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As filed with the Securities and Exchange Commission on November 6, 2017.

Registration No. 333-221014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1 TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Stitch Fix, Inc.
(Exact name of Registrant as specified in its charter)

Delaware	5961	27-5026540
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1 Montgomery Street, Suite 1500
San Francisco, California 94104
(415) 882-7765
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Katrina Lake
Chief Executive Officer
Stitch Fix, Inc.
1 Montgomery Street, Suite 1500
San Francisco, California 94104
(415) 882-7765
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Jodie Bourdet David Peinsipp Siana Lowrey Cooley LLP 101 California Street, 5th Floor San Francisco, California 94111 (415) 693-2000	Scott Darling Casey O'Connor Stitch Fix, Inc. 1 Montgomery Street, Suite 1500 San Francisco, California 94104 (415) 882-7765	Katharine Martin Rezwan Pavri Catherine Doxsee Wilson Sonsini Goodrich & Rosati, P.C. 650 Page Mill Road Palo Alto, California 94304 (650) 493-9300

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

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

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

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

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration 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, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐
Emerging growth company	☒		

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

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee(3)
Class A common stock, par value $0.00002 per share	11,500,000	$20.00	$230,000,000	$28,635

(1) Includes 1,500,000 shares that the underwriters have the option to purchase.
(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) of the Securities Act of 1933, as amended.
(3) The Registrant previously paid $12,450 in connection with the initial filing of the Registration Statement.

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

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.

Subject to Completion. Dated November 6, 2017

10,000,000 Shares

STITCH FIX

Class A Common Stock

This is an initial public offering of shares of Class A common stock of Stitch Fix, Inc. We are offering 9,000,000 shares of our Class A common stock. The selling stockholder identified in this prospectus is offering an additional 1,000,000 shares of our Class A common stock. We will not receive any of the proceeds from the sale of the shares being sold by the selling stockholder.

Prior to this offering, there has been no public market for our Class A common stock. It is currently estimated that the initial public offering price will be between $18.00 and $20.00 per share. We have applied to list our Class A common stock on the Nasdaq Global Select Market under the symbol "SFIX".

Following this offering, we will have two classes of common stock: Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except with respect to voting, conversion and transfer rights. Each share of Class A common stock is entitled to one vote. Each share of Class B common stock is entitled to ten votes and is convertible at any time into one share of Class A common stock. All shares of our capital stock outstanding immediately prior to this offering, including all shares held by our executive officers, directors and their respective affiliates, and all shares issuable on the conversion of our outstanding preferred stock, will be reclassified into shares of our Class B common stock immediately prior to the completion of this offering. The holders of our outstanding Class B common stock will hold approximately 98.9% of the voting power of our outstanding capital stock immediately following this offering.

We are an "emerging growth company" as defined under the federal securities laws and, as such, we have elected to comply with certain reduced reporting requirements for this prospectus and may elect to do so in future filings.

See "Risk Factors" beginning on page 14 to read about factors you should consider before buying our Class A common stock.

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

	Per Share	Total
Initial public offering price	$	$
Underwriting discount[(1)]	$	$
Proceeds, before expenses, to us	$	$
Proceeds, before expenses, to the selling stockholder	$	$

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

To the extent that the underwriters sell more than 10,000,000 shares of Class A common stock, the underwriters have the option to purchase up to an additional 1,500,000 shares of Class A common stock from us at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the shares against payment in New York, New York on , 2017.

Goldman Sachs & Co. LLC **J.P. Morgan**

Barclays **RBC Capital Markets**

Piper Jaffray **Stifel** **William Blair**

Prospectus dated , 2017.

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STITCH FIX

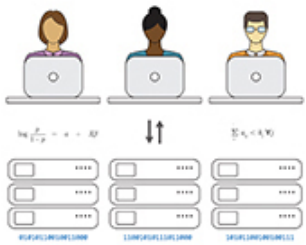
Transforming the way people find what they love.

Data that Matters

Our trusted relationship with clients allows us to collect rich high-signal data.

Data Science Woven into the Fabric of Stitch Fix

We apply proprietary algorithms to our unique data set to power our entire business.



Human Judgment Applied to Data Science

The combination delivers personalization at scale.

Client Loyalty

Better Fixes and client-stylist relationships drive repeat purchases and more data.

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Prospectus

Through and including , 2017 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Neither we, the selling stockholder nor the underwriters have authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We, the selling stockholder and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the selling stockholder are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our Class A common stock.

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

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class A common stock. You should read this entire prospectus carefully, including the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. Unless the context otherwise requires, all references in this prospectus to "Stitch Fix," the "company," "we," "our," "us" or similar terms refer to Stitch Fix, Inc. and its subsidiaries. We use a 52 or 53 week fiscal year, with our fiscal year ending each year on the Saturday that is closest to July 31 of that year. Each fiscal year generally consists of four 13-week fiscal quarters, with each fiscal quarter ending on the Saturday that is closest to the last day of the last month of the quarter. The years ended July 30, 2016 and July 29, 2017 included 52 weeks of operations. Throughout this prospectus, all references to quarters and years are to our fiscal quarters and fiscal years unless otherwise noted.

Overview

Stitch Fix is transforming the way people find what they love, one client at a time and one Fix at a time.

Stitch Fix was inspired by the vision of a client-first, client-centric new way of retail. What people buy and wear matters. When we serve our clients well, we help them discover and define their styles, we find jeans that fit and flatter their bodies, we reduce their anxiety and stress when getting ready in the morning, we give them confidence in job interviews and on first dates and we give them time back in their lives to invest in themselves or spend with their families. Most of all, we are fortunate to play a small part in our clients looking, feeling and ultimately being their best selves.

We are reinventing the shopping experience by delivering one-to-one personalization to our clients through the combination of data science and human judgment. This combination drives a better client experience and a more powerful business model than either element could deliver independently.

Since our founding in 2011, we have helped millions of clients discover and buy what they love through personalized shipments of apparel, shoes and accessories, hand-selected by Stitch Fix stylists and delivered to our clients' homes. We call each of these shipments a Fix. Clients can choose to schedule automatic shipments or order a Fix on-demand after they fill out a style profile on our website or mobile app. For each Fix, we charge clients a styling fee that is credited toward items they purchase. After receiving a Fix, our clients purchase the items they want to keep and return the other items, if any, at no additional charge.

Stitch Fix was founded with a focus on Women's apparel. In our first few years, we were able to gain a deep understanding of our clients and merchandise and build the capability to listen to our clients, respond to feedback and deliver the experience of personalization. More recently, we have extended those capabilities into Petite, Maternity, Men's and Plus apparel, as well as shoes and accessories. Our stylists leverage our data science and apply their own judgment to hand select apparel, shoes and accessories for our clients from a broad selection of merchandise.

