**

(a) Availability. On the 2011 Effective Date, subject to the satisfaction of the terms and conditions of this Agreement, Borrower shall request and Bank shall make one (1) term loan in an amount equal to Five Million Dollars ($5,000,000.00). During the Draw Period, subject to the satisfaction of the terms and conditions of this Agreement, upon Borrower's request Bank shall make up to two (2) term loans in an aggregate amount not exceeding Two Million Dollars ($2,000,000.00). Any term loan made pursuant to this Section 2.1.5(a) is hereinafter referred to, singly, as a "**Term Advance**" and, collectively, as the "**Term Advances**".

(b) Interest Payments. Commencing on the first (1st) Payment Date following the Funding Date for each Term Advance (or commencing on the Funding Date if the Funding Date is the first (1st) calendar day of the month), and continuing on the Payment Date of each month thereafter, Borrower shall make monthly payments of interest, in arrears, on the principal amount of each Term Advance at the rate set forth in Section 2.1.5(d).

(c) Repayment. Commencing on the Amortization Date for each Term Advance, and continuing on the Payment Date of each month thereafter, Borrower shall repay each Term Advance in (i) thirty six (36) equal monthly installments of principal, plus (ii) monthly payments of accrued interest at the rate set forth in Section 2.1.5(d) (each, a "**Term Advance Payment**"). Borrower's final Term Advance Payment for each respective Term Advance, due on the applicable Term Advance Maturity Date, shall include all outstanding principal, all accrued and unpaid interest under with respect to such Term Advance and the Final Payment for such Term Advance. Once repaid, no Term Advance (or any portion thereof) may be reborrowed.

(d) Interest.

(i) Interest Rate. Subject to Section 2.1.5(d)(ii), the principal amount for each Term Advance shall accrue interest at a floating per annum rate equal to seven percent (7.00%) above the Prime Rate, which interest shall be payable monthly.

(ii) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, Obligations in connection with the Term Advances shall bear interest at the Default Rate. Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Bank Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations pursuant to Section 2.1.5(d)(i). Payment or acceptance of the increased interest rate provided in this Section 2.1.5(d)(ii) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Bank.

(iii) Adjustment to Interest Rate. Changes to the interest rate applicable to the Term Advances based on changes to the Prime Rate shall be effective on the effective date of any change to the Prime Rate and to the extent of any such change.

(iv) Computation; 360-Day Year. In computing interest, the date of the making of any Term Advance shall be included and the date of payment shall be excluded; *provided, however,* that if any Term Advance is repaid on the same day on which it is made, such day shall be included in computing interest on such Term Advance. Interest shall be computed on the basis of a 360-day year for the actual number of days elapsed.

(v) Interest Payment Date. Unless otherwise provided, interest is payable monthly on the first Business Day of each calendar month.

(e) Final Payment. Borrower shall pay to Bank the Final Payment with respect to each Term Advance, when due hereunder.

(f) Borrowing Procedure. Subject to the prior satisfaction of all other applicable conditions to the making of a Term Advance set forth in this Agreement, to obtain a Term Advance, Borrower shall notify Bank (which notice shall be irrevocable) by electronic mail, facsimile, or telephone by 12:00 noon Eastern time on the Funding Date of the Term Advance. Together with any such electronic or facsimile notification, Borrower shall deliver to Bank by electronic mail or facsimile a completed Payment/Advance Form executed by a Responsible Officer or his or her designee. Bank may rely on any telephone notice given by a person whom Bank believes is a Responsible Officer or designee. Bank shall credit Term Advances to an account of Borrower with Bank. Bank may make Term Advances under this Agreement based on instructions from a Responsible Officer or his or her designee or without instructions if the Term Advances are necessary to meet Obligations which have become due."

4 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.11.2:

"The demand may, at Bank's option, include any and all Credit Extensions, and all accrued Finance Charges, interest, Collateral Handling Fees, Bank Expenses and any other Obligations."

and inserting in lieu thereof the following:

"The demand may, at Bank's option, include any and all Credit Extensions, and all accrued Finance Charges, interest, Collateral Handling Fees, any Final Payment, Bank Expenses and any other Obligations."

5 The Loan Agreement shall be amended by deleting the following, appearing as Section 3.2:

" **3.2 Conditions Precedent to all Credit Extensions.** Bank's agreement to make each Credit Extension, including the initial Credit Extension, is subject to the following:

(a) receipt of the Advance Request and Invoice Transmittal;

(b) Bank shall have (at its option) conducted the confirmations and verifications as described in Section 2.1.1(d) of this Agreement;

(c) each of the representations and warranties in Section 5.3 of this Agreement shall be true and accurate on the date of the Advance Request and Invoice Transmittal and on the effective date of each Credit Extension and no Event of Default shall have occurred and be continuing, or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in Section 5.3 of this Agreement are true and accurate; and

(d) each of the representations and warranties in this Agreement (other than in Section 5.3) shall be true and accurate in all material respects on the date of the Advance Request and Invoice Transmittal and on the effective date of each Credit Extension and no Event of Default shall have occurred and be continuing, or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement (other than in Section 5.3) are true and accurate in all material respects."

and inserting in lieu thereof the following:

" **3.2 Conditions Precedent to all Credit Extensions.** Bank's agreement to make each Credit Extension, including the initial Credit Extension, is subject to the following:

(a) receipt of (i) with respect to requests for Credit Extensions (other than Term Advances), the Advance Request and Invoice Transmittal, or (ii) with respect to requests for a Term Advance, timely receipt of an executed Payment/Advance Form;

(b) Bank shall have (at its option) conducted the confirmations and verifications as described in Section 2.1.1(d); and

(c) each of the representations and warranties in Section 5.3 of this Agreement shall be true and accurate on the date of the Advance Request and Invoice Transmittal or Payment/Advance Form, as applicable, and on the effective date of each Credit Extension and no Event of Default shall have occurred and be continuing, or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in Section 5.3 of this Agreement are true and correct as of such date; and

(d) each of the representations and warranties in this Agreement (other than in Section 5.3) shall be true and accurate in all material respects on the date of the Advance Request and Invoice Transmittal or Payment/Advance Form, as applicable, and on the effective date of each Credit Extension and no Event of Default shall have occurred and be continuing, or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement (other than in Section 5.3) are true and correct in all material respects as of such date."

6 The Loan Agreement shall be amended by deleting the following definition, appearing in Section 13.1 thereof:

" "**Credit Extension**" is any Advance, Letter of Credit, FX Forward Contract, amount utilized for Cash Management Services, or any other extension of credit by Bank for Borrower's benefit."

and inserting in lieu thereof the following:

" "**Credit Extension**" is any Advance, Term Advance, Letter of Credit, FX Forward Contract, amount utilized for Cash Management Services, or any other extension of credit by Bank for Borrower's benefit."

7 The Loan Agreement shall be amended by inserting the following new definitions, appearing alphabetically in Section 13.1 thereof:

" "**2011 Effective Date**" is June 24, 2011".

" "**Amortization Date**" is, for each Term Advance, the first (1st) calendar Day of the month that is the thirteenth (13th) month after the Funding Date with respect to such Term Advance (or if such Funding Date was the first (1st) calendar day of a month, the month that is the twelfth (12th) month after such Funding Date)."

" "**Draw Period**" is the period of time from the 2011 Effective Date through the earliest to occur of (a) December 31, 2011, and (b) an Event of Default."

" "**Final Payment**" is a payment (in addition to and not a substitution for the regular monthly payments of interest or principal and interest, as applicable) with respect to each Term Advance due on the earlier to occur of (a) the Term Advance Maturity Date, (b) the acceleration of the Term Advance, or (c) any voluntary or involuntary prepayment of the Term Advance, equal to the original principal amount of the Term Advance multiplied by the Final Payment Percentage."

" "**Final Payment Percentage**" is two percent (2.0%)."

" "**Funding Date**" is any date on which an Term Advance is made to or for the account of Borrower which shall be a Business Day."

" "**Payment/Advance Form**" is that certain form attached hereto as **Exhibit E**."

" "**Payment Date**" is the first (1st) calendar day of each month."

" "**Term Advance**" or "**Term Advances**" is defined in Section 2.1.5(a)."

" "**Term Advance Maturity Date**" is, for each Term Advance, the Payment Date of the month which is the thirty-fifth (35th) month after the Amortization Date with respect to such Term Advance."

" "**Term Advance Payment**" is defined in Section 2.1.5(c)."

8 The Payment/Advance Form attached hereto as **Schedule 1** shall hereby appear as **Exhibit E** to the Loan Agreement.

4. FEES. Borrower shall pay to Bank a modification fee equal to Twenty Thousand Dollars ($20,000.00), which fee shall be due on the date hereof and shall be deemed fully earned as of the date hereof. Borrower shall also reimburse Bank for all legal fees and expenses incurred in connection with this amendment to the Existing Loan Documents.

5. PERFECTION CERTIFICATE. Borrower hereby ratifies, confirms and reaffirms, all and singular, the terms and disclosures contained in a certain Perfection Certificate dated as of June 24, 2011, and acknowledges, confirms and agrees the disclosures and information above Borrower provided to Bank in the Perfection Certificate have not changed, as of the date hereof. Borrower hereby acknowledges and agrees that all references in the Loan Agreement to Perfection Certificate shall mean and include the Perfection Certificate as described herein.

6. CONSISTENT CHANGES. The Existing Loan Documents are hereby amended wherever necessary to reflect the changes described above.

7. RATIFICATION OF LOAN DOCUMENTS. Borrower hereby ratifies, confirms, and reaffirms all terms and conditions of all security or other collateral granted to the Bank, and confirms that the indebtedness secured thereby includes, without limitation, the Obligations.

8. NO DEFENSES OF BORROWER. Borrower hereby acknowledges and agrees that Borrower has no offsets, defenses, claims, or counterclaims against Bank with respect to the Obligations, or otherwise, and that if Borrower now has, or ever did have, any offsets, defenses, claims, or counterclaims against Bank, whether known or unknown, at law or in equity, all of them are hereby expressly WAIVED and Borrower hereby RELEASES Bank from any liability thereunder.

9. CONTINUING VALIDITY. Borrower understands and agrees that in modifying the existing Obligations, Bank is relying upon Borrower's representations, warranties, and agreements, as set forth in the Existing Loan Documents. Except as expressly modified pursuant to this Loan Modification Agreement, the terms of the Existing Loan Documents remain unchanged and in full force and effect. Bank's agreement to modifications to the existing Obligations pursuant to this Loan Modification Agreement in no way shall obligate Bank to make any future modifications to the Obligations. Nothing in this Loan Modification Agreement shall constitute a satisfaction of the Obligations. It is the intention of Bank and Borrower to retain as liable parties all makers of Existing Loan Documents, unless the party is expressly released by Bank in writing. No maker will be released by virtue of this Loan Modification Agreement.

10. COUNTERSIGNATURE. This Loan Modification Agreement shall become effective only when it shall have been executed by Borrower and Bank.

[The remainder of this page is intentionally left blank]

This Loan Modification Agreement is executed as a sealed instrument under the laws of the Commonwealth of Massachusetts as of the date first written above.

BORROWER:

BRIGHTCOVE INC.

By: /s/ Christopher A. Menard
Name: Christopher A. Menard
Title: CFO and Treasurer

BANK:

SILICON VALLEY BANK

By: /s/ Kate Leland
Name: Kate Leland
Title: Vice President

SCHEDULE 1

EXHIBIT E

LOAN PAYMENT/ADVANCE REQUEST FORM

DEADLINE FOR SAME DAY PROCESSING IS NOON EASTERN TIME

Fax To: Date: _____

LOAN PAYMENT:

Brightcove Inc.

From Account #_____ To Account #_____
(Deposit Account #) (Loan Account #)

Principal $_____ and/or Interest_____

Authorized Signature:_____ Phone Number:_____
Print Name/Title:_____

LOAN ADVANCE:

Complete *Outgoing Wire Request* section below if all or a portion of the funds from this loan advance are for an outgoing wire.

From Account #_____ To Account#_____
(Loan Account #) (Deposit Account #)

Amount of Term Advance $_____

All Borrower's representations and warranties in the Loan and Security Agreement are true and correct in all material respects on the date of the request for an advance; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true and correct in all material respects as of such date:

Authorized Signature:_____ Phone Number:_____
Print Name/Title:_____

OUTGOING WIRE REQUEST:
Complete only if all or a portion of funds from the loan advance above is to be wired.
Deadline for same day processing is noon, Eastern Time

Beneficiary Name: _____ Amount of Wire: $_____
Beneficiary Bank: _____ Account Number:_____
City and State:_____

Beneficiary Bank Transit (ABA) #:_____ Beneficiary Bank Code (Swift, Sort, Chip, etc.):_____
(For International Wire Only)

Intermediary Bank:_____ Transit (ABA) #:_____

For Further Credit to:_____

Special Instruction:_____

By signing below, I (we) acknowledge and agree that my (our) funds transfer request shall be processed in accordance with and subject to the terms and conditions set forth in the agreements(s) covering funds transfer service(s), which agreements(s) were previously received and executed by me (us).

Authorized Signature:_____

_____

Print Name/Title: _____

Telephone #:

2nd Signature (if required):

Print Name/Title:_____

Telephone #:

Exhibit 10.9

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made as of the 8th day of August, 2011, between Brightcove Inc., a Delaware corporation (the "**Company**"), and Jeremy Allaire (the "**Executive**").

WHEREAS, the Company and the Executive were previously parties to that certain employment offer letter dated December 17, 2004 (the "Prior Agreement") which the Company and the Executive intend to supersede and replace with this Agreement;

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company on the new terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company hereby employs the Executive and the Executive hereby accepts such employment pursuant to the terms of this Agreement until this Agreement is terminated in accordance with the provisions of Section 3. (Such period of employment shall hereinafter be referred to as the "**Term**").

(b) Position and Duties. During the Term, the Executive shall serve as the Chairman and Chief Executive Officer of the Company, and shall have such powers and duties as may from time to time be prescribed by the Board of Directors of the Company (the "**Board**"), or other authorized executive, provided that such duties are consistent with the Executive's position or other positions that he may hold from time to time. The Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the prior written approval of the Board, or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive's performance of his duties to the Company as provided in this Agreement.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive's initial annual base salary shall be $300,000. The Executive's base salary may be redetermined annually by the Board or the Compensation Committee. The base salary in effect at any given time is referred to herein as "**Base Salary**." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for senior executives.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's target annual incentive compensation shall be 45 percent of his Base Salary. To earn incentive compensation, the Executive must be employed by the Company on the last day of the period on which such incentive compensation is measured.

(c) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by him during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior executive officers.

(d) Other Benefits. During the Term, the Executive shall be entitled to continue to participate in or receive benefits under the Company's Employee Benefit Plans in effect on the date hereof. As used herein, the term "**Employee Benefit Plans**" includes, without limitation, each pension and retirement plan; supplemental pension, retirement and deferred compensation plan; savings and profit-sharing plan; stock ownership plan; stock purchase plan; stock option plan; life insurance plan; medical insurance plan; disability plan; and health and accident plan or arrangement established and maintained by the Company on the date hereof for employees of the same status within the hierarchy of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement which may, in the future, be made available by the Company to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plan or arrangement. Any payments or benefits payable to the Executive under a plan or arrangement referred to in this Section 2(d) in respect of any calendar year during which the Executive is employed by the Company for less than the whole of such year shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the number of days in such calendar year during which he is so employed. Should any such payments or benefits accrue on a fiscal (rather than calendar) year, then the proration in the preceding sentence shall be on the basis of a fiscal year rather than calendar year.

(e) Place of Performance. Unless otherwise agreed to by the Executive and the Company, the Executive shall perform his duties for the Company from the headquarters of the Company, initially located at One Cambridge Center, Cambridge, MA, 02142 provided, however, Executive shall be required to travel to the extent reasonably required to perform his job duties.

(f) Vacation. During the Term, the Executive shall be entitled to accrue up to 20 days of paid vacation days in each year, which shall be accrued ratably. The Executive shall also be entitled to all paid holidays given by the Company to its executives.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12 month period. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq*. and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq*.