We are successful when we are able to help clients find what they love again and again, creating long-term, trusted relationships. Our clients share personal information with us, including detailed style, size, fit and price preferences, as well as unique inputs, such as how often they dress for certain occasions or which parts of their bodies they like to flaunt or cover up. Our clients are motivated to share these personal details with us and provide us with ongoing feedback because they recognize that doing so will result in more personalized and successful experiences. This feedback also creates a valuable network effect by helping us to better serve other clients. As of

July 29, 2017, we had 2,194,000 active clients. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics" for information on how we define and calculate active clients. In 2016 and 2017, our repeat rate was 83% and 86%, respectively. We define repeat rate for a given period as the percentage of revenue, excluding styling fees, deductions for estimated refunds, gift card redemptions, referral credit adjustments and clearance sales, but including sales tax, in that period recognized from clients who have ever previously checked out a Fix.

The very human experience that we deliver is powered by data science. Our data science capabilities consist of our rich data set and our proprietary algorithms, which fuel our business by enhancing the client experience and driving business model efficiencies. The vast majority of our client data is provided directly and explicitly by the client, rather than inferred, scraped or obtained from other sources. We also gather extensive merchandise data, such as inseam, pocket shape, silhouette and fit. This large and growing data set provides the foundation for proprietary algorithms that we use throughout our business, including those that predict purchase behavior, forecast demand, optimize inventory and enable us to design new apparel. We believe our data science capabilities give us a significant competitive advantage, and as our data set grows, our algorithms become more powerful.

Our stylists leverage our data science through a custom-built, web-based styling application that provides recommendations from our broad selection of merchandise. Our stylists then apply their judgment to select what they believe to be the best items for each Fix. Our stylists provide a personal touch, offer styling advice and context to each item selected and help us develop long-term relationships with our clients.

We offer merchandise across multiple price points and styles from over 700 brands, including established and emerging brands, as well as our own private labels, which we call Exclusive Brands. Many of our brand partners also design and supply items exclusively for our clients.

We have scaled our business rapidly, profitably and in a capital-efficient manner, having raised only $42.5 million of equity capital since inception. We have achieved positive cash flow from operations on an annual basis since 2014, while continuing to make meaningful investments to drive growth. In 2015, 2016 and 2017, we reported $342.8 million, $730.3 million and $977.1 million in revenue, respectively, representing year-over-year growth of 113.0% and 33.8%, respectively. We had net income of $33.2 million in 2016 and a net loss of $0.6 million in 2017, and reported $72.6 million and $60.6 million in adjusted EBITDA in 2016 and 2017, respectively. As of August 1, 2015, July 30, 2016 and July 29, 2017, we had 867,000 active clients, 1,674,000 active clients and 2,194,000 active clients, respectively, representing year-over-year growth of 93.1% and 31.1%, respectively. See the section titled "Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures" for information regarding our use of adjusted EBITDA and its reconciliation to net income (loss) determined in accordance with U.S. generally accepted accounting principles, or GAAP.

Industry Overview

Technology is Driving Transformation Across Industries

Technological innovation has profoundly impacted how consumers discover and purchase products, forcing businesses to adapt to engage effectively with consumers. We believe that new business models that embrace these changes and truly focus on the consumer will be the winners in this changing environment.

The Apparel, Shoes and Accessories Market is Massive but Many Retailers have Failed to Adapt to Changing Consumer Behavior

The U.S. apparel, shoes and accessories market is large, but we believe many brick-and-mortar retailers have failed to adapt to evolving consumer preferences. Euromonitor, a consumer market research company, estimated that the U.S. apparel, footwear and accessories market was $353 billion in calendar 2016. Euromonitor expects this market to grow to $421 billion by calendar 2021, a compound annual growth rate, or CAGR, of 3.6%.

Historically, brick-and-mortar retailers have been the primary source of apparel, shoes and accessories sales in the United States. Over time, brick-and-mortar retail has changed and the era of salespersons who know each customer on a personal level has passed. We believe many of today's consumers view the traditional retail experience as impersonal, time-consuming and inconvenient. This has led to financial difficulties, bankruptcies and store closures for many major department stores, specialty retailers and retail chains. For example, Macy's, one of the largest department stores in the United States, announced in August 2016 its intent to close approximately 100, or 11%, of its stores and Michael Kors, a specialty retailer, announced in May 2017 its intent to close at least 100, or 12%, of its stores. The struggles of traditional retailers are also reflected in broader market data. According to the U.S. Census Bureau, average monthly department store sales declined $6.4 billion, or 33%, from calendar 2000 to calendar 2016.

eCommerce is Growing, but has Further Depersonalized the Shopping Experience

The internet has created new opportunities for consumers to shop for apparel. eCommerce continues to take market share from brick-and-mortar retail. Euromonitor estimated that the eCommerce portion of the U.S. apparel, footwear and accessories market was $55 billion in calendar 2016. Euromonitor expects the eCommerce portion of this market to grow to $94 billion by calendar 2021, a CAGR of 11.4%. This represents an expansion of eCommerce penetration of the U.S. apparel, footwear and accessories market from 15.5% of $353 billion in calendar 2016 to 22.3% of $421 billion in calendar 2021.

The first wave of eCommerce companies prioritized low price and fast delivery. This transaction-focused model is well-suited for commoditized products and when consumers already know what they want. However, we believe eCommerce companies often fall short when consumers do not know what they want and price and delivery speed are not the primary decision drivers. There is an overwhelming selection of apparel, shoes and accessories available to consumers online, and searches and filters are poor tools when it comes to finding items that fit one's style, figure and occasion. eCommerce companies also lack the critical personal touchpoints necessary to help consumers find what they love, further depersonalizing the shopping experience.

Personalization is the Next Wave

To be relevant today, retailers must find a way to connect with consumers on a personal level and fit conveniently into their lifestyles. Personalization in retail can be difficult and nuanced, as consumers consider many factors that can be difficult to articulate, including style, size, fit, feel and occasion. We believe that an intelligent combination of data science and human judgment is required to deliver the personalized retail experience that consumers seek.

Our Offering

Stitch Fix combines data science and human judgment to deliver one-to-one personalization to our clients at scale. We help millions of clients discover and buy what they love through data-driven, personalized, hand-selected shipments of apparel, shoes and accessories.

Our Data Science Advantage

Our data science capabilities fuel our business. These capabilities consist of our rich and growing set of detailed client and merchandise data and our proprietary algorithms. We use data science throughout our business, including to style our clients, predict purchase behavior, forecast demand, optimize inventory and design new apparel.

Our data set is particularly powerful because:

- the vast majority of our client data is provided directly and explicitly by the client, rather than inferred, scraped or obtained from other sources;
- our clients are motivated to provide us with relevant personal data, both at initial signup and over time as they use our service, because they trust it will improve their Fixes; and
- our merchandise data tracks dimensions that enable us to predict purchase behavior and deliver more personalized Fixes.

On average, each client directly provides us with over 85 meaningful data points through his or her style profile, including detailed style, size, fit and price preferences, as well as unique inputs such as how often he or she dresses for certain occasions or which parts of his or her body the client likes to flaunt or cover up. Over time, through their feedback on Fixes they receive, clients share additional information about their preferences as well as detailed data about both the merchandise they keep and return. Historically, over 85% of our shipments have resulted in direct client feedback. This feedback loop drives important network effects, as our client-provided data informs not only our personalization capabilities for the specific client, but also helps us better serve other clients.

We believe our proprietary merchandise data set is differentiated from other retailers. We encode each of our SKUs with many information attributes to help our algorithms make better recommendations for our clients. The information we store for each SKU includes:

- basic data, such as brand, size, color, pattern, silhouette and material;
- item measurements, such as length, width, diameter of sleeve opening and distance from collar to first button;
- nuanced descriptors, such as how appropriate the piece is for a client that prefers preppy clothing or whether it is appropriate for a formal event; and
- client feedback, such as how the item fit a 5’10” client or how popular the piece is with young mothers.

Our algorithms use our data set to match merchandise to each of our clients. For every combination of client and merchandise, we compute the probability the client will keep that item based on her and other clients’ preferences and purchase history as well as the attributes and past performance of the merchandise. For example, our Delila embroidery neckline knit top is purchased 52% of the time it is included in a Fix. However, for a particular client for whom it is well suited, our algorithms may predict she is 80% likely to purchase the item if it were included in her Fix. This allows us to more efficiently tailor every Fix to each client’s specific preferences.

Pairing Data Science with Human Judgment

The combination of data science and human judgment drives a better client experience and a more powerful business model than either element could deliver independently. Our advanced data science capabilities harness the power of our data for our stylists by generating predictive recommendations to streamline our stylists’ individualized curation process. Stylists add a critical layer of contextual, human decision making that augments and improves our algorithms’ selections and ultimately produces a better, more personalized Fix for each client.

Our Differentiated Value Proposition

Our Value Proposition to Clients

Our clients love our service for many reasons. We help clients find apparel, shoes and accessories that they love in a way that is convenient and fun. We save our clients time by doing the shopping, delivering Fixes right

to their homes, allowing them to try on merchandise in the comfort of their homes and in the context of their own closets and making the return process simple. Our expert styling service connects each client to a professional who will understand her fashion needs, hand select items personalized to her and offer her ongoing style advice. Clients also value the quality and diversity of our merchandise as we deliver the familiar brands they know, offer items they can't find anywhere else and expand their fashion palette by exposing them to new brands and styles they might not have tried if they shopped for themselves. We often hear from clients that we have helped them find the perfect pair of jeans or discover a dress silhouette they never would have selected for themselves. In these situations, not only is our service more convenient, it is in fact more effective at helping clients find what they love. We proudly style men and women across ages, sizes, tastes, geographies and price preferences.

Our Value Proposition to Brand Partners

We believe that we are a preferred channel and a powerful growth opportunity for our brand partners. Unlike many sales channels, we do not rely on discounts or promotions. Also, by introducing our clients to brands they may not have shopped for, we help our brand partners reach clients they may not have otherwise reached. Further, we provide our brand partners with insights based on client feedback that help our brand partners improve and evolve their merchandise to better meet consumer demand.

Our Strengths

Since we were founded in 2011, we have shipped millions of Fixes to clients throughout the United States. We have achieved this success due to our following key strengths:

- our rich client and merchandise data;
- our expert data science team and proprietary and predictive algorithms;
- our 3,400+ stylist organization;
- our unique combination of data science and human judgment; and
- our superior business model.

Our Strategy

We aim to transform the way people find what they love. We plan to achieve this goal by continuing to:

- expand our relationships with existing clients;
- acquire new clients; and
- expand our addressable market.

Recent Developments

Set forth below are preliminary estimates of selected unaudited financial and other information for the three months ended October 28, 2017 and actual unaudited financial results for the three months ended October 29, 2016. Our unaudited interim consolidated financial statements for the three months ended October 28, 2017 are not yet available. The following information reflects our preliminary estimates based on currently available information and is subject to change. These preliminary estimates are forward-looking statements. We have provided ranges, rather than specific amounts, for the preliminary estimates of the financial information

described below primarily because our financial closing procedures for the three months ended October 28, 2017 are not yet complete and, as a result, our final results upon completion of our closing procedures may vary from the preliminary estimates.

	Quarter Ended		
	October 28, 2017 (unaudited)		October 29, 2016
(in thousands)	Low	High	
Revenue, net	$294,500	$295,500	$ 236,004
Net income	$ 3,300	$ 4,900	13,243
Other Financial and Operating Data			
Adjusted EBITDA	$ 8,500	$ 11,500	$ 27,989
Active clients (as of period end)	2,396		1,847

- For the three months ended October 28, 2017, we expect to report revenue in the range of $294.5 – $295.5 million, representing growth in the range of 24.8% – 25.2% over the three months ended October 29, 2016. Revenue growth was driven primarily by an increase in active clients, which drove increased sale of merchandise.
- For the three months ended October 28, 2017, we expect to report net income in the range of $3.3 – $4.9 million, representing a decline in the range of 75.1% – 63.0% versus the three months ended October 29, 2016. This expected lower net income is primarily the result of an estimated $15.3 million increase in marketing spend as we expanded our television, online and radio advertising initiatives and an estimated $13.9 million increase in compensation and benefits costs as we increased our headcount over the last year. Our net income assumes no change in the valuation of our preferred stock warrants over the prior period as that valuation represents our best estimate of the warrant value as of October 28, 2017. However, we may revise the warrant valuation based on the final price of this offering.
- For the three months ended October 28, 2017, we expect to report adjusted EBITDA in the range of $8.5 – $11.5 million, representing a decline in the range of 69.6% – 58.9% over the three months ended October 29, 2016. Adjusted EBITDA is a non-GAAP metric used by management to measure our operating performance. See “Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures” for information regarding our use of adjusted EBITDA and below for a reconciliation of adjusted EBITDA to net income for the ranges presented above for the three months ended October 28, 2017 and the actual results for the three months ended October 29, 2016.
- As of October 28, 2017, we had active clients of 2,396,000, representing growth of 29.7% over the 1,847,000 active clients we had as of October 29, 2016. We believe that the increase in our active clients is primarily due to our investments in marketing.