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause by a vote of the Board at a meeting of the Board called and held for such purpose. For purposes of this Agreement, "**Cause**" shall mean: (i) conduct by the Executive constituting an act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in injury or reputational harm to the Company or any of its subsidiaries and affiliates if he were retained in his position; (iii) continued non-performance by the Executive of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Board; (iv) a breach by the Executive of any of the provisions contained in Section 7 of this Agreement; (v) a violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate his employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean that the Executive has complied with the Good Reason Process (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive's responsibilities, authority or duties; (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the principle geographic location at which the Executive is required to provide services to the Company; or (iv) the material breach of this Agreement by the Company. "**Good Reason Process**" shall mean that (A) the Executive reasonably determines in good faith that a "Good Reason" condition has occurred; (B) the Executive notifies the Company in writing of the first occurrence of the Good Reason condition within 30 days of the first occurrence of such condition; (C) the Executive cooperates in good faith with the Company's efforts, for a period not less than 30 days following such notice (the "**Cure Period**"), to remedy the condition; (D) notwithstanding such efforts, the Good Reason condition continues to exist; and (E) the Executive terminates his employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "**Notice of Termination**" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "**Date of Termination**" shall mean: (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c) or by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given; (iii) if the Executive's employment is terminated by the Executive under Section 3(e) without Good Reason, 30 days after the date on which a Notice of Termination is given, and (iv) if the Executive's employment is terminated by the Executive under Section 3(e) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(h) Resignation on Termination. On the Date of Termination, the Executive shall resign from all positions with the Company and its subsidiaries. In addition, if the Executive is then serving as a member of the Board or the Board of Directors of a subsidiary, the Executive shall tender his resignation from such directorship(s) on the Date of Termination.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned and payable but not yet paid, unpaid expense reimbursements and accrued but unused vacation (the "**Accrued Benefit**") on or before the time required by law but in no event more than 30 days after the Executive's Date of Termination.

(b) Termination by the Company Without Cause or by the Executive with Good Reason Prior to the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring prior to the Company's first underwritten public offering of its common stock under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Company's IPO**"), then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a separation agreement that includes a general release of claims in favor of the Company and related persons and entities in a form and manner satisfactory to the Company (the "**Release**") and, if applicable, the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one-half (1/2) times the Executive's Base Salary and (B) the greater of (x) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (y) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (such sum, the "**Pre-IPO Severance Amount**"). The Pre-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over six (6) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Pre-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(c) Termination by the Company Without Cause or by the Executive with Good Reason After the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring on or after the Company's IPO, then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release with 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's target incentive compensation for the then current fiscal year (the "**Post-IPO Severance Amount**"). The Post-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over twelve (12) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO

Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Code, each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

5. Change in Control Payment. The provisions of this Section 5 set forth certain additional agreements reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 4(b) and Section 4(c), as applicable, regarding severance pay and benefits if a termination of employment occurs on or within 12 months after the occurrence of a Change in Control, provided that such Change in Control occurs during the Executive's employment. These provisions shall terminate and be of no further force or effect beginning twelve (12) months after the occurrence of a Change in Control.

(a) Change in Control Prior to the Company's IPO.

(i) Upon a Change in Control of the Company prior to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and, if applicable, the expiration of the seven-day revocation period for the Release within the 60 day period following the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (x) one-half (1/2) times the Executive's Base Salary and (y) the greater of (A) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (B) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (the "**Pre-IPO CIC Amount**"). The Pre-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60 days period begins in one calendar year and ends in a second calendar year, the Pre-IPO CIC Amount shall be paid in the second calendar year and; provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Pre-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(b)(i) with respect to the Pre-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(b) Additional Limitation Prior to the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that prior to the Company's IPO, the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "**Pre IPO Payments**"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Pre-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Pre-IPO Payments shall not exceed the Threshold Amount (the "Reduction Amount"). In such event, the Pre-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) In addition, the Company shall use reasonable efforts to satisfy the shareholder approval requirements set forth in Q/A 7 of Treasury Regulations Section 1.280G-1 with respect to such Reduction Amount, and if such requirements are satisfied then such Reduction Amount shall become payable hereunder as if subsection (i) above had not applied thereto.

(iii) For the purposes of this Section 5, "**Threshold Amount**" shall mean three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar ($1.00); and "**Excise Tax**" shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by the Executive with respect to such excise tax.

(iv) The determination of the reduction provided in Section 5(b) shall be made by a nationally recognized accounting firm selected by the Company (the "**Accounting Firm**"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of this determination, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Change in Control After to the Company's IPO.

(i) Upon a Change in Control of the Company after to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's incentive compensation for the then current fiscal year (the "**Post-IPO CIC Amount**"). The Post-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO CIC Amount shall be paid in the second calendar year; and provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial

portion of the assets" of the Company for purposes of Section 409A of the Code, the Post-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(c)(i) with respect to the Post-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(d) Additional Limitation After the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that on or after the Company's IPO the amount of any compensation payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "Post-IPO Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, the following provisions shall apply:

(A) If the Post-IPO Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes payable by the Executive on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, the Executive shall be entitled to the full benefits payable under this Agreement.

(B) If the Threshold Amount is less than (x) the Post-IPO Payments, but greater than (y) the Post-IPO Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, then the Post-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Post-IPO Payments shall not exceed the Threshold Amount. In such event, the Post-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) The determination as to which of the alternative provisions of Section 5(d) shall apply to the Executive shall be made the Accounting Firm, which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of determining

which of the alternative provisions of Section 5(d) shall apply, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(e) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(i) Prior to the Company's IPO, "**Change in Control**" shall mean a "Deemed Liquidation Event" as defined in the Company's certificate of incorporation filed with the Secretary of State of Delaware as the same may be amended from time to time.

(ii) After the Company's IPO, "**Change in Control**" shall mean any of the following:

(A) the date any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Act**") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities having the right to vote in an election of the Board ("**Voting Securities**") (in such case other than as a result of an acquisition of securities directly from the Company); or

(B) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(C) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than fifty percent (50%) of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a Change in Control shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities, then a Change in Control shall be deemed to have occurred for purposes of the foregoing clause (i).

6. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. Confidential Information, Noncompetition and Cooperation.

(a) The Executive agrees to continue to comply with the Employee Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement attached hereto as Exhibit A ("Proprietary Information Agreement"), the terms of which are hereby incorporated by reference into Section 7 of this Agreement.

(b) Confidentiality. The Executive understands and agrees that the Executive's employment creates a relationship of confidence and trust between the Executive and the Company with respect to all Confidential Information. At all times, both during the Executive's employment with the Company and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Company, except as may be necessary in the ordinary course of performing the Executive's duties to the Company.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Company or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Company. The Executive will return to the Company all such materials and property as and when requested by the Company. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and

the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(e) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 7(e).

(f) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the promises set forth in this Section 7, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

8. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

9. Integration. This Agreement, including Exhibits A and B attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter including, without limitation, the Prior Agreement.

10. Withholding; Taxes. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate you for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after his termination of employment but prior to the completion by the Company of all payments due him under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to his death (or to his estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

16. Amendment; Amended Terms. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company. Every two years following the date of this Agreement, the Compensation Committee shall make recommendations for changes to the amount and type of consideration payable upon termination and/or a change of control pursuant to Sections 4 and 5 of this Agreement, respectively. Such recommendations shall be based upon on a review of information presented to the Compensation Committee by a third-party compensation consultant retained by the Compensation Committee in connection with a review of the Company's executive compensation. Executive and the Company hereby agree to negotiate in good faith any amendments to this Agreement which are necessary to give effect to any such recommendations.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

19. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

20. Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

COMPANY:

BRIGHTCOVE INC.

By: /s/ David Orfao
Name: David Orfao
Title: Director

EXECUTIVE:

/s/ Jeremy Allaire
Jeremy Allaire

EXHIBIT A

EMPLOYEE NONCOMPETITION,
NONDISCLOSURE AND DEVELOPMENTS AGREEMENT

In consideration of and as a condition of my employment or continued employment by Brightcove Inc., its affiliates, subsidiaries, successors and assigns (collectively, the "Company"), I hereby agree with the Company as follows:

1. Noncompetition: During the period of my employment by the Company, I shall devote my full time and best efforts to the business of the Company. Further, during the period of my employment by the Company and for twelve months after the termination of such employment (for any reason whatsoever) (the "Restricted Period"), I shall not, directly or indirectly, in any geographic area where the Company does business or sells or markets its products and/or services or is actively planning to do business or sell or market its products and/or services, as of my termination of employment, (a) provide services to, become employed by, or retained as a consultant or independent contractor of, an entity that is competitive with the Company; or (b) alone or as a partner, officer, director, employee, member, consultant, independent contractor, agent or stockholder of any entity, engage in any business activity that competes with the products or services being developed, designed, manufactured, provided or sold by the Company at the time of my termination of employment. My ownership of less than 3% of the equity securities of any publicly traded Company or less than 5% of any private company will not by itself violate the terms of this Section.

2. Nonsolicitation of Customers: During the Restricted Period, I shall not, directly or indirectly, alone or as a partner, officer, director, employee, consultant, independent contractor, agent or stockholder of any entity, (i) solicit, or do business in competition with the Company, or assist any other entity that competes with the Company to solicit or do business with (a) an entity that is a customer of the Company at the time of my termination of employment from the Company or was a customer of the Company at any time within six months prior thereto; or (b) an entity that is or was known to be a prospective customer of the Company at the time of my termination of employment from the Company; or (ii) interfere with or disrupt, or assist any other person or business organization to interfere with or disrupt, any existing relationships between the Company and any customer, licensee, supplier, vendor, distributor, dealer or manufacturer of the Company.

3. Nonsolicitation/Non-hire of Employees: During the Restricted Period, I shall not, directly or indirectly, (a) hire or employ; (b) recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away; or (c) assist any entity, business organization or person to recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away, any person who is or was employed by the Company at any time within the six month period prior to the termination of my employment with the Company.

4. Nondisclosure Obligation: I shall not at any time, whether during or after the termination of my employment (for any reason whatsoever), reveal to any person or entity any Confidential Information of the Company or of any third parties which the Company is under an obligation to keep confidential, except to employees of the Company who need to know such information for the purposes of their employment, or as otherwise authorized by the Company in writing. "Confidential Information" includes, but is not limited to, confidential and/or proprietary

information or trade secrets concerning the business, organization or finances of the Company, including but not limited to, research and development activities, product designs, prototypes and technical specifications, show how and know how, business, financial, sales and/or marketing plans and strategies, pricing and costing policies, customer and suppliers lists and related information, nonpublic financial information, systems, source code and related unpublished documentation, compensation and other personnel-related information, processes, software programs, works of authorship, inventions, projects, plans and proposals as well as any other information as may be treated by the Company as confidential. I shall keep secret all matters entrusted to me and shall not use or rely upon, or attempt to use or rely upon, any Confidential Information except as may be required in the ordinary course of performing my duties as an employee of the Company.

5. Company Documentation: Furthermore, I agree that during my employment I shall maintain for the benefit of the Company, and shall not make, use or permit to be used, any Company Documentation otherwise than for the benefit of the Company. "Company Documentation" includes, but is not limited to, notes memoranda, reports, lists, records, drawings, sketches, specifications, software programs, data documentation or other materials of any nature and in any form, whether written, printed or in digital format or otherwise relating to any matter within the scope of the business of the Company or concerning any of its dealings or affairs, whether or not they contain or embody any Confidential Information or any Developments (as hereinafter defined). I further agree that I shall not, after the termination of my employment, use or permit others to use any such Company Documentation, and that all Company Documentation shall be and remain the sole and exclusive property of the Company. Immediately upon the termination of my employment (or earlier, if requested by the Company) I shall deliver all Company Documentation and Confidential Information in my possession, and all copies thereof, to the Company, at its main office.

6. Assignment of Inventions:

(a) If at any time or times during my employment, I shall (either alone or with others) make, conceive, create, discover, invent or reduce to practice any Development that: (i) relates to the business of the Company or any customer of or supplier to the Company or any of the products or services being developed, manufactured or sold by the Company or which may be used in relation therewith; or (ii) results from tasks assigned to me by the Company or work performed by me for the Company; or (iii) results from the use of Confidential Information; or (iv) results from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company, then all such Developments and the benefits thereof are and shall immediately become the sole and absolute property of the Company and its assigns, as works made for hire or otherwise. The term "Development" shall include, but not be limited to, any invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, trade secret or intellectual property right whatsoever or any interest therein (whether or not patentable or registrable under copyright, trademark or similar statutes (including but not limited to the Semiconductor Chip Protection Act) or subject to analogous protection). I shall promptly disclose to the Company (or any persons designated by it) each Development. I hereby assign all rights (including, but not limited to, rights to inventions, patentable subject matter, copyrights and trademarks) I may have or may acquire in the Developments and all benefits and/or rights resulting therefrom to the Company and its assigns without further compensation and shall communicate, without cost or delay, and without disclosing to others, all available information relating thereto (with all necessary plans and models) to the Company.

(b) I represent that the Developments identified in the Appendix attached hereto, if any, comprise all the Developments that I have made or conceived prior to my employment by the Company, which Developments are excluded from this Agreement. I understand that it is only necessary to list the title of such Developments and the purpose thereof, but not details of the Development itself. IF THERE ARE ANY SUCH DEVELOPMENTS TO BE EXCLUDED, THE UNDERSIGNED SHOULD INITIAL HERE; OTHERWISE IT WILL BE DEEMED THAT THERE ARE NO SUCH EXCLUSIONS. _____. I understand and agree that if I incorporate into any Company product, process or machine any Developments set forth on the Appendix or otherwise made, conceived or reduced to practice by me prior to my employment with the Company, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell any such Development as part of or in connection with such product, process or machine.

(c) I shall, during my employment and at any time thereafter, at the request and cost of the Company, promptly sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized officers may reasonably require: (i) to apply for, obtain, register and vest in the name of the Company alone (unless the Company otherwise directs) patents, copyrights, trademarks or other analogous protection in any country throughout the world relating to a Development and when so obtained or vested to renew and restore the same; and (ii) to defend any judicial, opposition or other proceedings in respect of such applications and any judicial, opposition or other proceeding, petition or application for revocation of any such patent, copyright, trademark or other analogous protection.

(d) If the Company is unable, after reasonable effort, to secure my signature on any application for patent, copyright, trademark or other analogous registration or other documents regarding any legal protection relating to a Development, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by me.

7. Acknowledgements/Remedies Upon Breach: I agree that the Company's Confidential Information, customer goodwill and workforce are vital to the success of the Company's business and have been or will be developed or attained by great efforts and expense to the Company. I acknowledge that as of the date of this Agreement and continuing thereafter, I will be provided by the Company with Confidential Information, including trade secrets, and I recognize the importance of protecting the Company's rights in and to such Confidential Information and goodwill that the Company has developed or will develop with its customers. I further agree that the restrictions set forth in this Agreement are reasonable and necessary to protect the Company's Confidential Information, its customer goodwill and its workforce. I agree that any breach of this Agreement by me will cause irreparable damage to the Company and that in the event of such breach or threatened breach the Company shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent or cease the violation of my obligations hereunder.

8. Absence of Conflicting Agreements: I understand that the Company does not desire to acquire from me any trade secrets, know how or confidential business information that I may have acquired from others. I represent that I will not use such information in the performance of my duties for the Company and will not bring any such information onto Company premises. I also represent that I am not bound by any agreement or any other existing or previous business relationship which conflicts with or prevents the full performance of my duties and obligations to the Company during the course of employment.

9. Notification: In the event that my employment with the Company terminates for any reason, I hereby consent to notification by the Company to my new employer or any new entity to which I may provide services about my rights and obligations under this Agreement.

10. Conflict of Interest Guidelines: I hereby agree to comply with the Company's conflict of interest guidelines attached hereto as Exhibit B.

11. Severability and Reformation: I hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any clause shall in no way impair the enforceability of any of the other clauses of the Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear. I hereby further agree that the language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either of the parties.

12. At-Will Employment: I understand that neither this Agreement nor any other document I have signed regarding my employment with the Company constitutes an express or implied employment contract and that my employment with the Company is on an "at-will" basis. Accordingly, I understand that either the Company or I may terminate my employment at any time, for any or no reason, with or without prior notice.