The following table reconciles expected net income to adjusted EBITDA for the three months ended October 28, 2017, and reconciles actual net income to adjusted EBITDA for the three months ended October 29, 2016:

	Quarter Ended		
	October 28, 2017 (unaudited)		October 29, 2016
(in thousands)	Low	High	
Net income	$3,300	$ 4,900	$ 13,243
Add (deduct):			
Other (income) expense, net	—	—	(7)
Provision for income taxes	2,900	4,300	11,789
Depreciation and amortization	2,300	2,300	1,461
Remeasurement of preferred stock warrant liability	—	—	1,503
Adjusted EBITDA	$8,500	$11,500	$ 27,989

The data presented above reflects our preliminary estimates based solely upon information available to us as of the date of this prospectus and is not a comprehensive statement of our financial or other results as of or for the three months ended October 28, 2017. This data has been prepared by, and is the responsibility of, our management. Our independent registered public accounting firm, Deloitte & Touche LLP, has not audited, reviewed or performed procedures with respect to this data. Accordingly, Deloitte & Touche LLP does not express an opinion or any other form of assurance with respect thereto. We currently expect that our final results will be consistent with the estimates set forth above, but such estimates are preliminary and our final results could differ from these estimates due to the completion of our financial closing procedures, final adjustments and other developments that may arise between now and the time such unaudited interim consolidated financial statements for the three months ended October 28, 2017 are issued. For example, during the course of the preparation of the respective financial statements and related notes, additional items that would require adjustments to be made to the preliminary estimated financial information presented above may be identified. There can be no assurance that these estimates will be realized, and estimates are subject to risks and uncertainties, many of which are not within our control. See “Risk Factors” and “Special Note Regarding Forward-Looking Statements.”

Risk Factors Summary

Investing in our common stock involves substantial risk. The risks described in the section titled “Risk Factors” immediately following this summary may cause us to not realize the full benefits of our strengths or may cause us to be unable to successfully execute all or part of our strategy. Some of the more significant challenges include the following:

- we have a short operating history in an evolving industry and, as a result, our past results may not be indicative of future operating performance;
- if we fail to effectively manage our growth, our business, financial condition and operating results could be harmed;
- our continued growth depends on attracting new clients;
- we expect to increase our paid marketing to help grow our business, but these efforts may not be successful or cost-effective;

- we may be unable to maintain a high level of engagement with our clients and increase their spending with us, which could harm our business, financial condition or operating results;
- we must successfully gauge apparel trends and changing consumer preferences;
- if we are unable to manage our inventory effectively, our operating results could be adversely affected;
- our inability to develop and introduce new merchandise offerings in a timely and cost-effective manner may damage our business, financial condition and operating results;
- our industry is highly competitive and if we do not compete effectively our operating results could be adversely affected;
- we may not be able to sustain our revenue growth rate and we may not be profitable in the future; and
- the dual class structure of our common stock and the existing ownership of capital stock by our executive officers, directors and their affiliates will have the effect of concentrating voting control with our executive officers, directors and their affiliates, which will limit your ability to influence corporate matters.

Corporate Information

We were incorporated in 2011 as rack habit inc., a Delaware corporation, and changed our name to Stitch Fix, Inc. in October 2011. Our principal executive offices are located at 1 Montgomery Street, Suite 1500, San Francisco, California 94104, and our telephone number is (415) 882-7765. Our website address is www.stitchfix.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

“Stitch Fix®,” “Fix®” and our other registered and common law trade names, trademarks and service marks are the property of Stitch Fix, Inc. or our subsidiaries. Other trade names, trademarks and service marks used in this prospectus are the property of their respective owners.

Emerging Growth Company

We are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. We may take advantage of certain exemptions from various public company reporting requirements, including not being required to have our internal control over financial reporting audited by our independent registered public accounting firm under Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions for up to five years or until we are no longer an emerging growth company, whichever is earlier. In addition, the JOBS Act provides that an “emerging growth company” can delay adopting new or revised accounting standards until those standards apply to private companies. We have not elected to avail ourselves of this exemption and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

The Offering

Class A common stock offered by us	9,000,000 shares
Class A common stock offered by the selling stockholder	1,000,000 shares
Class A common stock to be outstanding after this offering	10,000,000 shares
Class B common stock to be outstanding after this offering	86,411,815 shares
Total Class A common stock and Class B common stock to be outstanding after this offering	96,411,815 shares
Option to purchase additional shares of Class A common stock offered by us	1,500,000 shares
Use of proceeds	We estimate that our net proceeds from the sale of our Class A common stock that we are offering will be approximately $158.0 million (or approximately $185.0 million if the underwriters' option to purchase additional shares of our Class A common stock from us is exercised in full), assuming an initial public offering price of $19.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses. We will not receive any of the proceeds from the sale of Class A common stock in this offering by the selling stockholder. The principal purposes of this offering are to increase our capitalization and financial flexibility, and create a public market for our Class A common stock. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds to us from this offering. However, we currently intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. We may also use a portion of the net proceeds to acquire complementary businesses, products, services or technologies. However, we do not have agreements or commitments to enter into any acquisitions at this time. See the section titled "Use of Proceeds" for additional information.

Voting rights	We will have two classes of common stock: Class A common stock and Class B common stock. Class A common stock is entitled to one vote per share and Class B common stock is entitled to ten votes per share. Holders of Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by law or our amended and restated certificate of incorporation that will be in effect on the completion of this offering. The holders of our outstanding Class B common stock will hold approximately 98.9% of the voting power of our outstanding shares following this offering and will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change in control transaction. See the sections titled "Principal and Selling Stockholders" and "Description of Capital Stock" for additional information.
Concentration of ownership	Once this offering is completed, the holders of our outstanding Class B common stock will beneficially own approximately 89.6% of our outstanding shares and control approximately 98.9% of the voting power of our outstanding shares and our executive officers, directors and stockholders holding more than 5% of our outstanding shares, together with their affiliates, will beneficially own, in the aggregate, approximately 76.0% of our outstanding shares and control approximately 83.8% of the voting power of our outstanding shares.
Proposed Nasdaq trading symbol	"SFIX"

The number of shares of Class A common stock and Class B common stock that will be outstanding after this offering is based on no shares of Class A common stock and 87,411,815 shares of Class B common stock outstanding as of July 29, 2017, and excludes:

- 10,218,912 shares of Class B common stock issuable on the exercise of stock options outstanding as of July 29, 2017 under our 2011 Equity Incentive Plan, or 2011 Plan, with a weighted-average exercise price of $7.12 per share;
- 867,865 shares of Class B common stock issuable upon the exercise of outstanding stock options issued after July 29, 2017 pursuant to our 2011 Plan with a weighted-average exercise price of $23.43 per share; and
- 6,172,685 shares of Class A common stock reserved for future issuance under our 2017 Incentive Plan, or 2017 Plan, which will become effective in connection with this offering, as well as any future increases, including annual increases, in the number of shares of Class A common stock reserved for issuance under our 2017 Plan and any shares underlying outstanding stock awards granted under our

2011 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Employee Benefit Plans."