13. Continued Effect. I agree and understand that any change or changes in my position, duties, salary, compensation or other terms and conditions of employment with the Company will in no manner affect the validity, enforceability or scope of this Agreement, and that I am entering into this Agreement in consideration for my employment with the Company, which employment includes any such changes that may occur after the date hereof.

14. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges and supersedes all prior discussions, representations, understandings and agreements by and between us.

15. Miscellaneous: Any amendment to or modification of this Agreement, or any waiver of any provision hereof, shall be in writing and signed by the Company. Any waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof. The captions of this Agreement are for reference only and do not define, limit or affect the scope of any section of this Agreement. My obligations under this Agreement shall survive the termination of my employment regardless of the reason for or manner of such termination and shall be binding upon my

heirs, executors, administrators and legal representatives. The Company shall have the right to assign this Agreement to its successors and assigns, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns. I acknowledge and agree that this Agreement shall be governed by and construed in accordance with the internal laws of Massachusetts without giving effect to the principles of conflicts of laws thereof and any claims or legal actions by one party against the other shall be commenced and maintained in any state or federal court located in Massachusetts and I hereby submit to the jurisdiction and venue of any such court.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date first above written.

/s/ Jeremy Allaire	8/18/11
Signature	Date

Jeremy Allaire
Name - Please Print

APPENDIX A

EXCLUDED DEVELOPMENTS

EXHIBIT B

CONFLICT OF INTEREST GUIDELINES
of
BRIGHTCOVE INC.

It is the policy of Brightcove Inc. to conduct its affairs in strict compliance with the letter and spirit of the law and to adhere to the highest principles of business ethics. Accordingly, all officers, employees and independent contractors must avoid activities that conflict, or give the appearance of being in conflict, with these principles and with the interests of the Company. The following examples (which are not an exhaustive list) are potentially compromising situations that must be avoided. Any exceptions must be reported to the President of the Company and written approval for continuation must be obtained.

(a) Revealing confidential information to outsiders or misusing confidential information. Unauthorized divulging of information is a violation of this policy whether or not for personal gain and whether or not harm to the Company is intended. (The Employee Nondisclosure and Developments Agreement elaborates on this principle and is a binding agreement.)

(b) Accepting or offering gifts, excessive entertainment, favors or payments which may be deemed to constitute undue influence or otherwise be improper or embarrassing to the Company.

(c) Participating in civic or professional organizations that might involve divulging confidential information of the Company.

(d) Initiating or approving personnel actions affecting reward or punishment of employees or applicants where there is a family relationship or is or appears to be a personal or social involvement.

(e) Initiating or approving any form of personal or social harassment of employees.

(f) Investing or holding outside directorship in suppliers, customers, or competing companies, including financial speculations, where such investment or directorship might influence in any manner a decision or course of action of the Company.

(g) Borrowing from or lending to employees, customers or suppliers.

(h) Acquiring real estate of interest to the Company.

(i) Improperly using or disclosing to the Company any proprietary information or trade secrets of any former or concurrent employer or other person or entity with whom obligations of confidentiality exist.

(j) Unlawfully discussing prices, costs, customers, sales or markets with competing companies or their employees.

(k) Making any unlawful agreement with distributors with respect to prices.

(l) Improperly using or authorizing the use of any inventions which are the subject of patent claims of any other person or entity.

(m) Engaging in any conduct that is not in the best interest of the Company. Each officer, employee and independent contractor must take every necessary action to ensure compliance with these guidelines and to bring problem areas to the attention of the Company's management for its review.

Exhibit 10.10

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made as of the 8th day of August, 2011, between Brightcove Inc., a Delaware corporation (the "**Company**"), and David Mendels (the "**Executive**").

WHEREAS, the Company and the Executive were previously parties to that certain employment offer letter dated November 20, 2009 (the "Prior Agreement") which the Company and the Executive intend to supersede and replace with this Agreement;

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company on the new terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company hereby employs the Executive and the Executive hereby accepts such employment pursuant to the terms of this Agreement until this Agreement is terminated in accordance with the provisions of Section 3. (Such period of employment shall hereinafter be referred to as the "**Term**").

(b) Position and Duties. During the Term, the Executive shall serve as the President and Chief Operating Officer of the Company, and shall have such powers and duties as may from time to time be prescribed by the Chief Executive Officer of the Company (the "**CEO**"), or other authorized executive, provided that such duties are consistent with the Executive's position or other positions that he may hold from time to time. The Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the prior written approval of the Board, or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive's performance of his duties to the Company as provided in this Agreement.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive's initial annual base salary shall be $250,000. The Executive's base salary may be redetermined annually by the Board or the Compensation Committee. The base salary in effect at any given time is referred to herein as "**Base Salary**." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for senior executives.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's target annual incentive compensation shall be 35 percent of his Base Salary. To earn incentive compensation, the Executive must be employed by the Company on the last day of the period on which such incentive compensation is measured.

(c) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by him during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior executive officers.

(d) Other Benefits. During the Term, the Executive shall be entitled to continue to participate in or receive benefits under the Company's Employee Benefit Plans in effect on the date hereof. As used herein, the term "**Employee Benefit Plans**" includes, without limitation, each pension and retirement plan; supplemental pension, retirement and deferred compensation plan; savings and profit-sharing plan; stock ownership plan; stock purchase plan; stock option plan; life insurance plan; medical insurance plan; disability plan; and health and accident plan or arrangement established and maintained by the Company on the date hereof for employees of the same status within the hierarchy of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement which may, in the future, be made available by the Company to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plan or arrangement. Any payments or benefits payable to the Executive under a plan or arrangement referred to in this Section 2(d) in respect of any calendar year during which the Executive is employed by the Company for less than the whole of such year shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the number of days in such calendar year during which he is so employed. Should any such payments or benefits accrue on a fiscal (rather than calendar) year, then the proration in the preceding sentence shall be on the basis of a fiscal year rather than calendar year.

(e) Place of Performance. Unless otherwise agreed to by the Executive and the Company, the Executive shall perform his duties for the Company from the headquarters of the Company, initially located at One Cambridge Center, Cambridge, MA, 02142 provided, however, Executive shall be required to travel to the extent reasonably required to perform his job duties.

(f) Vacation. During the Term, the Executive shall be entitled to accrue up to 20 days of paid vacation days in each year, which shall be accrued ratably. The Executive shall also be entitled to all paid holidays given by the Company to its executives.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12 month period. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq*. and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq*.

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause by a vote of the Board at a meeting of the Board called and held for such purpose. For purposes of this Agreement, "**Cause**" shall mean: (i) conduct by the Executive constituting an act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in injury or reputational harm to the Company or any of its subsidiaries and affiliates if he were retained in his position; (iii) continued non-performance by the Executive of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Board; (iv) a breach by the Executive of any of the provisions contained in Section 7 of this Agreement; (v) a violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate his employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean that the Executive has complied with the Good Reason Process (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive's responsibilities, authority or duties; (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the principle geographic location at which the Executive is required to provide services to the Company; or (iv) the material breach of this Agreement by the Company. "**Good Reason Process**" shall mean that (A) the Executive reasonably determines in good faith that a "Good Reason" condition has occurred; (B) the Executive notifies the Company in writing of the first occurrence of the Good Reason condition within 30 days of the first occurrence of such condition; (C) the Executive cooperates in good faith with the Company's efforts, for a period not less than 30 days following such notice (the "**Cure Period**"), to remedy the condition; (D) notwithstanding such efforts, the Good Reason condition continues to exist; and (E) the Executive terminates his employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "**Notice of Termination**" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "**Date of Termination**" shall mean: (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c) or by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given; (iii) if the Executive's employment is terminated by the Executive under Section 3(e) without Good Reason, 30 days after the date on which a Notice of Termination is given, and (iv) if the Executive's employment is terminated by the Executive under Section 3(e) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(h) Resignation on Termination. On the Date of Termination, the Executive shall resign from all positions with the Company and its subsidiaries. In addition, if the Executive is then serving as a member of the Board or the Board of Directors of a subsidiary, the Executive shall tender his resignation from such directorship(s) on the Date of Termination.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned and payable but not yet paid, unpaid expense reimbursements and accrued but unused vacation (the "**Accrued Benefit**") on or before the time required by law but in no event more than 30 days after the Executive's Date of Termination.

(b) Termination by the Company Without Cause or by the Executive with Good Reason Prior to the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring prior to the Company's first underwritten public offering of its common stock under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Company's IPO**"), then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a separation agreement that includes a general release of claims in favor of the Company and related persons and entities in a form and manner satisfactory to the Company (the "**Release**") and, if applicable, the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one-half (1/2) times the Executive's Base Salary and (B) the greater of (x) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (y) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (such sum, the "**Pre-IPO Severance Amount**"). The Pre-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over six (6) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Pre-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(c) Termination by the Company Without Cause or by the Executive with Good Reason After the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring on or after the Company's IPO, then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release with 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's target incentive compensation for the then current fiscal year (the "**Post-IPO Severance Amount**"). The Post-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over twelve (12) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the

Post-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Code, each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

5. Change in Control Payment. The provisions of this Section 5 set forth certain additional agreements reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 4(b) and Section 4(c), as applicable, regarding severance pay and benefits if a termination of employment occurs on or within 12 months after the occurrence of a Change in Control, provided that such Change in Control occurs during the Executive's employment. These provisions shall terminate and be of no further force or effect beginning twelve (12) months after the occurrence of a Change in Control.

(a) Change in Control Prior to the Company's IPO.

(i) Upon a Change in Control of the Company prior to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and, if applicable, the expiration of the seven-day revocation period for the Release within the 60 day period following the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (x) one-half (1/2) times the Executive's Base Salary and (y) the greater of (A) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (B) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (the "**Pre-IPO CIC Amount**"). The Pre-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60 days period begins in one calendar year and ends in a second calendar year, the Pre-IPO CIC Amount shall be paid in the second calendar year and; provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Pre-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(b)(i) with respect to the Pre-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(b) Additional Limitation Prior to the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that prior to the Company's IPO, the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "**Pre IPO Payments**"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Pre-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Pre-IPO Payments shall not exceed the Threshold Amount (the "Reduction Amount"). In such event, the Pre-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) In addition, the Company shall use reasonable efforts to satisfy the shareholder approval requirements set forth in Q/A 7 of Treasury Regulations Section 1.280G-1 with respect to such Reduction Amount, and if such requirements are satisfied then such Reduction Amount shall become payable hereunder as if subsection (i) above had not applied thereto.

(iii) For the purposes of this Section 5, "**Threshold Amount**" shall mean three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar ($1.00); and "**Excise Tax**" shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by the Executive with respect to such excise tax.

(iv) The determination of the reduction provided in Section 5(b) shall be made by a nationally recognized accounting firm selected by the Company (the "**Accounting Firm**"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of this determination, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Change in Control After to the Company's IPO.

(i) Upon a Change in Control of the Company after to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's incentive compensation for the then current fiscal year (the "**Post-IPO CIC Amount**"). The Post-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO CIC Amount shall be paid in the second calendar year; and provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial

portion of the assets" of the Company for purposes of Section 409A of the Code, the Post-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(c)(i) with respect to the Post-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(d) Additional Limitation After the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that on or after the Company's IPO the amount of any compensation payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "Post-IPO Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, the following provisions shall apply:

(A) If the Post-IPO Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes payable by the Executive on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, the Executive shall be entitled to the full benefits payable under this Agreement.

(B) If the Threshold Amount is less than (x) the Post-IPO Payments, but greater than (y) the Post-IPO Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, then the Post-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Post-IPO Payments shall not exceed the Threshold Amount. In such event, the Post-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) The determination as to which of the alternative provisions of Section 5(d) shall apply to the Executive shall be made the Accounting Firm, which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of determining

which of the alternative provisions of Section 5(d) shall apply, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(e) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(i) Prior to the Company's IPO, "**Change in Control**" shall mean a "Deemed Liquidation Event" as defined in the Company's certificate of incorporation filed with the Secretary of State of Delaware as the same may be amended from time to time.

(ii) After the Company's IPO, "**Change in Control**" shall mean any of the following:

(A) the date any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Act**") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities having the right to vote in an election of the Board ("**Voting Securities**") (in such case other than as a result of an acquisition of securities directly from the Company); or

(B) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(C) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than fifty percent (50%) of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a Change in Control shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities, then a Change in Control shall be deemed to have occurred for purposes of the foregoing clause (i).

6. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. Confidential Information, Noncompetition and Cooperation.

(a) The Executive agrees to continue to comply with the Employee Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement attached hereto as Exhibit A ("Proprietary Information Agreement"), the terms of which are hereby incorporated by reference into Section 7 of this Agreement.

(b) Confidentiality. The Executive understands and agrees that the Executive's employment creates a relationship of confidence and trust between the Executive and the Company with respect to all Confidential Information. At all times, both during the Executive's employment with the Company and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Company, except as may be necessary in the ordinary course of performing the Executive's duties to the Company.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Company or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Company. The Executive will return to the Company all such materials and property as and when requested by the Company. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and

the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(e) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 7(e).

(f) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the promises set forth in this Section 7, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

8. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

9. Integration. This Agreement, including Exhibits A and B attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter including, without limitation, the Prior Agreement.

10. Withholding; Taxes. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate you for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after his termination of employment but prior to the completion by the Company of all payments due him under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to his death (or to his estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

16. Amendment; Amended Terms. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company. Every two years following the date of this Agreement, the Compensation Committee shall make recommendations for changes to the amount and type of consideration payable upon termination and/or a change of control pursuant to Sections 4 and 5 of this Agreement, respectively. Such recommendations shall be based upon on a review of information presented to the Compensation Committee by a third-party compensation consultant retained by the Compensation Committee in connection with a review of the Company's executive compensation. Executive and the Company hereby agree to negotiate in good faith any amendments to this Agreement which are necessary to give effect to any such recommendations.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

19. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

20. Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

COMPANY:

BRIGHTCOVE INC.

By: /s/ Jeremy Allaire
Name: Jeremy Allaire
Title: Chairman and CEO

EXECUTIVE:

/s/ David Mendels
David Mendels

EXHIBIT A

EMPLOYEE NONCOMPETITION,
NONDISCLOSURE AND DEVELOPMENTS AGREEMENT

In consideration of and as a condition of my employment or continued employment by Brightcove Inc., its affiliates, subsidiaries, successors and assigns (collectively, the "Company"), I hereby agree with the Company as follows:

1. Noncompetition: During the period of my employment by the Company, I shall devote my full time and best efforts to the business of the Company. Further, during the period of my employment by the Company and for twelve months after the termination of such employment (for any reason whatsoever) (the "Restricted Period"), I shall not, directly or indirectly, in any geographic area where the Company does business or sells or markets its products and/or services or is actively planning to do business or sell or market its products and/or services, as of my termination of employment, (a) provide services to, become employed by, or retained as a consultant or independent contractor of, an entity that is competitive with the Company; or (b) alone or as a partner, officer, director, employee, member, consultant, independent contractor, agent or stockholder of any entity, engage in any business activity that competes with the products or services being developed, designed, manufactured, provided or sold by the Company at the time of my termination of employment. My ownership of less than 3% of the equity securities of any publicly traded Company or less than 5% of any private company will not by itself violate the terms of this Section.

2. Nonsolicitation of Customers: During the Restricted Period, I shall not, directly or indirectly, alone or as a partner, officer, director, employee, consultant, independent contractor, agent or stockholder of any entity, (i) solicit, or do business in competition with the Company, or assist any other entity that competes with the Company to solicit or do business with (a) an entity that is a customer of the Company at the time of my termination of employment from the Company or was a customer of the Company at any time within six months prior thereto; or (b) an entity that is or was known to be a prospective customer of the Company at the time of my termination of employment from the Company; or (ii) interfere with or disrupt, or assist any other person or business organization to interfere with or disrupt, any existing relationships between the Company and any customer, licensee, supplier, vendor, distributor, dealer or manufacturer of the Company.

3. Nonsolicitation/Non-hire of Employees: During the Restricted Period, I shall not, directly or indirectly, (a) hire or employ; (b) recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away; or (c) assist any entity, business organization or person to recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away, any person who is or was employed by the Company at any time within the six month period prior to the termination of my employment with the Company.