In addition, unless we specifically state otherwise, the information in this prospectus assumes:

- the filing of our amended and restated certificate of incorporation, which will be in effect on the completion of this offering;
- the reclassification of our outstanding common stock into an equal number of shares of our Class B common stock and the authorization of our Class A common stock, which will occur immediately on the completion of this offering;
- the conversion of all outstanding shares of preferred stock into an aggregate of 59,511,055 shares of Class B common stock in connection with this offering;
- the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants in connection with this offering;
- the conversion of shares of our Class B common stock held by the selling stockholder into an equivalent number of shares of our Class A common stock upon the sale by the selling stockholder in this offering; and
- no exercise of the underwriters' option to purchase up to an additional 1,500,000 shares of Class A common stock from us in this offering.

Summary Consolidated Financial and Other Data

The summary consolidated statement of operations data for 2016 and 2017 has been derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations data for 2014 and 2015 have been derived from our consolidated financial statements that are not included in this prospectus. You should read the consolidated financial and other data set forth below in conjunction with our consolidated financial statements and the accompanying notes and the information in "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected for the full year or any other period in the future.

	2014	2015	2016	2017
	(in thousands, except share and per share data)			
Consolidated Statements of Operations Data:				
Revenue, net	$ 73,227	$ 342,803	$ 730,313	$ 977,139
Cost of goods sold	47,425	198,054	407,064	542,718
Gross profit	25,802	144,749	323,249	434,421
Selling, general and administrative expenses(1) (2)	30,242	108,562	259,021	402,781
Operating income (loss)	(4,440)	36,187	64,228	31,640
Remeasurement of preferred stock warrant liability	1,534	2,938	3,019	18,881
Other (income) expense, net	336	(2)	(13)	(42)
Income (loss) before income taxes	(6,310)	33,251	61,222	12,801
Provision for income taxes	23	12,322	28,041	13,395
Net income (loss)	$ (6,333)	$ 20,929	$ 33,181	$ (594)
Net income (loss) attributable to common stockholders(3)				
Basic	$ (6,333)	$ 4,573	$ 8,211	$ (594)
Diluted	$ (6,333)	$ 5,318	$ 9,496	$ (594)
Earnings (loss) per share attributable to common stockholders(3)				
Basic	$ (0.34)	$ 0.22	$ 0.36	$ (0.02)
Diluted	$ (0.34)	$ 0.21	$ 0.34	$ (0.02)
Shares used to compute earnings (loss) per share attributable to common stockholders(3)				
Basic	18,893,197	20,705,313	22,729,890	24,973,931
Diluted	18,893,197	25,452,912	27,882,844	24,973,931
Pro forma earnings per share attributable to common stockholders(3)				
Basic				$ 0.21
Diluted				$ 0.20
Shares used in computing pro forma earnings per share attributable to common stockholders(3)				
Basic				85,551,211
Diluted				90,908,541

	2014	2015	2016	2017
	(in thousands, except share and per share data)			
Other Financial and Operating Data:				
Adjusted EBITDA(4)	$(3,791)	$42,126	$72,582	$60,578
Non-GAAP net income (loss)(4)	$(4,422)	$29,033	$41,010	$30,680
Active clients (as of period end)(5)	261	867	1,674	2,194

(1) Includes stock-based compensation expense of $241,000, $743,000, $1,850,000 and $3,545,000 for 2014, 2015, 2016 and 2017, respectively.
(2) Includes compensation expense related to certain stock sales by current and former employees of $4,810,000 and $21,283,000 for 2016 and 2017, respectively.
(3) See Note 11 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the calculations of our basic and diluted earnings (loss) per share attributable to common stockholders, pro forma earnings per share attributable to common stockholders and the weighted average number of shares used in the computation of the per share amounts.
(4) See the section titled "Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures" for information regarding our use of adjusted EBITDA and non-GAAP net income (loss), and their reconciliation to net income (loss) determined in accordance with GAAP.
(5) See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics" for information regarding how we define and calculate active clients.

	July 29, 2017		
	Actual	Pro Forma(1)	Pro Forma As Adjusted(2)(3)
	(in thousands)		
Consolidated Balance Sheet Data:			
Cash	$110,608	$110,608	$ 271,018(4)
Total assets	257,205	257,205	415,228(4)
Working capital	63,844	90,523	250,933(4)
Convertible preferred stock	42,222	—	—
Total stockholders' equity	61,861	130,762	288,785

(1) The pro forma consolidated balance sheet data gives effect to (i) the reclassification of our outstanding common stock into Class B common stock, (ii) the automatic conversion of all of our outstanding shares of convertible preferred stock into 59,511,055 shares of Class B common stock in connection with this offering, (iii) the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants in connection with this offering and (iv) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect on the completion of this offering.
(2) The pro forma as adjusted consolidated balance sheet data reflects (i) the items described in footnote (1) above and (ii) our receipt of estimated net proceeds from the sale of shares of Class A common stock that we are offering at an assumed initial public offering price of $19.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses.
(3) A $1.00 increase (decrease) in the assumed initial public offering price of $19.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of cash, total assets, working capital and total stockholders' equity by $8.5 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) each of cash, total assets, working capital and total stockholders' equity by $18.0 million, assuming the assumed initial public offering price of $19.00 per share of Class A common stock remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses.
(4) Pro forma as adjusted reflects $2.4 million of deferred offering costs that had been paid as of July 29, 2017.

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should consider and read carefully all of the risks and uncertainties described below, as well as other information included in this prospectus, including our consolidated financial statements and related notes appearing at the end of this prospectus, before making an investment decision. The risks described below are not the only ones facing us. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition or results of operations. In such case, the trading price of our Class A common stock could decline, and you may lose all or part of your original investment. This prospectus also contains forward-looking statements and estimates that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of specific factors, including the risks and uncertainties described below.

Risks Relating to Our Business

We have a short operating history in an evolving industry and, as a result, our past results may not be indicative of future operating performance.

We have a short operating history in a rapidly evolving industry that may not develop in a manner favorable to our business. Our relatively short operating history makes it difficult to assess our future performance. You should consider our business and prospects in light of the risks and difficulties we may encounter.

Our future success will depend in large part upon our ability to, among other things:

- cost-effectively acquire new clients and engage with existing clients;
- increase consumer awareness of our brand;
- anticipate and respond to changing style trends and consumer preferences;
- manage our inventory effectively;
- successfully expand our offering and geographic reach;
- compete effectively;
- anticipate and respond to macroeconomic changes;
- effectively manage our growth;
- continue to enhance our personalization capabilities;
- hire, integrate and retain talented people at all levels of our organization;
- avoid interruptions in our business from information technology downtime, cybersecurity breaches or labor stoppages;
- maintain the quality of our technology infrastructure;
- develop new features to enhance the client experience; and
- retain our existing merchandise vendors and attract new vendors.

If we fail to address the risks and difficulties that we face, including those associated with the challenges listed above as well as those described elsewhere in this “Risk Factors” section, our business and our operating results will be adversely affected.

If we fail to effectively manage our growth, our business, financial condition and operating results could be harmed.

To effectively manage our growth, we must continue to implement our operational plans and strategies, improve and expand our infrastructure of people and information systems and expand, train and manage our employee base. Since our inception, we have rapidly increased our employee headcount to support the growth of our business. The number of our employees increased from over 3,700 as of January 30, 2016 to over 5,800 as of July 29, 2017. We expect to add a significant number of employees during 2018. We have expanded across all areas of our business. To support continued growth, we must effectively integrate, develop and motivate a large number of new employees while maintaining our corporate culture. We face significant competition for personnel, particularly in the San Francisco Bay Area where our headquarters are located. To attract top talent, we have had to offer, and believe we will need to continue to offer, competitive compensation and benefits packages before we can validate the productivity of those employees. We may also need to increase our employee compensation levels in response to competition. The risks associated with a rapidly growing workforce will be particularly acute if we choose to expand into new merchandise categories and internationally. Additionally, we may not be able to hire new employees quickly enough to meet our needs. If we fail to effectively manage our hiring needs or successfully integrate new hires, our efficiency, ability to meet forecasts and our employee morale, productivity and retention could suffer, which may have an adverse effect on our business, financial condition and operating results.

We are also required to manage numerous relationships with various vendors and other third parties. Further growth of our operations, vendor base, fulfillment centers, information technology systems or internal controls and procedures may not be adequate to support our operations. If we are unable to manage the growth of our organization effectively, our business, financial condition and operating results may be adversely affected.

Our continued growth depends on attracting new clients.

Our success depends on our ability to attract new clients in a cost-effective manner. To expand our client base, we must appeal to and acquire clients who have historically used other means to purchase apparel, shoes and accessories, such as traditional brick-and-mortar apparel retailers or the websites of our competitors. We reach new clients through paid marketing, referral programs, organic word of mouth and other methods of discovery, such as mentions in the press or internet search engine results. We recently increased our paid marketing expenses by investing more in digital marketing and launching our first television advertising campaign. We expect to increase our spending on these and other paid marketing channels in the future and cannot be certain that these efforts will yield more clients or be cost-effective. Moreover, new clients may not purchase from us as frequently or spend as much with us as existing clients, and the revenue generated from new clients may not be as high as the revenue generated from our existing clients. These factors may harm our growth prospects and our business could be adversely affected.

We expect to increase our paid marketing to help grow our business, but these efforts may not be successful or cost-effective.

Promoting awareness of our service is important to our ability to grow our business, drive client engagement and to attract new clients. We believe that much of the growth in our client base during our first five years was originated from referrals, organic word of mouth and other methods of discovery, as our marketing efforts and expenditures were relatively limited. Recently, we increased our paid marketing initiatives and intend to continue to do so. Our marketing efforts currently include client referrals, affiliate programs, partnerships, display advertising, television, print, radio, video, content, direct mail, social media, email, mobile “push” communications, search engine optimization and keyword search campaigns. We have limited experience marketing our services using some of these methods. Our marketing initiatives may become increasingly expensive and generating a meaningful return on those initiatives may be difficult. Even if we successfully increase revenue as a result of our paid marketing efforts, it may not offset the additional marketing expenses we incur.

We currently obtain a significant number of visits to our websites via organic search engine results. Search engines frequently change the algorithms that determine the ranking and display of results of a user's search, which could reduce the number of organic visits to our websites, in turn reducing new client acquisition and adversely affecting our operating results.

Social networks are important as a source of new clients and as a means by which to connect with current clients, and such importance may be increasing. We may be unable to effectively maintain a presence within these networks, which could lead to lower than anticipated brand affinity and awareness, and in turn could adversely affect our operating results.

With respect to our email marketing efforts, if we are unable to successfully deliver emails to our clients or if clients do not engage with our emails, whether out of choice, because those emails are marked as low priority or spam or for other reasons, our business could be adversely affected.

If our marketing efforts are not successful in promoting awareness of our services, driving client engagement or attracting new clients, or if we are not able to cost-effectively manage our marketing expenses, our operating results will be adversely affected.

We may be unable to maintain a high level of engagement with our clients and increase their spending with us, which could harm our business, financial condition or operating results.

A high proportion of our revenue comes from repeat purchases by existing clients, especially those existing clients who are highly engaged and purchase a significant amount of merchandise from us. If existing clients no longer find our service and merchandise appealing, they may make fewer purchases and may stop using our service. Even if our existing clients find our service and merchandise appealing, they may decide to receive fewer Fixes and purchase less merchandise over time as their demand for new apparel declines. Additionally, if clients who receive Fixes most frequently and purchase a significant amount of merchandise from us were to make fewer purchases or stop using our service, then the aggregate amount clients spend with us would decline or grow more slowly. A decrease in the number of our clients or a decrease in their spending on the merchandise we offer could negatively impact our operating results. Further, we believe that our future success will depend in part on our ability to increase sales to our existing clients over time and, if we are unable to do so, our business may suffer.

We must successfully gauge apparel trends and changing consumer preferences.

Our success is, in large part, dependent upon our ability to identify apparel trends, predict and gauge the tastes of our clients and provide merchandise that satisfies client demand in a timely manner. However, lead times for many of our purchasing decisions may make it difficult for us to respond rapidly to new or changing apparel trends or client acceptance of merchandise chosen by our merchandising buyers. We generally enter into purchase contracts significantly in advance of anticipated sales and frequently before apparel trends are confirmed by client purchases. In the past, we have not always predicted our clients' preferences and acceptance levels of our merchandise with accuracy. Further, we use our data science to predict our clients' preferences and gauge demand for our merchandise, and there is no guarantee that our data science and algorithms will accurately anticipate client demand and tastes. To the extent we misjudge the market for the merchandise we offer or fail to execute on trends and deliver attractive merchandise to clients, our sales will decline and our operating results will be adversely affected.

If we are unable to manage our inventory effectively, our operating results could be adversely affected.