4. Nondisclosure Obligation: I shall not at any time, whether during or after the termination of my employment (for any reason whatsoever), reveal to any person or entity any Confidential Information of the Company or of any third parties which the Company is under an obligation to keep confidential, except to employees of the Company who need to know such information for the purposes of their employment, or as otherwise authorized by the Company in writing. "Confidential Information" includes, but is not limited to, confidential and/or proprietary

information or trade secrets concerning the business, organization or finances of the Company, including but not limited to, research and development activities, product designs, prototypes and technical specifications, show how and know how, business, financial, sales and/or marketing plans and strategies, pricing and costing policies, customer and suppliers lists and related information, nonpublic financial information, systems, source code and related unpublished documentation, compensation and other personnel-related information, processes, software programs, works of authorship, inventions, projects, plans and proposals as well as any other information as may be treated by the Company as confidential. I shall keep secret all matters entrusted to me and shall not use or rely upon, or attempt to use or rely upon, any Confidential Information except as may be required in the ordinary course of performing my duties as an employee of the Company.

5. Company Documentation: Furthermore, I agree that during my employment I shall maintain for the benefit of the Company, and shall not make, use or permit to be used, any Company Documentation otherwise than for the benefit of the Company. "Company Documentation" includes, but is not limited to, notes memoranda, reports, lists, records, drawings, sketches, specifications, software programs, data documentation or other materials of any nature and in any form, whether written, printed or in digital format or otherwise relating to any matter within the scope of the business of the Company or concerning any of its dealings or affairs, whether or not they contain or embody any Confidential Information or any Developments (as hereinafter defined). I further agree that I shall not, after the termination of my employment, use or permit others to use any such Company Documentation, and that all Company Documentation shall be and remain the sole and exclusive property of the Company. Immediately upon the termination of my employment (or earlier, if requested by the Company) I shall deliver all Company Documentation and Confidential Information in my possession, and all copies thereof, to the Company, at its main office.

6. Assignment of Inventions:

(a) If at any time or times during my employment, I shall (either alone or with others) make, conceive, create, discover, invent or reduce to practice any Development that: (i) relates to the business of the Company or any customer of or supplier to the Company or any of the products or services being developed, manufactured or sold by the Company or which may be used in relation therewith; or (ii) results from tasks assigned to me by the Company or work performed by me for the Company; or (iii) results from the use of Confidential Information; or (iv) results from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company, then all such Developments and the benefits thereof are and shall immediately become the sole and absolute property of the Company and its assigns, as works made for hire or otherwise. The term "Development" shall include, but not be limited to, any invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, trade secret or intellectual property right whatsoever or any interest therein (whether or not patentable or registrable under copyright, trademark or similar statutes (including but not limited to the Semiconductor Chip Protection Act) or subject to analogous protection). I shall promptly disclose to the Company (or any persons designated by it) each Development. I hereby assign all rights (including, but not limited to, rights to inventions, patentable subject matter, copyrights and trademarks) I may have or may acquire in the Developments and all benefits and/or rights resulting therefrom to the Company and its assigns without further compensation and shall communicate, without cost or delay, and without disclosing to others, all available information relating thereto (with all necessary plans and models) to the Company.

(b) I represent that the Developments identified in the Appendix attached hereto, if any, comprise all the Developments that I have made or conceived prior to my employment by the Company, which Developments are excluded from this Agreement. I understand that it is only necessary to list the title of such Developments and the purpose thereof, but not details of the Development itself. IF THERE ARE ANY SUCH DEVELOPMENTS TO BE EXCLUDED, THE UNDERSIGNED SHOULD INITIAL HERE; OTHERWISE IT WILL BE DEEMED THAT THERE ARE NO SUCH EXCLUSIONS._____. I understand and agree that if I incorporate into any Company product, process or machine any Developments set forth on the Appendix or otherwise made, conceived or reduced to practice by me prior to my employment with the Company, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell any such Development as part of or in connection with such product, process or machine.

(c) I shall, during my employment and at any time thereafter, at the request and cost of the Company, promptly sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized officers may reasonably require: (i) to apply for, obtain, register and vest in the name of the Company alone (unless the Company otherwise directs) patents, copyrights, trademarks or other analogous protection in any country throughout the world relating to a Development and when so obtained or vested to renew and restore the same; and (ii) to defend any judicial, opposition or other proceedings in respect of such applications and any judicial, opposition or other proceeding, petition or application for revocation of any such patent, copyright, trademark or other analogous protection.

(d) If the Company is unable, after reasonable effort, to secure my signature on any application for patent, copyright, trademark or other analogous registration or other documents regarding any legal protection relating to a Development, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by me.

7. Acknowledgements/Remedies Upon Breach: I agree that the Company's Confidential Information, customer goodwill and workforce are vital to the success of the Company's business and have been or will be developed or attained by great efforts and expense to the Company. I acknowledge that as of the date of this Agreement and continuing thereafter, I will be provided by the Company with Confidential Information, including trade secrets, and I recognize the importance of protecting the Company's rights in and to such Confidential Information and goodwill that the Company has developed or will develop with its customers. I further agree that the restrictions set forth in this Agreement are reasonable and necessary to protect the Company's Confidential Information, its customer goodwill and its workforce. I agree that any breach of this Agreement by me will cause irreparable damage to the Company and that in the event of such breach or threatened breach the Company shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent or cease the violation of my obligations hereunder.

8. Absence of Conflicting Agreements: I understand that the Company does not desire to acquire from me any trade secrets, know how or confidential business information that I may have acquired from others. I represent that I will not use such information in the performance of my duties for the Company and will not bring any such information onto Company premises. I also represent that I am not bound by any agreement or any other existing or previous business relationship which conflicts with or prevents the full performance of my duties and obligations to the Company during the course of employment.

9. Notification: In the event that my employment with the Company terminates for any reason, I hereby consent to notification by the Company to my new employer or any new entity to which I may provide services about my rights and obligations under this Agreement.

10. Conflict of Interest Guidelines: I hereby agree to comply with the Company's conflict of interest guidelines attached hereto as Exhibit B.

11. Severability and Reformation: I hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any clause shall in no way impair the enforceability of any of the other clauses of the Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear. I hereby further agree that the language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either of the parties.

12. At-Will Employment: I understand that neither this Agreement nor any other document I have signed regarding my employment with the Company constitutes an express or implied employment contract and that my employment with the Company is on an "at-will" basis. Accordingly, I understand that either the Company or I may terminate my employment at any time, for any or no reason, with or without prior notice.

13. Continued Effect. I agree and understand that any change or changes in my position, duties, salary, compensation or other terms and conditions of employment with the Company will in no manner affect the validity, enforceability or scope of this Agreement, and that I am entering into this Agreement in consideration for my employment with the Company, which employment includes any such changes that may occur after the date hereof.

14. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges and supersedes all prior discussions, representations, understandings and agreements by and between us.

15. Miscellaneous: Any amendment to or modification of this Agreement, or any waiver of any provision hereof, shall be in writing and signed by the Company. Any waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof. The captions of this Agreement are for reference only and do not define, limit or affect the scope of any section of this Agreement. My obligations under this Agreement shall survive the termination of my employment regardless of the reason for or manner of such termination and shall be binding upon my

heirs, executors, administrators and legal representatives. The Company shall have the right to assign this Agreement to its successors and assigns, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns. I acknowledge and agree that this Agreement shall be governed by and construed in accordance with the internal laws of Massachusetts without giving effect to the principles of conflicts of laws thereof and any claims or legal actions by one party against the other shall be commenced and maintained in any state or federal court located in Massachusetts and I hereby submit to the jurisdiction and venue of any such court.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date first above written.

/s/ David Mendels	8/15/11
Signature	Date
David Mendels	
Name - Please Print	

APPENDIX A

EXCLUDED DEVELOPMENTS

EXHIBIT B

CONFLICT OF INTEREST GUIDELINES
of
BRIGHTCOVE INC.

It is the policy of Brightcove Inc. to conduct its affairs in strict compliance with the letter and spirit of the law and to adhere to the highest principles of business ethics. Accordingly, all officers, employees and independent contractors must avoid activities that conflict, or give the appearance of being in conflict, with these principles and with the interests of the Company. The following examples (which are not an exhaustive list) are potentially compromising situations that must be avoided. Any exceptions must be reported to the President of the Company and written approval for continuation must be obtained.

(a) Revealing confidential information to outsiders or misusing confidential information. Unauthorized divulging of information is a violation of this policy whether or not for personal gain and whether or not harm to the Company is intended. (The Employee Nondisclosure and Developments Agreement elaborates on this principle and is a binding agreement.)

(b) Accepting or offering gifts, excessive entertainment, favors or payments which may be deemed to constitute undue influence or otherwise be improper or embarrassing to the Company.

(c) Participating in civic or professional organizations that might involve divulging confidential information of the Company.

(d) Initiating or approving personnel actions affecting reward or punishment of employees or applicants where there is a family relationship or is or appears to be a personal or social involvement.

(e) Initiating or approving any form of personal or social harassment of employees.

(f) Investing or holding outside directorship in suppliers, customers, or competing companies, including financial speculations, where such investment or directorship might influence in any manner a decision or course of action of the Company.

(g) Borrowing from or lending to employees, customers or suppliers.

(h) Acquiring real estate of interest to the Company.

(i) Improperly using or disclosing to the Company any proprietary information or trade secrets of any former or concurrent employer or other person or entity with whom obligations of confidentiality exist.

(j) Unlawfully discussing prices, costs, customers, sales or markets with competing companies or their employees.

(k) Making any unlawful agreement with distributors with respect to prices.

(l) Improperly using or authorizing the use of any inventions which are the subject of patent claims of any other person or entity.

(m) Engaging in any conduct that is not in the best interest of the Company. Each officer, employee and independent contractor must take every necessary action to ensure compliance with these guidelines and to bring problem areas to the attention of the Company's management for its review.

Exhibit 10.11

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made as of the 8th day of August, 2011, between Brightcove Inc., a Delaware corporation (the "**Company**"), and Edward Godin (the "**Executive**").

WHEREAS, the Company and the Executive were previously parties to that certain employment offer letter dated April 27, 2007 (the "Prior Agreement") which the Company and the Executive intend to supersede and replace with this Agreement;

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company on the new terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company hereby employs the Executive and the Executive hereby accepts such employment pursuant to the terms of this Agreement until this Agreement is terminated in accordance with the provisions of Section 3. (Such period of employment shall hereinafter be referred to as the "**Term**").

(b) Position and Duties. During the Term, the Executive shall serve as the Chief People Officer of the Company, and shall have such powers and duties as may from time to time be prescribed by the Chief Executive Officer of the Company (the "CEO"), or other authorized executive, provided that such duties are consistent with the Executive's position or other positions that he may hold from time to time. The Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the prior written approval of the Board, or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive's performance of his duties to the Company as provided in this Agreement.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive's initial annual base salary shall be $215,000. The Executive's base salary may be redetermined annually by the Board or the Compensation Committee. The base salary in effect at any given time is referred to herein as "**Base Salary**." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for senior executives.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's target annual incentive compensation shall be 35 percent of his Base Salary. To earn incentive compensation, the Executive must be employed by the Company on the last day of the period on which such incentive compensation is measured.

(c) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by him during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior executive officers.

(d) Other Benefits. During the Term, the Executive shall be entitled to continue to participate in or receive benefits under the Company's Employee Benefit Plans in effect on the date hereof. As used herein, the term "**Employee Benefit Plans**" includes, without limitation, each pension and retirement plan; supplemental pension, retirement and deferred compensation plan; savings and profit-sharing plan; stock ownership plan; stock purchase plan; stock option plan; life insurance plan; medical insurance plan; disability plan; and health and accident plan or arrangement established and maintained by the Company on the date hereof for employees of the same status within the hierarchy of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement which may, in the future, be made available by the Company to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plan or arrangement. Any payments or benefits payable to the Executive under a plan or arrangement referred to in this Section 2(d) in respect of any calendar year during which the Executive is employed by the Company for less than the whole of such year shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the number of days in such calendar year during which he is so employed. Should any such payments or benefits accrue on a fiscal (rather than calendar) year, then the proration in the preceding sentence shall be on the basis of a fiscal year rather than calendar year.

(e) Place of Performance. Unless otherwise agreed to by the Executive and the Company, the Executive shall perform his duties for the Company from the headquarters of the Company, initially located at One Cambridge Center, Cambridge, MA, 02142 provided, however, Executive shall be required to travel to the extent reasonably required to perform his job duties.

(f) Vacation. During the Term, the Executive shall be entitled to accrue up to 15 days of paid vacation days in each year, which shall be accrued ratably. The Executive shall also be entitled to all paid holidays given by the Company to its executives.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12 month period. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq*. and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq*.

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause by a vote of the Board at a meeting of the Board called and held for such purpose. For purposes of this Agreement, "**Cause**" shall mean: (i) conduct by the Executive constituting an act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in injury or reputational harm to the Company or any of its subsidiaries and affiliates if he were retained in his position; (iii) continued non-performance by the Executive of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Board; (iv) a breach by the Executive of any of the provisions contained in Section 7 of this Agreement; (v) a violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate his employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean that the Executive has complied with the Good Reason Process (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive's responsibilities, authority or duties; (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the principle geographic location at which the Executive is required to provide services to the Company; or (iv) the material breach of this Agreement by the Company. "**Good Reason Process**" shall mean that (A) the Executive reasonably determines in good faith that a "Good Reason" condition has occurred; (B) the Executive notifies the Company in writing of the first occurrence of the Good Reason condition within 30 days of the first occurrence of such condition; (C) the Executive cooperates in good faith with the Company's efforts, for a period not less than 30 days following such notice (the "**Cure Period**"), to remedy the condition; (D) notwithstanding such efforts, the Good Reason condition continues to exist; and (E) the Executive terminates his employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "**Notice of Termination**" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "**Date of Termination**" shall mean: (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c) or by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given; (iii) if the Executive's employment is terminated by the Executive under Section 3(e) without Good Reason, 30 days after the date on which a Notice of Termination is given, and (iv) if the Executive's employment is terminated by the Executive under Section 3(e) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(h) Resignation on Termination. On the Date of Termination, the Executive shall resign from all positions with the Company and its subsidiaries. In addition, if the Executive is then serving as a member of the Board or the Board of Directors of a subsidiary, the Executive shall tender his resignation from such directorship(s) on the Date of Termination.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned and payable but not yet paid, unpaid expense reimbursements and accrued but unused vacation (the "**Accrued Benefit**") on or before the time required by law but in no event more than 30 days after the Executive's Date of Termination.

(b) Termination by the Company Without Cause or by the Executive with Good Reason Prior to the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring prior to the Company's first underwritten public offering of its common stock under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Company's IPO**"), then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a separation agreement that includes a general release of claims in favor of the Company and related persons and entities in a form and manner satisfactory to the Company (the "**Release**") and, if applicable, the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one-half (1/2) times the Executive's Base Salary and (B) the greater of (x) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (y) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (such sum, the "**Pre-IPO Severance Amount**"). The Pre-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over six (6) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Pre-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(c) Termination by the Company Without Cause or by the Executive with Good Reason After the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring on or after the Company's IPO, then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release with 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's target incentive compensation for the then current fiscal year (the "**Post-IPO Severance Amount**"). The Post-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over twelve (12) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO

Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Code, each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

5. Change in Control Payment. The provisions of this Section 5 set forth certain additional agreements reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 4(b) and Section 4(c), as applicable, regarding severance pay and benefits if a termination of employment occurs on or within 12 months after the occurrence of a Change in Control, provided that such Change in Control occurs during the Executive's employment. These provisions shall terminate and be of no further force or effect beginning twelve (12) months after the occurrence of a Change in Control.

(a) Change in Control Prior to the Company's IPO.

(i) Upon a Change in Control of the Company prior to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and, if applicable, the expiration of the seven-day revocation period for the Release within the 60 day period following the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (x) one-half (1/2) times the Executive's Base Salary and (y) the greater of (A) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (B) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (the "**Pre-IPO CIC Amount**"). The Pre-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60 days period begins in one calendar year and ends in a second calendar year, the Pre-IPO CIC Amount shall be paid in the second calendar year and; provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Pre-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(b)(i) with respect to the Pre-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(b) Additional Limitation Prior to the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that prior to the Company's IPO, the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "**Pre IPO Payments**"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Pre-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Pre-IPO Payments shall not exceed the Threshold Amount (the "Reduction Amount"). In such event, the Pre-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) In addition, the Company shall use reasonable efforts to satisfy the shareholder approval requirements set forth in Q/A 7 of Treasury Regulations Section 1.280G-1 with respect to such Reduction Amount, and if such requirements are satisfied then such Reduction Amount shall become payable hereunder as if subsection (i) above had not applied thereto.

(iii) For the purposes of this Section 5, "**Threshold Amount**" shall mean three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar ($1.00); and "**Excise Tax**" shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by the Executive with respect to such excise tax.

(iv) The determination of the reduction provided in Section 5(b) shall be made by a nationally recognized accounting firm selected by the Company (the "**Accounting Firm**"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of this determination, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Change in Control After to the Company's IPO.

(i) Upon a Change in Control of the Company after to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's incentive compensation for the then current fiscal year (the "**Post-IPO CIC Amount**"). The Post-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO CIC Amount shall be paid in the second calendar year; and provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial

portion of the assets" of the Company for purposes of Section 409A of the Code, the Post-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(c)(i) with respect to the Post-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(d) Additional Limitation After the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that on or after the Company's IPO the amount of any compensation payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "Post-IPO Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, the following provisions shall apply:

(A) If the Post-IPO Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes payable by the Executive on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, the Executive shall be entitled to the full benefits payable under this Agreement.

(B) If the Threshold Amount is less than (x) the Post-IPO Payments, but greater than (y) the Post-IPO Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, then the Post-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Post-IPO Payments shall not exceed the Threshold Amount. In such event, the Post-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) The determination as to which of the alternative provisions of Section 5(d) shall apply to the Executive shall be made the Accounting Firm, which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of determining

which of the alternative provisions of Section 5(d) shall apply, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(e) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(i) Prior to the Company's IPO, "**Change in Control**" shall mean a "Deemed Liquidation Event" as defined in the Company's certificate of incorporation filed with the Secretary of State of Delaware as the same may be amended from time to time.

(ii) After the Company's IPO, "**Change in Control**" shall mean any of the following:

(A) the date any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Act**") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities having the right to vote in an election of the Board ("**Voting Securities**") (in such case other than as a result of an acquisition of securities directly from the Company); or

(B) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(C) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than fifty percent (50%) of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a Change in Control shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities, then a Change in Control shall be deemed to have occurred for purposes of the foregoing clause (i).

6. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. Confidential Information, Noncompetition and Cooperation.

(a) The Executive agrees to continue to comply with the Employee Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement attached hereto as Exhibit A ("Proprietary Information Agreement"), the terms of which are hereby incorporated by reference into Section 7 of this Agreement.

(b) Confidentiality. The Executive understands and agrees that the Executive's employment creates a relationship of confidence and trust between the Executive and the Company with respect to all Confidential Information. At all times, both during the Executive's employment with the Company and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Company, except as may be necessary in the ordinary course of performing the Executive's duties to the Company.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Company or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Company. The Executive will return to the Company all such materials and property as and when requested by the Company. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and

the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(e) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 7(e).

(f) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the promises set forth in this Section 7, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

8. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

9. Integration. This Agreement, including Exhibits A and B attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter including, without limitation, the Prior Agreement.

10. Withholding; Taxes. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate you for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after his termination of employment but prior to the completion by the Company of all payments due him under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to his death (or to his estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

16. Amendment; Amended Terms. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company. Every two years following the date of this Agreement, the Compensation Committee shall make recommendations for changes to the amount and type of consideration payable upon termination and/or a change of control pursuant to Sections 4 and 5 of this Agreement, respectively. Such recommendations shall be based upon on a review of information presented to the Compensation Committee by a third-party compensation consultant retained by the Compensation Committee in connection with a review of the Company's executive compensation. Executive and the Company hereby agree to negotiate in good faith any amendments to this Agreement which are necessary to give effect to any such recommendations.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

19. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

20. Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

COMPANY:

BRIGHTCOVE INC.

By: /s/ Jeremy Allaire
Name: Jeremy Allaire
Title: Chairman and CEO

EXECUTIVE:

/s/ Edward Godin
Edward Godin

EXHIBIT A

EMPLOYEE NONCOMPETITION,
NONDISCLOSURE AND DEVELOPMENTS AGREEMENT

In consideration of and as a condition of my employment or continued employment by Brightcove Inc., its affiliates, subsidiaries, successors and assigns (collectively, the "Company"), I hereby agree with the Company as follows:

1. Noncompetition: During the period of my employment by the Company, I shall devote my full time and best efforts to the business of the Company. Further, during the period of my employment by the Company and for twelve months after the termination of such employment (for any reason whatsoever) (the "Restricted Period"), I shall not, directly or indirectly, in any geographic area where the Company does business or sells or markets its products and/or services or is actively planning to do business or sell or market its products and/or services, as of my termination of employment, (a) provide services to, become employed by, or retained as a consultant or independent contractor of, an entity that is competitive with the Company; or (b) alone or as a partner, officer, director, employee, member, consultant, independent contractor, agent or stockholder of any entity, engage in any business activity that competes with the products or services being developed, designed, manufactured, provided or sold by the Company at the time of my termination of employment. My ownership of less than 3% of the equity securities of any publicly traded Company or less than 5% of any private company will not by itself violate the terms of this Section.

2. Nonsolicitation of Customers: During the Restricted Period, I shall not, directly or indirectly, alone or as a partner, officer, director, employee, consultant, independent contractor, agent or stockholder of any entity, (i) solicit, or do business in competition with the Company, or assist any other entity that competes with the Company to solicit or do business with (a) an entity that is a customer of the Company at the time of my termination of employment from the Company or was a customer of the Company at any time within six months prior thereto; or (b) an entity that is or was known to be a prospective customer of the Company at the time of my termination of employment from the Company; or (ii) interfere with or disrupt, or assist any other person or business organization to interfere with or disrupt, any existing relationships between the Company and any customer, licensee, supplier, vendor, distributor, dealer or manufacturer of the Company.

3. Nonsolicitation/Non-hire of Employees: During the Restricted Period, I shall not, directly or indirectly, (a) hire or employ; (b) recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away; or (c) assist any entity, business organization or person to recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away, any person who is or was employed by the Company at any time within the six month period prior to the termination of my employment with the Company.

4. Nondisclosure Obligation: I shall not at any time, whether during or after the termination of my employment (for any reason whatsoever), reveal to any person or entity any Confidential Information of the Company or of any third parties which the Company is under an obligation to keep confidential, except to employees of the Company who need to know such information for the purposes of their employment, or as otherwise authorized by the Company in writing. "Confidential Information" includes, but is not limited to, confidential and/or proprietary

information or trade secrets concerning the business, organization or finances of the Company, including but not limited to, research and development activities, product designs, prototypes and technical specifications, show how and know how, business, financial, sales and/or marketing plans and strategies, pricing and costing policies, customer and suppliers lists and related information, nonpublic financial information, systems, source code and related unpublished documentation, compensation and other personnel-related information, processes, software programs, works of authorship, inventions, projects, plans and proposals as well as any other information as may be treated by the Company as confidential. I shall keep secret all matters entrusted to me and shall not use or rely upon, or attempt to use or rely upon, any Confidential Information except as may be required in the ordinary course of performing my duties as an employee of the Company.

5. Company Documentation: Furthermore, I agree that during my employment I shall maintain for the benefit of the Company, and shall not make, use or permit to be used, any Company Documentation otherwise than for the benefit of the Company. "Company Documentation" includes, but is not limited to, notes memoranda, reports, lists, records, drawings, sketches, specifications, software programs, data documentation or other materials of any nature and in any form, whether written, printed or in digital format or otherwise relating to any matter within the scope of the business of the Company or concerning any of its dealings or affairs, whether or not they contain or embody any Confidential Information or any Developments (as hereinafter defined). I further agree that I shall not, after the termination of my employment, use or permit others to use any such Company Documentation, and that all Company Documentation shall be and remain the sole and exclusive property of the Company. Immediately upon the termination of my employment (or earlier, if requested by the Company) I shall deliver all Company Documentation and Confidential Information in my possession, and all copies thereof, to the Company, at its main office.

6. Assignment of Inventions:

(a) If at any time or times during my employment, I shall (either alone or with others) make, conceive, create, discover, invent or reduce to practice any Development that: (i) relates to the business of the Company or any customer of or supplier to the Company or any of the products or services being developed, manufactured or sold by the Company or which may be used in relation therewith; or (ii) results from tasks assigned to me by the Company or work performed by me for the Company; or (iii) results from the use of Confidential Information; or (iv) results from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company, then all such Developments and the benefits thereof are and shall immediately become the sole and absolute property of the Company and its assigns, as works made for hire or otherwise. The term "Development" shall include, but not be limited to, any invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, trade secret or intellectual property right whatsoever or any interest therein (whether or not patentable or registrable under copyright, trademark or similar statutes (including but not limited to the Semiconductor Chip Protection Act) or subject to analogous protection). I shall promptly disclose to the Company (or any persons designated by it) each Development. I hereby assign all rights (including, but not limited to, rights to inventions, patentable subject matter, copyrights and trademarks) I may have or may acquire in the Developments and all benefits and/or rights resulting therefrom to the Company and its assigns without further compensation and shall communicate, without cost or delay, and without disclosing to others, all available information relating thereto (with all necessary plans and models) to the Company.

(b) I represent that the Developments identified in the Appendix attached hereto, if any, comprise all the Developments that I have made or conceived prior to my employment by the Company, which Developments are excluded from this Agreement. I understand that it is only necessary to list the title of such Developments and the purpose thereof, but not details of the Development itself. IF THERE ARE ANY SUCH DEVELOPMENTS TO BE EXCLUDED, THE UNDERSIGNED SHOULD INITIAL HERE; OTHERWISE IT WILL BE DEEMED THAT THERE ARE NO SUCH EXCLUSIONS. _____. I understand and agree that if I incorporate into any Company product, process or machine any Developments set forth on the Appendix or otherwise made, conceived or reduced to practice by me prior to my employment with the Company, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell any such Development as part of or in connection with such product, process or machine.

(c) I shall, during my employment and at any time thereafter, at the request and cost of the Company, promptly sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized officers may reasonably require: (i) to apply for, obtain, register and vest in the name of the Company alone (unless the Company otherwise directs) patents, copyrights, trademarks or other analogous protection in any country throughout the world relating to a Development and when so obtained or vested to renew and restore the same; and (ii) to defend any judicial, opposition or other proceedings in respect of such applications and any judicial, opposition or other proceeding, petition or application for revocation of any such patent, copyright, trademark or other analogous protection.

(d) If the Company is unable, after reasonable effort, to secure my signature on any application for patent, copyright, trademark or other analogous registration or other documents regarding any legal protection relating to a Development, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by me.

7. Acknowledgements/Remedies Upon Breach: I agree that the Company's Confidential Information, customer goodwill and workforce are vital to the success of the Company's business and have been or will be developed or attained by great efforts and expense to the Company. I acknowledge that as of the date of this Agreement and continuing thereafter, I will be provided by the Company with Confidential Information, including trade secrets, and I recognize the importance of protecting the Company's rights in and to such Confidential Information and goodwill that the Company has developed or will develop with its customers. I further agree that the restrictions set forth in this Agreement are reasonable and necessary to protect the Company's Confidential Information, its customer goodwill and its workforce. I agree that any breach of this Agreement by me will cause irreparable damage to the Company and that in the event of such breach or threatened breach the Company shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent or cease the violation of my obligations hereunder.

8. Absence of Conflicting Agreements: I understand that the Company does not desire to acquire from me any trade secrets, know how or confidential business information that I may have acquired from others. I represent that I will not use such information in the performance of my duties for the Company and will not bring any such information onto Company premises. I also represent that I am not bound by any agreement or any other existing or previous business relationship which conflicts with or prevents the full performance of my duties and obligations to the Company during the course of employment.

9. Notification: In the event that my employment with the Company terminates for any reason, I hereby consent to notification by the Company to my new employer or any new entity to which I may provide services about my rights and obligations under this Agreement.

10. Conflict of Interest Guidelines: I hereby agree to comply with the Company's conflict of interest guidelines attached hereto as Exhibit B.

11. Severability and Reformation: I hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any clause shall in no way impair the enforceability of any of the other clauses of the Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear. I hereby further agree that the language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either of the parties.

12. At-Will Employment: I understand that neither this Agreement nor any other document I have signed regarding my employment with the Company constitutes an express or implied employment contract and that my employment with the Company is on an "at-will" basis. Accordingly, I understand that either the Company or I may terminate my employment at any time, for any or no reason, with or without prior notice.

13. Continued Effect. I agree and understand that any change or changes in my position, duties, salary, compensation or other terms and conditions of employment with the Company will in no manner affect the validity, enforceability or scope of this Agreement, and that I am entering into this Agreement in consideration for my employment with the Company, which employment includes any such changes that may occur after the date hereof.

14. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges and supersedes all prior discussions, representations, understandings and agreements by and between us.

15. Miscellaneous: Any amendment to or modification of this Agreement, or any waiver of any provision hereof, shall be in writing and signed by the Company. Any waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof. The captions of this Agreement are for reference only and do not define, limit or affect the scope of any section of this Agreement. My obligations under this Agreement shall survive the termination of my employment regardless of the reason for or manner of such termination and shall be binding upon my

heirs, executors, administrators and legal representatives. The Company shall have the right to assign this Agreement to its successors and assigns, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns. I acknowledge and agree that this Agreement shall be governed by and construed in accordance with the internal laws of Massachusetts without giving effect to the principles of conflicts of laws thereof and any claims or legal actions by one party against the other shall be commenced and maintained in any state or federal court located in Massachusetts and I hereby submit to the jurisdiction and venue of any such court.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date first above written.

/s/ Edward Godin	8/15/11
Signature	Date
Edward Godin	
Name - Please Print	

APPENDIX A

EXCLUDED DEVELOPMENTS

EXHIBIT B

CONFLICT OF INTEREST GUIDELINES
of
BRIGHTCOVE INC.

It is the policy of Brightcove Inc. to conduct its affairs in strict compliance with the letter and spirit of the law and to adhere to the highest principles of business ethics. Accordingly, all officers, employees and independent contractors must avoid activities that conflict, or give the appearance of being in conflict, with these principles and with the interests of the Company. The following examples (which are not an exhaustive list) are potentially compromising situations that must be avoided. Any exceptions must be reported to the President of the Company and written approval for continuation must be obtained.

(a) Revealing confidential information to outsiders or misusing confidential information. Unauthorized divulging of information is a violation of this policy whether or not for personal gain and whether or not harm to the Company is intended. (The Employee Nondisclosure and Developments Agreement elaborates on this principle and is a binding agreement.)

(b) Accepting or offering gifts, excessive entertainment, favors or payments which may be deemed to constitute undue influence or otherwise be improper or embarrassing to the Company.

(c) Participating in civic or professional organizations that might involve divulging confidential information of the Company.

(d) Initiating or approving personnel actions affecting reward or punishment of employees or applicants where there is a family relationship or is or appears to be a personal or social involvement.

(e) Initiating or approving any form of personal or social harassment of employees.

(f) Investing or holding outside directorship in suppliers, customers, or competing companies, including financial speculations, where such investment or directorship might influence in any manner a decision or course of action of the Company.

(g) Borrowing from or lending to employees, customers or suppliers.

(h) Acquiring real estate of interest to the Company.

(i) Improperly using or disclosing to the Company any proprietary information or trade secrets of any former or concurrent employer or other person or entity with whom obligations of confidentiality exist.

(j) Unlawfully discussing prices, costs, customers, sales or markets with competing companies or their employees.

(k) Making any unlawful agreement with distributors with respect to prices.

(l) Improperly using or authorizing the use of any inventions which are the subject of patent claims of any other person or entity.

(m) Engaging in any conduct that is not in the best interest of the Company. Each officer, employee and independent contractor must take every necessary action to ensure compliance with these guidelines and to bring problem areas to the attention of the Company's management for its review.

Exhibit 10.12

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made as of the 8th day of August, 2011, between Brightcove Inc., a Delaware corporation (the "**Company**"), and Christopher Menard (the "**Executive**").