To ensure timely delivery of merchandise, we generally enter into purchase contracts well in advance of a particular season and frequently before apparel trends are confirmed by client purchases. As a result, we are vulnerable to demand and pricing shifts and to suboptimal selection and timing of merchandise purchases. In the

past, we have not always predicted our clients' preferences and acceptance levels of our trend items with accuracy, which has resulted in significant inventory write offs and lower gross margins. We rely on our merchandising team to order styles and products that our clients will purchase and we rely on our data science to inform the levels of inventory we purchase, including when to reorder items that are selling well and when to write off items that are not selling well. If our merchandise team does not predict client demand and tastes well or if our algorithms do not help us reorder the right products or write off the right products timely, we may not effectively manage our inventory and our operating results could be adversely affected.

Our inability to develop and introduce new merchandise offerings in a timely and cost-effective manner may damage our business, financial condition and operating results.

The largest portion of our revenue today comes from the sale of Women's apparel. From 2015 to 2017, we expanded our merchandise offering into categories including Petite, Maternity, Men's and Plus, began offering different product types including shoes and accessories and expanded the number of brands we offer. In 2018, we also launched our Premium Brand offering. We continue to explore additional offerings to serve our existing clients and to attract new clients. However, any new offerings may not have the same success, or gain traction as quickly, as our current offerings. If the merchandise we offer is not accepted by our clients or does not attract new clients, our sales may fall short of expectations, our brand and reputation could be adversely affected and we may incur expenses that are not offset by sales. If the launch of a new category requires investments greater than we expect, our operating results could be adversely affected. Also, our business may be adversely affected if we are unable to attract brands and other merchandise vendors that produce sufficient high quality, appropriately priced and on-trend merchandise. Our current merchandise offerings have a range of margin profiles and we believe new offerings will also have a broad range of margin profiles that will affect our operating results. For example, to date, our Exclusive Brands have generally contributed higher margins and shoes, Men's and Plus have generally contributed lower margins. Additionally, as we enter into new categories, we may not have as high of purchasing power as we do in our current offerings, which could increase our costs of goods sold and further reduce our margins. Expansion of our merchandise offerings may also strain our management and operational resources, specifically the need to hire and manage additional merchandise buyers to source new merchandise and to allocate new categories across our distribution network. We may also face greater competition in specific categories from companies that are more focused on these new areas. If any of these were to occur, it could damage our reputation, limit our growth and have an adverse effect on our operating results.

Our industry is highly competitive and if we do not compete effectively our operating results could be adversely affected.

The retail apparel industry is highly competitive. We compete with department stores, specialty retailers, discount chains, independent retail stores, the online offerings of these traditional retail competitors and eCommerce companies that market the same or similar merchandise and services that we offer. We believe our ability to compete depends on many factors within and beyond our control, including:

- attracting new clients and engaging with existing clients;
- our direct relationships with our clients and their willingness to share personal information with us;
- further developing our data science capabilities;
- maintaining favorable brand recognition and effectively marketing our services to clients;
- delivering merchandise that each client perceives as personalized to him or her;
- the amount, diversity and quality of brands and merchandise that we or our competitors offer;
- our ability to expand and maintain appealing Exclusive Brands and exclusive to Stitch Fix merchandise;
- the price at which we are able to offer our merchandise;

- the speed and cost at which we can deliver merchandise to our clients and the ease with which they can use our services to return merchandise; and
- anticipating and quickly responding to changing apparel trends and consumer shopping preferences.

Many of our current competitors have, and potential competitors may have, longer operating histories, larger fulfillment infrastructures, greater technical capabilities, faster shipping times, lower-cost shipping, larger databases, greater financial, marketing, institutional and other resources and larger customer bases than we do. These factors may allow our competitors to derive greater revenue and profits from their existing customer bases, acquire customers at lower costs or respond more quickly than we can to new or emerging technologies and changes in apparel trends and consumer shopping behavior. These competitors may engage in more extensive research and development efforts, enter or expand their presence in the personalized retail market, undertake more far-reaching marketing campaigns, and adopt more aggressive pricing policies, which may allow them to build larger customer bases or generate revenue from their existing customer bases more effectively than we do. If we fail to execute on any of the above better than our competitors, our operating results may be adversely affected.

Our business depends on a strong brand and we may not be able to maintain our brand and reputation.

We believe that maintaining the Stitch Fix brand and reputation is critical to driving client engagement and attracting clients and merchandise vendors. Building our brand will depend largely on our ability to continue to provide our clients with valued personal styling services and high quality merchandise, which we may not do successfully. Client complaints or negative publicity about our styling services, merchandise, delivery times or client support, especially on social media platforms, could harm our reputation and diminish client use of our services, the trust that our clients place in Stitch Fix and vendor confidence in us.

Our brand depends in part on effective client support, which requires significant personnel expense. Failure to manage or train our client support representatives properly or inability to handle client complaints effectively could negatively affect our brand, reputation and operating results.

If we fail to cost-effectively promote and maintain the Stitch Fix brand, our business, financial condition and operating results may be adversely affected.

We may not be able to sustain our revenue growth rate and we may not be profitable in the future.

Our recent revenue growth and past profitability should not be considered indicative of our future performance. Our rate of revenue growth has slowed in recent periods. Specifically, our revenue increased by 33.8% in 2017 compared to 2016, which was significantly lower than our 113.0% revenue growth in 2016 from 2015. As we grow our business, we expect our revenue growth rates may continue to slow in future periods due to a number of reasons, which may include slowing demand for our merchandise and service, increasing competition, a decrease in the growth of our overall market, and our failure to capitalize on growth opportunities or the maturation of our business.

Our expenses have increased in recent periods, and we expect expenses to increase substantially in the near term, particularly as we make significant investments in our marketing initiatives, expand our operations and infrastructure, develop and introduce new merchandise offerings and hire additional personnel. As an investor in our Class A common stock, you should recognize that we may not always pursue short-term profits but are often focused on long-term growth and this may impact the return on your investment. In addition, in connection with operating as a public company, we will incur additional significant legal, accounting and other expenses that we did not incur as a private company. If our revenue does not increase to offset increases in our operating expenses, we may not be profitable in future periods.

We rely on consumer discretionary spending and may be adversely affected by economic downturns and other macroeconomic conditions or trends.

Our business and operating results are subject to global economic conditions and their impact on consumer discretionary spending. Some of the factors that may negatively influence consumer spending include high levels of unemployment, higher consumer debt levels, reductions in net worth and declines in asset values and related market uncertainty, home foreclosures and reductions in home values, fluctuating interest rates and credit availability, fluctuating fuel and other energy costs, fluctuating commodity prices and general uncertainty regarding the overall future political and economic environment. Economic conditions in certain regions may also be affected by natural disasters, such as hurricanes, tropical storms and wildfires. Consumer purchases of discretionary items, including the merchandise that we offer, generally decline during periods of economic uncertainty, when disposable income is reduced or when there is a reduction in consumer confidence.