WHEREAS, the Company and the Executive were previously parties to that certain employment offer letter dated September 13, 2010 (the "Prior Agreement") which the Company and the Executive intend to supersede and replace with this Agreement;

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company on the new terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company hereby employs the Executive and the Executive hereby accepts such employment pursuant to the terms of this Agreement until this Agreement is terminated in accordance with the provisions of Section 3. (Such period of employment shall hereinafter be referred to as the "**Term**").

(b) Position and Duties. During the Term, the Executive shall serve as the Chief Financial Officer of the Company, and shall have such powers and duties as may from time to time be prescribed by the Chief Executive Officer of the Company (the "**CEO**"), or other authorized executive, provided that such duties are consistent with the Executive's position or other positions that he may hold from time to time. The Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the prior written approval of the Board, or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive's performance of his duties to the Company as provided in this Agreement.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive's initial annual base salary shall be $240,000. The Executive's base salary may be redetermined annually by the Board or the Compensation Committee. The base salary in effect at any given time is referred to herein as "**Base Salary**." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for senior executives.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's target annual incentive compensation shall be 35 percent of his Base Salary. To earn incentive compensation, the Executive must be employed by the Company on the last day of the period on which such incentive compensation is measured.

(c) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by him during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior executive officers.

(d) Other Benefits. During the Term, the Executive shall be entitled to continue to participate in or receive benefits under the Company's Employee Benefit Plans in effect on the date hereof. As used herein, the term "**Employee Benefit Plans**" includes, without limitation, each pension and retirement plan; supplemental pension, retirement and deferred compensation plan; savings and profit-sharing plan; stock ownership plan; stock purchase plan; stock option plan; life insurance plan; medical insurance plan; disability plan; and health and accident plan or arrangement established and maintained by the Company on the date hereof for employees of the same status within the hierarchy of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement which may, in the future, be made available by the Company to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plan or arrangement. Any payments or benefits payable to the Executive under a plan or arrangement referred to in this Section 2(d) in respect of any calendar year during which the Executive is employed by the Company for less than the whole of such year shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the number of days in such calendar year during which he is so employed. Should any such payments or benefits accrue on a fiscal (rather than calendar) year, then the proration in the preceding sentence shall be on the basis of a fiscal year rather than calendar year.

(e) Place of Performance. Unless otherwise agreed to by the Executive and the Company, the Executive shall perform his duties for the Company from the headquarters of the Company, initially located at One Cambridge Center, Cambridge, MA, 02142 provided, however, Executive shall be required to travel to the extent reasonably required to perform his job duties.

(f) Vacation. During the Term, the Executive shall be entitled to accrue up to 15 days of paid vacation days in each year, which shall be accrued ratably. The Executive shall also be entitled to all paid holidays given by the Company to its executives.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12 month period. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq*. and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq*.

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause by a vote of the Board at a meeting of the Board called and held for such purpose. For purposes of this Agreement, "**Cause**" shall mean: (i) conduct by the Executive constituting an act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in injury or reputational harm to the Company or any of its subsidiaries and affiliates if he were retained in his position; (iii) continued non-performance by the Executive of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Board; (iv) a breach by the Executive of any of the provisions contained in Section 7 of this Agreement; (v) a violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate his employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean that the Executive has complied with the Good Reason Process (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive's responsibilities, authority or duties; (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the principle geographic location at which the Executive is required to provide services to the Company; or (iv) the material breach of this Agreement by the Company. "**Good Reason Process**" shall mean that (A) the Executive reasonably determines in good faith that a "Good Reason" condition has occurred; (B) the Executive notifies the Company in writing of the first occurrence of the Good Reason condition within 30 days of the first occurrence of such condition; (C) the Executive cooperates in good faith with the Company's efforts, for a period not less than 30 days following such notice (the "**Cure Period**"), to remedy the condition; (D) notwithstanding such efforts, the Good Reason condition continues to exist; and (E) the Executive terminates his employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "**Notice of Termination**" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "**Date of Termination**" shall mean: (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c) or by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given; (iii) if the Executive's employment is terminated by the Executive under Section 3(e) without Good Reason, 30 days after the date on which a Notice of Termination is given, and (iv) if the Executive's employment is terminated by the Executive under Section 3(e) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(h) Resignation on Termination. On the Date of Termination, the Executive shall resign from all positions with the Company and its subsidiaries. In addition, if the Executive is then serving as a member of the Board or the Board of Directors of a subsidiary, the Executive shall tender his resignation from such directorship(s) on the Date of Termination.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned and payable but not yet paid, unpaid expense reimbursements and accrued but unused vacation (the "**Accrued Benefit**") on or before the time required by law but in no event more than 30 days after the Executive's Date of Termination.

(b) Termination by the Company Without Cause or by the Executive with Good Reason Prior to the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring prior to the Company's first underwritten public offering of its common stock under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Company's IPO**"), then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a separation agreement that includes a general release of claims in favor of the Company and related persons and entities in a form and manner satisfactory to the Company (the "**Release**") and, if applicable, the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one-half (1/2) times the Executive's Base Salary and (B) the greater of (x) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (y) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (such sum, the "**Pre-IPO Severance Amount**"). The Pre-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over six (6) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Pre-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(c) Termination by the Company Without Cause or by the Executive with Good Reason After the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring on or after the Company's IPO, then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release with 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's target incentive compensation for the then current fiscal year (the "**Post-IPO Severance Amount**"). The Post-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over twelve (12) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO

Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Code, each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

5. Change in Control Payment. The provisions of this Section 5 set forth certain additional agreements reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 4(b) and Section 4(c), as applicable, regarding severance pay and benefits if a termination of employment occurs on or within 12 months after the occurrence of a Change in Control, provided that such Change in Control occurs during the Executive's employment. These provisions shall terminate and be of no further force or effect beginning twelve (12) months after the occurrence of a Change in Control.

(a) Change in Control Prior to the Company's IPO.

(i) Upon a Change in Control of the Company prior to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and, if applicable, the expiration of the seven-day revocation period for the Release within the 60 day period following the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (x) one-half (1/2) times the Executive's Base Salary and (y) the greater of (A) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (B) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (the "**Pre-IPO CIC Amount**"). The Pre-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60 days period begins in one calendar year and ends in a second calendar year, the Pre-IPO CIC Amount shall be paid in the second calendar year and; provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Pre-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(b)(i) with respect to the Pre-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(b) Additional Limitation Prior to the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that prior to the Company's IPO, the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "**Pre IPO Payments**"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Pre-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Pre-IPO Payments shall not exceed the Threshold Amount (the "Reduction Amount"). In such event, the Pre-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) In addition, the Company shall use reasonable efforts to satisfy the shareholder approval requirements set forth in Q/A 7 of Treasury Regulations Section 1.280G-1 with respect to such Reduction Amount, and if such requirements are satisfied then such Reduction Amount shall become payable hereunder as if subsection (i) above had not applied thereto.

(iii) For the purposes of this Section 5, "**Threshold Amount**" shall mean three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar ($1.00); and "**Excise Tax**" shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by the Executive with respect to such excise tax.

(iv) The determination of the reduction provided in Section 5(b) shall be made by a nationally recognized accounting firm selected by the Company (the "**Accounting Firm**"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of this determination, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Change in Control After to the Company's IPO.

(i) Upon a Change in Control of the Company after to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's incentive compensation for the then current fiscal year (the "**Post-IPO CIC Amount**"). The Post-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO CIC Amount shall be paid in the second calendar year; and provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Post-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(c)(i) with respect to the Post-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(d) Additional Limitation After the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that on or after the Company's IPO the amount of any compensation payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "Post-IPO Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, the following provisions shall apply:

(A) If the Post-IPO Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes payable by the Executive on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, the Executive shall be entitled to the full benefits payable under this Agreement.

(B) If the Threshold Amount is less than (x) the Post-IPO Payments, but greater than (y) the Post-IPO Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, then the Post-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Post-IPO Payments shall not exceed the Threshold Amount. In such event, the Post-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) The determination as to which of the alternative provisions of Section 5(d) shall apply to the Executive shall be made the Accounting Firm, which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of determining

which of the alternative provisions of Section 5(d) shall apply, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(e) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(i) Prior to the Company's IPO, "**Change in Control**" shall mean a "Deemed Liquidation Event" as defined in the Company's certificate of incorporation filed with the Secretary of State of Delaware as the same may be amended from time to time.

(ii) After the Company's IPO, "**Change in Control**" shall mean any of the following:

(A) the date any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Act**") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities having the right to vote in an election of the Board ("**Voting Securities**") (in such case other than as a result of an acquisition of securities directly from the Company); or

(B) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(C) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than fifty percent (50%) of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a Change in Control shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities, then a Change in Control shall be deemed to have occurred for purposes of the foregoing clause (i).

6. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. Confidential Information, Noncompetition and Cooperation.

(a) The Executive agrees to continue to comply with the Employee Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement attached hereto as Exhibit A ("Proprietary Information Agreement"), the terms of which are hereby incorporated by reference into Section 7 of this Agreement.

(b) Confidentiality. The Executive understands and agrees that the Executive's employment creates a relationship of confidence and trust between the Executive and the Company with respect to all Confidential Information. At all times, both during the Executive's employment with the Company and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Company, except as may be necessary in the ordinary course of performing the Executive's duties to the Company.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Company or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Company. The Executive will return to the Company all such materials and property as and when requested by the Company. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and

the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(e) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 7(e).

(f) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the promises set forth in this Section 7, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

8. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

9. Integration. This Agreement, including Exhibits A and B attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter including, without limitation, the Prior Agreement.

10. Withholding; Taxes. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate you for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after his termination of employment but prior to the completion by the Company of all payments due him under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to his death (or to his estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

16. Amendment; Amended Terms. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company. Every two years following the date of this Agreement, the Compensation Committee shall make recommendations for changes to the amount and type of consideration payable upon termination and/or a change of control pursuant to Sections 4 and 5 of this Agreement, respectively. Such recommendations shall be based upon on a review of information presented to the Compensation Committee by a third-party compensation consultant retained by the Compensation Committee in connection with a review of the Company's executive compensation. Executive and the Company hereby agree to negotiate in good faith any amendments to this Agreement which are necessary to give effect to any such recommendations.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

19. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

20. Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

COMPANY:

BRIGHTCOVE INC.

By: /s/ Jeremy Allaire
Name: Jeremy Allaire
Title: Chairman and CEO

EXECUTIVE:

/s/ Christopher Menard
Christopher Menard

EXHIBIT A

EMPLOYEE NONCOMPETITION,
NONDISCLOSURE AND DEVELOPMENTS AGREEMENT

In consideration of and as a condition of my employment or continued employment by Brightcove Inc., its affiliates, subsidiaries, successors and assigns (collectively, the "Company"), I hereby agree with the Company as follows:

1. Noncompetition: During the period of my employment by the Company, I shall devote my full time and best efforts to the business of the Company. Further, during the period of my employment by the Company and for twelve months after the termination of such employment (for any reason whatsoever) (the "Restricted Period"), I shall not, directly or indirectly, in any geographic area where the Company does business or sells or markets its products and/or services or is actively planning to do business or sell or market its products and/or services, as of my termination of employment, (a) provide services to, become employed by, or retained as a consultant or independent contractor of, an entity that is competitive with the Company; or (b) alone or as a partner, officer, director, employee, member, consultant, independent contractor, agent or stockholder of any entity, engage in any business activity that competes with the products or services being developed, designed, manufactured, provided or sold by the Company at the time of my termination of employment. My ownership of less than 3% of the equity securities of any publicly traded Company or less than 5% of any private company will not by itself violate the terms of this Section.

2. Nonsolicitation of Customers: During the Restricted Period, I shall not, directly or indirectly, alone or as a partner, officer, director, employee, consultant, independent contractor, agent or stockholder of any entity, (i) solicit, or do business in competition with the Company, or assist any other entity that competes with the Company to solicit or do business with (a) an entity that is a customer of the Company at the time of my termination of employment from the Company or was a customer of the Company at any time within six months prior thereto; or (b) an entity that is or was known to be a prospective customer of the Company at the time of my termination of employment from the Company; or (ii) interfere with or disrupt, or assist any other person or business organization to interfere with or disrupt, any existing relationships between the Company and any customer, licensee, supplier, vendor, distributor, dealer or manufacturer of the Company.

3. Nonsolicitation/Non-hire of Employees: During the Restricted Period, I shall not, directly or indirectly, (a) hire or employ; (b) recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away; or (c) assist any entity, business organization or person to recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away, any person who is or was employed by the Company at any time within the six month period prior to the termination of my employment with the Company.

4. Nondisclosure Obligation: I shall not at any time, whether during or after the termination of my employment (for any reason whatsoever), reveal to any person or entity any Confidential Information of the Company or of any third parties which the Company is under an obligation to keep confidential, except to employees of the Company who need to know such information for the purposes of their employment, or as otherwise authorized by the Company in writing. "Confidential Information" includes, but is not limited to, confidential and/or proprietary

information or trade secrets concerning the business, organization or finances of the Company, including but not limited to, research and development activities, product designs, prototypes and technical specifications, show how and know how, business, financial, sales and/or marketing plans and strategies, pricing and costing policies, customer and suppliers lists and related information, nonpublic financial information, systems, source code and related unpublished documentation, compensation and other personnel-related information, processes, software programs, works of authorship, inventions, projects, plans and proposals as well as any other information as may be treated by the Company as confidential. I shall keep secret all matters entrusted to me and shall not use or rely upon, or attempt to use or rely upon, any Confidential Information except as may be required in the ordinary course of performing my duties as an employee of the Company.

5. Company Documentation: Furthermore, I agree that during my employment I shall maintain for the benefit of the Company, and shall not make, use or permit to be used, any Company Documentation otherwise than for the benefit of the Company. "Company Documentation" includes, but is not limited to, notes memoranda, reports, lists, records, drawings, sketches, specifications, software programs, data documentation or other materials of any nature and in any form, whether written, printed or in digital format or otherwise relating to any matter within the scope of the business of the Company or concerning any of its dealings or affairs, whether or not they contain or embody any Confidential Information or any Developments (as hereinafter defined). I further agree that I shall not, after the termination of my employment, use or permit others to use any such Company Documentation, and that all Company Documentation shall be and remain the sole and exclusive property of the Company. Immediately upon the termination of my employment (or earlier, if requested by the Company) I shall deliver all Company Documentation and Confidential Information in my possession, and all copies thereof, to the Company, at its main office.

6. Assignment of Inventions:

(a) If at any time or times during my employment, I shall (either alone or with others) make, conceive, create, discover, invent or reduce to practice any Development that: (i) relates to the business of the Company or any customer of or supplier to the Company or any of the products or services being developed, manufactured or sold by the Company or which may be used in relation therewith; or (ii) results from tasks assigned to me by the Company or work performed by me for the Company; or (iii) results from the use of Confidential Information; or (iv) results from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company, then all such Developments and the benefits thereof are and shall immediately become the sole and absolute property of the Company and its assigns, as works made for hire or otherwise. The term "Development" shall include, but not be limited to, any invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, trade secret or intellectual property right whatsoever or any interest therein (whether or not patentable or registrable under copyright, trademark or similar statutes (including but not limited to the Semiconductor Chip Protection Act) or subject to analogous protection). I shall promptly disclose to the Company (or any persons designated by it) each Development. I hereby assign all rights (including, but not limited to, rights to inventions, patentable subject matter, copyrights and trademarks) I may have or may acquire in the Developments and all benefits and/or rights resulting therefrom to the Company and its assigns without further compensation and shall communicate, without cost or delay, and without disclosing to others, all available information relating thereto (with all necessary plans and models) to the Company.

(b) I represent that the Developments identified in the Appendix attached hereto, if any, comprise all the Developments that I have made or conceived prior to my employment by the Company, which Developments are excluded from this Agreement. I understand that it is only necessary to list the title of such Developments and the purpose thereof, but not details of the Development itself. IF THERE ARE ANY SUCH DEVELOPMENTS TO BE EXCLUDED, THE UNDERSIGNED SHOULD INITIAL HERE; OTHERWISE IT WILL BE DEEMED THAT THERE ARE NO SUCH EXCLUSIONS. _____. I understand and agree that if I incorporate into any Company product, process or machine any Developments set forth on the Appendix or otherwise made, conceived or reduced to practice by me prior to my employment with the Company, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell any such Development as part of or in connection with such product, process or machine.

(c) I shall, during my employment and at any time thereafter, at the request and cost of the Company, promptly sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized officers may reasonably require: (i) to apply for, obtain, register and vest in the name of the Company alone (unless the Company otherwise directs) patents, copyrights, trademarks or other analogous protection in any country throughout the world relating to a Development and when so obtained or vested to renew and restore the same; and (ii) to defend any judicial, opposition or other proceedings in respect of such applications and any judicial, opposition or other proceeding, petition or application for revocation of any such patent, copyright, trademark or other analogous protection.

(d) If the Company is unable, after reasonable effort, to secure my signature on any application for patent, copyright, trademark or other analogous registration or other documents regarding any legal protection relating to a Development, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by me.

7. Acknowledgements/Remedies Upon Breach: I agree that the Company's Confidential Information, customer goodwill and workforce are vital to the success of the Company's business and have been or will be developed or attained by great efforts and expense to the Company. I acknowledge that as of the date of this Agreement and continuing thereafter, I will be provided by the Company with Confidential Information, including trade secrets, and I recognize the importance of protecting the Company's rights in and to such Confidential Information and goodwill that the Company has developed or will develop with its customers. I further agree that the restrictions set forth in this Agreement are reasonable and necessary to protect the Company's Confidential Information, its customer goodwill and its workforce. I agree that any breach of this Agreement by me will cause irreparable damage to the Company and that in the event of such breach or threatened breach the Company shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent or cease the violation of my obligations hereunder.

8. Absence of Conflicting Agreements: I understand that the Company does not desire to acquire from me any trade secrets, know how or confidential business information that I may have acquired from others. I represent that I will not use such information in the performance of my duties for the Company and will not bring any such information onto Company premises. I also represent that I am not bound by any agreement or any other existing or previous business relationship which conflicts with or prevents the full performance of my duties and obligations to the Company during the course of employment.

9. Notification: In the event that my employment with the Company terminates for any reason, I hereby consent to notification by the Company to my new employer or any new entity to which I may provide services about my rights and obligations under this Agreement.

10. Conflict of Interest Guidelines: I hereby agree to comply with the Company's conflict of interest guidelines attached hereto as Exhibit B.

11. Severability and Reformation: I hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any clause shall in no way impair the enforceability of any of the other clauses of the Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear. I hereby further agree that the language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either of the parties.

12. At-Will Employment: I understand that neither this Agreement nor any other document I have signed regarding my employment with the Company constitutes an express or implied employment contract and that my employment with the Company is on an "at-will" basis. Accordingly, I understand that either the Company or I may terminate my employment at any time, for any or no reason, with or without prior notice.

13. Continued Effect. I agree and understand that any change or changes in my position, duties, salary, compensation or other terms and conditions of employment with the Company will in no manner affect the validity, enforceability or scope of this Agreement, and that I am entering into this Agreement in consideration for my employment with the Company, which employment includes any such changes that may occur after the date hereof.

14. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges and supersedes all prior discussions, representations, understandings and agreements by and between us.

15. Miscellaneous: Any amendment to or modification of this Agreement, or any waiver of any provision hereof, shall be in writing and signed by the Company. Any waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof. The captions of this Agreement are for reference only and do not define, limit or affect the scope of any section of this Agreement. My obligations under this Agreement shall survive the termination of my employment regardless of the reason for or manner of such termination and shall be binding upon my

heirs, executors, administrators and legal representatives. The Company shall have the right to assign this Agreement to its successors and assigns, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns. I acknowledge and agree that this Agreement shall be governed by and construed in accordance with the internal laws of Massachusetts without giving effect to the principles of conflicts of laws thereof and any claims or legal actions by one party against the other shall be commenced and maintained in any state or federal court located in Massachusetts and I hereby submit to the jurisdiction and venue of any such court.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date first above written.

/s/ Christopher A. Menard 8/17/11
Signature Date

Christopher A. Menard
Name - Please Print

APPENDIX A

EXCLUDED DEVELOPMENTS

EXHIBIT B

CONFLICT OF INTEREST GUIDELINES
of
BRIGHTCOVE INC.

It is the policy of Brightcove Inc. to conduct its affairs in strict compliance with the letter and spirit of the law and to adhere to the highest principles of business ethics. Accordingly, all officers, employees and independent contractors must avoid activities that conflict, or give the appearance of being in conflict, with these principles and with the interests of the Company. The following examples (which are not an exhaustive list) are potentially compromising situations that must be avoided. Any exceptions must be reported to the President of the Company and written approval for continuation must be obtained.

(a) Revealing confidential information to outsiders or misusing confidential information. Unauthorized divulging of information is a violation of this policy whether or not for personal gain and whether or not harm to the Company is intended. (The Employee Nondisclosure and Developments Agreement elaborates on this principle and is a binding agreement.)

(b) Accepting or offering gifts, excessive entertainment, favors or payments which may be deemed to constitute undue influence or otherwise be improper or embarrassing to the Company.

(c) Participating in civic or professional organizations that might involve divulging confidential information of the Company.

(d) Initiating or approving personnel actions affecting reward or punishment of employees or applicants where there is a family relationship or is or appears to be a personal or social involvement.

(e) Initiating or approving any form of personal or social harassment of employees.

(f) Investing or holding outside directorship in suppliers, customers, or competing companies, including financial speculations, where such investment or directorship might influence in any manner a decision or course of action of the Company.

(g) Borrowing from or lending to employees, customers or suppliers.

(h) Acquiring real estate of interest to the Company.

(i) Improperly using or disclosing to the Company any proprietary information or trade secrets of any former or concurrent employer or other person or entity with whom obligations of confidentiality exist.

(j) Unlawfully discussing prices, costs, customers, sales or markets with competing companies or their employees.

(k) Making any unlawful agreement with distributors with respect to prices.

(l) Improperly using or authorizing the use of any inventions which are the subject of patent claims of any other person or entity.

(m) Engaging in any conduct that is not in the best interest of the Company. Each officer, employee and independent contractor must take every necessary action to ensure compliance with these guidelines and to bring problem areas to the attention of the Company's management for its review.

Exhibit 10.13

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made as of the 8th day of August, 2011, between Brightcove Inc., a Delaware corporation (the "**Company**"), and Andrew Feinberg (the "**Executive**").

WHEREAS, the Company and the Executive were previously parties to that certain employment offer letter dated May 10, 2005 (the "Prior Agreement") which the Company and the Executive intend to supersede and replace with this Agreement;

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company on the new terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company hereby employs the Executive and the Executive hereby accepts such employment pursuant to the terms of this Agreement until this Agreement is terminated in accordance with the provisions of Section 3. (Such period of employment shall hereinafter be referred to as the "**Term**").

(b) Position and Duties. During the Term, the Executive shall serve as the Chief Legal Officer of the Company, and shall have such powers and duties as may from time to time be prescribed by the Chief Executive Officer of the Company (the "**CEO**"), or other authorized executive, provided that such duties are consistent with the Executive's position or other positions that he may hold from time to time. The Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the prior written approval of the Board, or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive's performance of his duties to the Company as provided in this Agreement.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive's initial annual base salary shall be $225,000. The Executive's base salary may be redetermined annually by the Board or the Compensation Committee. The base salary in effect at any given time is referred to herein as "**Base Salary**." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for senior executives.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's target management-based-on-objectives annual

incentive compensation ("MBO") shall be thirty-five percent (35%) percent of his Base Salary. The Executive will also be eligible to participate in the Company Sales Incentive Plan, which establishes sales performance goals and incentive payment policies. At goal, as defined in the Executive's individual plan, the Executive will be eligible to receive $55,000 in annual incentive pay pursuant to the Sales Incentive Plan, earned on a quarterly basis. The Sales Incentive Plan provides opportunities to go beyond the target incentive at goal if the Executive exceeds his goals. The Sales Incentive Plan is designed to drive Company and individual success, and it is subject to change. To earn incentive compensation, the Executive must be employed by the Company on the last day of the period on which such incentive compensation is measured.

(c) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by him during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior executive officers.

(d) Other Benefits. During the Term, the Executive shall be entitled to continue to participate in or receive benefits under the Company's Employee Benefit Plans in effect on the date hereof. As used herein, the term "**Employee Benefit Plans**" includes, without limitation, each pension and retirement plan; supplemental pension, retirement and deferred compensation plan; savings and profit-sharing plan; stock ownership plan; stock purchase plan; stock option plan; life insurance plan; medical insurance plan; disability plan; and health and accident plan or arrangement established and maintained by the Company on the date hereof for employees of the same status within the hierarchy of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement which may, in the future, be made available by the Company to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plan or arrangement. Any payments or benefits payable to the Executive under a plan or arrangement referred to in this Section 2(d) in respect of any calendar year during which the Executive is employed by the Company for less than the whole of such year shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the number of days in such calendar year during which he is so employed. Should any such payments or benefits accrue on a fiscal (rather than calendar) year, then the proration in the preceding sentence shall be on the basis of a fiscal year rather than calendar year.

(e) Place of Performance. Unless otherwise agreed to by the Executive and the Company, the Executive shall perform his duties for the Company from the headquarters of the Company, initially located at One Cambridge Center, Cambridge, MA, 02142 provided, however, Executive shall be required to travel to the extent reasonably required to perform his job duties.

(f) Vacation. During the Term, the Executive shall be entitled to accrue up to 20 days of paid vacation days in each year, which shall be accrued ratably. The Executive shall also be entitled to all paid holidays given by the Company to its executives.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12 month period. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq*. and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq*.

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause by a vote of the Board at a meeting of the Board called and held for such purpose. For purposes of this Agreement, "**Cause**" shall mean: (i) conduct by the Executive constituting an act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in injury or reputational harm to the Company or any of its subsidiaries and affiliates if he were retained in his position; (iii) continued non-performance by the Executive of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Board; (iv) a breach by the Executive of any of the provisions contained in Section 7 of this Agreement; (v) a violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate his employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean that the Executive has complied with the Good Reason Process (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive's responsibilities, authority or duties; (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the principle geographic location at which the Executive is required to provide services to the

Company; or (iv) the material breach of this Agreement by the Company. "**Good Reason Process**" shall mean that (A) the Executive reasonably determines in good faith that a "Good Reason" condition has occurred; (B) the Executive notifies the Company in writing of the first occurrence of the Good Reason condition within 30 days of the first occurrence of such condition; (C) the Executive cooperates in good faith with the Company's efforts, for a period not less than 30 days following such notice (the "**Cure Period**"), to remedy the condition; (D) notwithstanding such efforts, the Good Reason condition continues to exist; and (E) the Executive terminates his employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "**Notice of Termination**" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "**Date of Termination**" shall mean: (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c) or by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given; (iii) if the Executive's employment is terminated by the Executive under Section 3(e) without Good Reason, 30 days after the date on which a Notice of Termination is given, and (iv) if the Executive's employment is terminated by the Executive under Section 3(e) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(h) Resignation on Termination. On the Date of Termination, the Executive shall resign from all positions with the Company and its subsidiaries. In addition, if the Executive is then serving as a member of the Board or the Board of Directors of a subsidiary, the Executive shall tender his resignation from such directorship(s) on the Date of Termination.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned and payable but not yet paid, unpaid expense reimbursements and accrued but unused vacation (the "**Accrued Benefit**") on or before the time required by law but in no event more than 30 days after the Executive's Date of Termination.

(b) Termination by the Company Without Cause or by the Executive with Good Reason Prior to the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring prior to the Company's first underwritten public offering of its common stock under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Company's IPO**"), then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a separation agreement that includes a general release of claims in favor of the Company and related persons and entities in a form and manner satisfactory to the Company (the "**Release**") and, if applicable, the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one-half (1/2) times the Executive's Base Salary and (B) the greater of (x) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (y) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (such sum, the "**Pre-IPO Severance Amount**"). The Pre-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over six (6) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Pre-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(c) Termination by the Company Without Cause or by the Executive with Good Reason After the Company's IPO. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), in either case with a Date of Termination occurring on or after the Company's IPO, then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release with 60 days after the Date of Termination:

(i) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's target incentive compensation for the then current fiscal year (the "**Post-IPO Severance Amount**"). The Post-IPO Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over twelve (12) months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO Severance Amount shall begin to be paid in the second calendar year. Solely for purposes of Section 409A of the Code, each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 7 of this Agreement, all payments of the Pre-IPO Severance Amount shall immediately cease; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the Date of Termination shall immediately accelerate by twenty five percent (25%) and such accelerated awards shall become fully exercisable, vested and/or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

5. Change in Control Payment. The provisions of this Section 5 set forth certain additional agreements reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 4(b) and Section 4(c), as applicable, regarding severance pay and benefits if a termination of employment occurs on or within 12 months after the occurrence of a Change in Control, provided that such Change in Control occurs during the Executive's employment. These provisions shall terminate and be of no further force or effect beginning twelve (12) months after the occurrence of a Change in Control.

(a) Change in Control Prior to the Company's IPO.

(i) Upon a Change in Control of the Company prior to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and, if applicable, the expiration of the seven-day revocation period for the Release within the 60 day period following the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (x) one-half (1/2) times the Executive's Base Salary and (y) the greater of (A) one-half (1/2) times the Executive's target annual incentive compensation for the then current fiscal year or (B) the annual incentive compensation for the then current fiscal year actually earned by such Executive as of the Date of Termination (the "**Pre-IPO CIC Amount**"). The Pre-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60 days period begins in one calendar year and ends in a second calendar year, the Pre-IPO CIC Amount shall be paid in the second calendar year and; provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Pre-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(b)(i) with respect to the Pre-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to six (6) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(b) Additional Limitation Prior to the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that prior to the Company's IPO, the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise calculated in a manner consistent with Section 280G of the Code and the

applicable regulations thereunder (the "**Pre IPO Payments**"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Pre-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Pre-IPO Payments shall not exceed the Threshold Amount (the "Reduction Amount"). In such event, the Pre-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) In addition, the Company shall use reasonable efforts to satisfy the shareholder approval requirements set forth in Q/A 7 of Treasury Regulations Section 1.280G-1 with respect to such Reduction Amount, and if such requirements are satisfied then such Reduction Amount shall become payable hereunder as if subsection (i) above had not applied thereto.

(iii) For the purposes of this Section 5, "**Threshold Amount**" shall mean three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar ($1.00); and "**Excise Tax**" shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by the Executive with respect to such excise tax.

(iv) The determination of the reduction provided in Section 5(b) shall be made by a nationally recognized accounting firm selected by the Company (the "**Accounting Firm**"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of this determination, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Change in Control After to the Company's IPO.

(i) Upon a Change in Control of the Company after to the Company's IPO, notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, the vesting schedule for stock options and other stock-based awards held by the Executive as of the date of such Change in Control shall immediately accelerate by one hundred percent (100%) and such accelerated awards become fully exercisable, vested and/or nonforfeitable as of the date of such Change in Control.

(ii) In addition, if within twelve (12) months after a Change in Control prior to the Company's IPO, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the Executive signing a Release and the expiration of the seven-day revocation period for the Release within 60 days after the Date of Termination:

(A) the Company shall pay the Executive an amount equal to the sum of (A) one times the Executive's Base Salary and (B) one times the Executive's incentive compensation for the then current fiscal year (the "**Post-IPO CIC Amount**"). The Post-IPO CIC Amount shall be paid within 60 days after the Date of Termination in a lump sum in cash provided that if such 60-day period begins in one calendar year and ends in a second calendar year, the Post-IPO CIC Amount shall be paid in the second calendar year; and provided further, that if the Change in Control does not constitute a "change in ownership or effective control" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company for purposes of Section 409A of the Code, the Post-IPO CIC Amount shall be paid at the same time and on the same schedule as provided in Section 4(c)(i) with respect to the Post-IPO Severance Amount; and

(B) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination, then the Company shall pay to the Executive a single lump sum cash payment equal to twelve (12) months of monthly employer contributions that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company.

(d) Additional Limitation After the Company's IPO.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that on or after the Company's IPO the amount of any compensation payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "Post-IPO Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, the following provisions shall apply:

(A) If the Post-IPO Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes payable by the Executive on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, the Executive shall be entitled to the full benefits payable under this Agreement.

(B) If the Threshold Amount is less than (x) the Post-IPO Payments, but greater than (y) the Post-IPO Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Post-IPO Payments which are in excess of the Threshold Amount, then the Post-IPO Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Post-IPO Payments shall not exceed the Threshold Amount. In such event, the Post-IPO Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(ii) The determination as to which of the alternative provisions of Section 5(d) shall apply to the Executive shall be made the Accounting Firm, which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of determining which of the alternative provisions of Section 5(d) shall apply, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(e) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(i) Prior to the Company's IPO, "**Change in Control**" shall mean a "Deemed Liquidation Event" as defined in the Company's certificate of incorporation filed with the Secretary of State of Delaware as the same may be amended from time to time.

(ii) After the Company's IPO, "**Change in Control**" shall mean any of the following:

(A) the date any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Act**") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities having the right to vote in an election of the Board ("**Voting Securities**") (in such case other than as a result of an acquisition of securities directly from the Company); or

(B) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(C) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than fifty percent (50%) of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a Change in Control shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of the combined voting power of all of the then outstanding Voting Securities, then a Change in Control shall be deemed to have occurred for purposes of the foregoing clause (i).

6. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20 percent additional tax

imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. Confidential Information, Noncompetition and Cooperation.

(a) The Executive agrees to continue to comply with the Employee Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement attached hereto as Exhibit A ("Proprietary Information Agreement"), the terms of which are hereby incorporated by reference into Section 7 of this Agreement.

(b) Confidentiality. The Executive understands and agrees that the Executive's employment creates a relationship of confidence and trust between the Executive and the Company with respect to all Confidential Information. At all times, both during the Executive's employment with the Company and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Company, except as may be necessary in the ordinary course of performing the Executive's duties to the Company.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Company or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Company. The Executive will return to the Company all such materials and property as and when requested by the Company. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(e) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 7(e).

(f) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the promises set forth in this Section 7, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

8. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

9. Integration. This Agreement, including Exhibits A and B attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter including, without limitation, the Prior Agreement.

10. Withholding; Taxes. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate you for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after his termination of employment but prior to the completion by the Company of all payments due him under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to his death (or to his estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

16. Amendment; Amended Terms. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company. Every two years following the date of this Agreement, the Compensation Committee shall make recommendations for changes to the amount and type of consideration payable upon termination and/or a change of control pursuant to Sections 4 and 5 of this Agreement, respectively. Such recommendations shall be based upon on a review of information presented to the Compensation Committee by a third-party compensation consultant retained by the Compensation Committee in connection with a review of the Company's executive compensation. Executive and the Company hereby agree to negotiate in good faith any amendments to this Agreement which are necessary to give effect to any such recommendations.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

19. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

20. Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

COMPANY:

BRIGHTCOVE INC.

By: /s/ Jeremy Allaire
Name: Jeremy Allaire
Title: Chairman and CEO

EXECUTIVE:

/s/ Andrew Feinberg
Andrew Feinberg

EXHIBIT A

EMPLOYEE NONCOMPETITION,
NONDISCLOSURE AND DEVELOPMENTS AGREEMENT

In consideration of and as a condition of my employment or continued employment by Brightcove Inc., its affiliates, subsidiaries, successors and assigns (collectively, the "Company"), I hereby agree with the Company as follows:

1. Noncompetition: During the period of my employment by the Company, I shall devote my full time and best efforts to the business of the Company. Further, during the period of my employment by the Company and for twelve months after the termination of such employment (for any reason whatsoever) (the "Restricted Period"), I shall not, directly or indirectly, in any geographic area where the Company does business or sells or markets its products and/or services or is actively planning to do business or sell or market its products and/or services, as of my termination of employment, (a) provide services to, become employed by, or retained as a consultant or independent contractor of, an entity that is competitive with the Company; or (b) alone or as a partner, officer, director, employee, member, consultant, independent contractor, agent or stockholder of any entity, engage in any business activity that competes with the products or services being developed, designed, manufactured, provided or sold by the Company at the time of my termination of employment. My ownership of less than 3% of the equity securities of any publicly traded Company or less than 5% of any private company will not by itself violate the terms of this Section.

2. Nonsolicitation of Customers: During the Restricted Period, I shall not, directly or indirectly, alone or as a partner, officer, director, employee, consultant, independent contractor, agent or stockholder of any entity, (i) solicit, or do business in competition with the Company, or assist any other entity that competes with the Company to solicit or do business with (a) an entity that is a customer of the Company at the time of my termination of employment from the Company or was a customer of the Company at any time within six months prior thereto; or (b) an entity that is or was known to be a prospective customer of the Company at the time of my termination of employment from the Company; or (ii) interfere with or disrupt, or assist any other person or business organization to interfere with or disrupt, any existing relationships between the Company and any customer, licensee, supplier, vendor, distributor, dealer or manufacturer of the Company.

3. Nonsolicitation/Non-hire of Employees: During the Restricted Period, I shall not, directly or indirectly, (a) hire or employ; (b) recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away; or (c) assist any entity, business organization or person to recruit or attempt to recruit, solicit or attempt to solicit, attempt to hire, interfere with or endeavor to entice away, any person who is or was employed by the Company at any time within the six month period prior to the termination of my employment with the Company.

4. Nondisclosure Obligation: I shall not at any time, whether during or after the termination of my employment (for any reason whatsoever), reveal to any person or entity any Confidential Information of the Company or of any third parties which the Company is under an obligation to keep confidential, except to employees of the Company who need to know such information for the purposes of their employment, or as otherwise authorized by the Company in writing. "Confidential Information" includes, but is not limited to, confidential and/or proprietary

information or trade secrets concerning the business, organization or finances of the Company, including but not limited to, research and development activities, product designs, prototypes and technical specifications, show how and know how, business, financial, sales and/or marketing plans and strategies, pricing and costing policies, customer and suppliers lists and related information, nonpublic financial information, systems, source code and related unpublished documentation, compensation and other personnel-related information, processes, software programs, works of authorship, inventions, projects, plans and proposals as well as any other information as may be treated by the Company as confidential. I shall keep secret all matters entrusted to me and shall not use or rely upon, or attempt to use or rely upon, any Confidential Information except as may be required in the ordinary course of performing my duties as an employee of the Company.

5. Company Documentation: Furthermore, I agree that during my employment I shall maintain for the benefit of the Company, and shall not make, use or permit to be used, any Company Documentation otherwise than for the benefit of the Company. "Company Documentation" includes, but is not limited to, notes memoranda, reports, lists, records, drawings, sketches, specifications, software programs, data documentation or other materials of any nature and in any form, whether written, printed or in digital format or otherwise relating to any matter within the scope of the business of the Company or concerning any of its dealings or affairs, whether or not they contain or embody any Confidential Information or any Developments (as hereinafter defined). I further agree that I shall not, after the termination of my employment, use or permit others to use any such Company Documentation, and that all Company Documentation shall be and remain the sole and exclusive property of the Company. Immediately upon the termination of my employment (or earlier, if requested by the Company) I shall deliver all Company Documentation and Confidential Information in my possession, and all copies thereof, to the Company, at its main office.

6. Assignment of Inventions:

(a) If at any time or times during my employment, I shall (either alone or with others) make, conceive, create, discover, invent or reduce to practice any Development that: (i) relates to the business of the Company or any customer of or supplier to the Company or any of the products or services being developed, manufactured or sold by the Company or which may be used in relation therewith; or (ii) results from tasks assigned to me by the Company or work performed by me for the Company; or (iii) results from the use of Confidential Information; or (iv) results from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company, then all such Developments and the benefits thereof are and shall immediately become the sole and absolute property of the Company and its assigns, as works made for hire or otherwise. The term "Development" shall include, but not be limited to, any invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, trade secret or intellectual property right whatsoever or any interest therein (whether or not patentable or registrable under copyright, trademark or similar statutes (including but not limited to the Semiconductor Chip Protection Act) or subject to analogous protection). I shall promptly disclose to the Company (or any persons designated by it) each Development. I hereby assign all rights (including, but not limited to, rights to inventions, patentable subject matter, copyrights and trademarks) I may have or may acquire in the Developments and all benefits and/or rights resulting therefrom to the Company and its assigns without further compensation and shall communicate, without cost or delay, and without disclosing to others, all available information relating thereto (with all necessary plans and models) to the Company.

(b) I represent that the Developments identified in the Appendix attached hereto, if any, comprise all the Developments that I have made or conceived prior to my employment by the Company, which Developments are excluded from this Agreement. I understand that it is only necessary to list the title of such Developments and the purpose thereof, but not details of the Development itself. IF THERE ARE ANY SUCH DEVELOPMENTS TO BE EXCLUDED, THE UNDERSIGNED SHOULD INITIAL HERE; OTHERWISE IT WILL BE DEEMED THAT THERE ARE NO SUCH EXCLUSIONS._____. I understand and agree that if I incorporate into any Company product, process or machine any Developments set forth on the Appendix or otherwise made, conceived or reduced to practice by me prior to my employment with the Company, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell any such Development as part of or in connection with such product, process or machine.

(c) I shall, during my employment and at any time thereafter, at the request and cost of the Company, promptly sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized officers may reasonably require: (i) to apply for, obtain, register and vest in the name of the Company alone (unless the Company otherwise directs) patents, copyrights, trademarks or other analogous protection in any country throughout the world relating to a Development and when so obtained or vested to renew and restore the same; and (ii) to defend any judicial, opposition or other proceedings in respect of such applications and any judicial, opposition or other proceeding, petition or application for revocation of any such patent, copyright, trademark or other analogous protection.

(d) If the Company is unable, after reasonable effort, to secure my signature on any application for patent, copyright, trademark or other analogous registration or other documents regarding any legal protection relating to a Development, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by me.

7. Acknowledgements/Remedies Upon Breach: I agree that the Company's Confidential Information, customer goodwill and workforce are vital to the success of the Company's business and have been or will be developed or attained by great efforts and expense to the Company. I acknowledge that as of the date of this Agreement and continuing thereafter, I will be provided by the Company with Confidential Information, including trade secrets, and I recognize the importance of protecting the Company's rights in and to such Confidential Information and goodwill that the Company has developed or will develop with its customers. I further agree that the restrictions set forth in this Agreement are reasonable and necessary to protect the Company's Confidential Information, its customer goodwill and its workforce. I agree that any breach of this Agreement by me will cause irreparable damage to the Company and that in the event of such breach or threatened breach the Company shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent or cease the violation of my obligations hereunder.

8. Absence of Conflicting Agreements: I understand that the Company does not desire to acquire from me any trade secrets, know how or confidential business information that I may have acquired from others. I represent that I will not use such information in the performance of my duties for the Company and will not bring any such information onto Company premises. I also represent that I am not bound by any agreement or any other existing or previous business relationship which conflicts with or prevents the full performance of my duties and obligations to the Company during the course of employment.

9. Notification: In the event that my employment with the Company terminates for any reason, I hereby consent to notification by the Company to my new employer or any new entity to which I may provide services about my rights and obligations under this Agreement.

10. Conflict of Interest Guidelines: I hereby agree to comply with the Company's conflict of interest guidelines attached hereto as Exhibit B.

11. Severability and Reformation: I hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any clause shall in no way impair the enforceability of any of the other clauses of the Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear. I hereby further agree that the language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either of the parties.

12. At-Will Employment: I understand that neither this Agreement nor any other document I have signed regarding my employment with the Company constitutes an express or implied employment contract and that my employment with the Company is on an "at-will" basis. Accordingly, I understand that either the Company or I may terminate my employment at any time, for any or no reason, with or without prior notice.

13. Continued Effect. I agree and understand that any change or changes in my position, duties, salary, compensation or other terms and conditions of employment with the Company will in no manner affect the validity, enforceability or scope of this Agreement, and that I am entering into this Agreement in consideration for my employment with the Company, which employment includes any such changes that may occur after the date hereof.

14. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges and supersedes all prior discussions, representations, understandings and agreements by and between us.

15. Miscellaneous: Any amendment to or modification of this Agreement, or any waiver of any provision hereof, shall be in writing and signed by the Company. Any waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof. The captions of this Agreement are for reference only and do not define, limit or affect the scope of any section of this Agreement. My obligations under this Agreement shall survive the termination of my employment regardless of the reason for or manner of such termination and shall be binding upon my

heirs, executors, administrators and legal representatives. The Company shall have the right to assign this Agreement to its successors and assigns, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns. I acknowledge and agree that this Agreement shall be governed by and construed in accordance with the internal laws of Massachusetts without giving effect to the principles of conflicts of laws thereof and any claims or legal actions by one party against the other shall be commenced and maintained in any state or federal court located in Massachusetts and I hereby submit to the jurisdiction and venue of any such court.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date first above written.

/s/ Andrew Feinberg 8/15/11
Signature Date

Andrew Feinberg
Name - Please Print

APPENDIX A

EXCLUDED DEVELOPMENTS

EXHIBIT B

CONFLICT OF INTEREST GUIDELINES
of
BRIGHTCOVE INC.

It is the policy of Brightcove Inc. to conduct its affairs in strict compliance with the letter and spirit of the law and to adhere to the highest principles of business ethics. Accordingly, all officers, employees and independent contractors must avoid activities that conflict, or give the appearance of being in conflict, with these principles and with the interests of the Company. The following examples (which are not an exhaustive list) are potentially compromising situations that must be avoided. Any exceptions must be reported to the President of the Company and written approval for continuation must be obtained.

(a) Revealing confidential information to outsiders or misusing confidential information. Unauthorized divulging of information is a violation of this policy whether or not for personal gain and whether or not harm to the Company is intended. (The Employee Nondisclosure and Developments Agreement elaborates on this principle and is a binding agreement.)

(b) Accepting or offering gifts, excessive entertainment, favors or payments which may be deemed to constitute undue influence or otherwise be improper or embarrassing to the Company.

(c) Participating in civic or professional organizations that might involve divulging confidential information of the Company.

(d) Initiating or approving personnel actions affecting reward or punishment of employees or applicants where there is a family relationship or is or appears to be a personal or social involvement.

(e) Initiating or approving any form of personal or social harassment of employees.

(f) Investing or holding outside directorship in suppliers, customers, or competing companies, including financial speculations, where such investment or directorship might influence in any manner a decision or course of action of the Company.

(g) Borrowing from or lending to employees, customers or suppliers.

(h) Acquiring real estate of interest to the Company.

(i) Improperly using or disclosing to the Company any proprietary information or trade secrets of any former or concurrent employer or other person or entity with whom obligations of confidentiality exist.

(j) Unlawfully discussing prices, costs, customers, sales or markets with competing companies or their employees.

(k) Making any unlawful agreement with distributors with respect to prices.

(l) Improperly using or authorizing the use of any inventions which are the subject of patent claims of any other person or entity.

(m) Engaging in any conduct that is not in the best interest of the Company. Each officer, employee and independent contractor must take every necessary action to ensure compliance with these guidelines and to bring problem areas to the attention of the Company's management for its review.

Exhibit 16.1

August 23, 2011

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We have read the statements made by Brightcove Inc. (copy attached), which we understand have been filed with the Securities and Exchange Commission, pursuant to Item 304 of Regulation S-K, as part of the "Change in Independent Registered Public Accounting Firm" disclosures in the Form S-1 of Brightcove Inc. We agree with the statements concerning our Firm in such Form S-1.

Very truly yours,

/s/ PricewaterhouseCoopers LLP

Exhibit 21.1

Name	Jurisdiction of Organization
Brightcove UK Ltd	UK
Brightcove Singapore Pte. Ltd.	Singapore
Brightcove K.K.	Japan
Brightcove Korea	Korea
Brightcove Australia Pty Ltd	Australia
Brightcove Holdings, Inc.	Delaware
Bright Bay Co. Ltd.	China

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated August 23, 2011, in the Registration Statement (Form S-1) and related Prospectus of Brightcove Inc. dated August 23, 2011.

/s/ Ernst & Young LLP

Boston, Massachusetts
August 23, 2011

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-1 of Brightcove Inc. our report dated June 10, 2010 and August 23, 2011 relating to the financial statements of Brightcove Inc. which appears in such Registration Statement. We also consent to the reference to us in the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
August 23, 2011