Adverse economic changes could reduce consumer confidence, and thereby could negatively affect our operating results. In challenging and uncertain economic environments, we cannot predict when macroeconomic uncertainty may arise, whether or when such circumstances may improve or worsen or what impact such circumstances could have on our business.

If we fail to attract and retain key personnel, or effectively manage succession, our business, financial condition and operating results could be adversely affected.

Our success, including our ability to anticipate and effectively respond to changing style trends and deliver a personalized styling experience, depends in part on our ability to attract and retain key personnel on our executive team and in our merchandising, algorithms, engineering, marketing, styling and other organizations. Competition for key personnel is strong, especially in the San Francisco Bay Area where our headquarters are located, and we cannot be sure that we will be able to attract and retain a sufficient number of qualified personnel in the future, or that the compensation costs of doing so will not adversely affect our operating results. We do not have long-term employment or non-competition agreements with any of our personnel. Senior employees have left Stitch Fix in the past and others may in the future, which we cannot necessarily anticipate and may not be able to promptly replace. If we are unable to retain, attract and motivate talented employees with the appropriate skills at cost-effective compensation levels, or if changes to our business adversely affect morale or retention, we may not achieve our objectives and our business and operating results could be adversely affected. In addition, the loss of one or more of our key personnel or the inability to promptly identify a suitable successor to a key role could have an adverse effect on our business. In particular, our Founder and Chief Executive Officer has unique and valuable experience leading our company from its inception through today. If she were to depart or otherwise reduce her focus on Stitch Fix, our business may be disrupted. We do not currently maintain key-person life insurance policies on any member of our senior management team and other key employees.

If we fail to effectively manage our stylists, our business, financial condition and operating results could be adversely affected.

More than 3,000 of our employees are stylists, who work remotely and on a part-time basis for us and are paid hourly. They track and report the time they spend working for us. These employees are classified as nonexempt under federal and state law. If we fail to effectively manage our stylists, including by ensuring accurate tracking and reporting of their hours worked and proper processing of their hourly wages, then we may face claims alleging violations of wage and hour employment laws, including, without limitation, claims of back wages, unpaid overtime pay and missed meal and rest periods. Any such employee litigation could be attempted on a class or representative basis. Such litigation can be expensive and time-consuming regardless of whether the claims against us are valid or whether we are ultimately determined to be liable, and could divert management’s attention from our business. We could also be adversely affected by negative publicity, litigation costs resulting from the defense of these claims and the diversion of time and resources from our operations.

Compromises of our data security could cause us to incur unexpected expenses and may materially harm our reputation and operating results.

In the ordinary course of our business, we and our vendors collect, process and store certain personal information and other data relating to individuals, such as our clients and employees, including client payment card information. We rely substantially on commercially available systems, software, tools and monitoring to provide security for our processing, transmission and storage of personal information and other confidential information. There can be no assurance, however, that we or our vendors will not suffer a data compromise, that hackers or other unauthorized parties will not gain access to personal information or other data, including payment card data or confidential business information or that any such data compromise or access will be discovered in a timely fashion. The techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not identified until they are launched against a target, and we and our vendors may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, our employees, contractors, vendors or other third parties with whom we do business may attempt to circumvent security measures in order to misappropriate such personal information, confidential information or other data, or may inadvertently release or compromise such data.

Compromise of our data security or of third parties with whom we do business, failure to prevent or mitigate the loss of personal or business information and delays in detecting or providing prompt notice of any such compromise or loss could disrupt our operations, damage our reputation and subject us to litigation, government action or other additional costs and liabilities that could adversely affect our business, financial condition and operating results.

Our use of personal information and other data subjects us to privacy laws and obligations, and our failure to comply with such obligations could harm our business.

We collect and maintain significant amounts of personal information and other data relating to our clients and employees. Numerous laws, rules and regulations in the United States and internationally govern privacy and the collection, use and protection of personal information, the scope of which is continually changing. These laws, rules and regulations evolve frequently and may be inconsistent from one jurisdiction to another or may be interpreted to conflict with our practices. Any failure or perceived failure by us or any third parties with which we do business to comply with these laws, rules and regulations, or with other obligations to which we may be or may become subject, may result in actions against us by governmental entities, private claims and litigations, fines, penalties or other liabilities. Any such action would be expensive to defend, would damage our reputation and adversely affect our business and operating results.

System interruptions that impair client access to our website or other performance failures in our technology infrastructure could damage our business.

The satisfactory performance, reliability and availability of our website, mobile application, internal applications and technology infrastructure are critical to our business. We rely on our website and mobile application to engage with our clients and sell them merchandise. We also rely on a host of internal custom-built applications to run critical business functions, such as styling, merchandise purchasing, warehouse operations and order fulfillment. In addition, we rely on a variety of third party, cloud-based solution vendors for key elements of our technology infrastructure. These systems are vulnerable to damage or interruption and we have experienced interruptions in the past. For example, in February 2017, as a result of an outage with Amazon Web Services, where much of our technology infrastructure is hosted, we experienced disruptions in applications that support our warehouse operations and order fulfillment that caused a temporary slowdown in the number of Fix shipments we were able to make. Interruptions may be caused by a variety of incidents, including human error, our failures to update or improve our proprietary systems, cyber-attacks, fire, flood, power loss or telecommunications failures. Any failure or interruption of our website, mobile application, internal business applications or our technology infrastructure could harm our ability to serve our clients, which would adversely affect our business and operating results.

Material weaknesses in our internal control over financial reporting may cause us to fail to timely and accurately report our financial results or result in a material misstatement of our financial statements.

In connection with the audits of our 2016 and 2017 consolidated financial statements, we and our independent registered public accounting firm identified control deficiencies in the design and operation of our internal control over financial reporting that constituted a material weakness. 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 financial statements will not be prevented or detected on a timely basis.

The material weakness identified in our internal control over financial reporting in 2016 primarily related to our accounting and proprietary systems used in our financial reporting process not having the proper level of controls. As a result, journal entries were prepared and posted to our accounting system without evidence of an independent review. In addition, our accounting and proprietary systems lacked controls over access, program change management and computer operations that are needed to ensure access to financial data is adequately restricted to appropriate personnel. During 2017, we took certain actions towards remediating the material weakness, which included implementing an accounting system that has the ability to better manage segregation of duties and controls over the preparation and review of journal entries, and engaging external consultants to conduct a review of processes that involve financial data within our accounting and proprietary systems. This review, which is ongoing, includes the identification of potential risks, documentation of processes and recommendations for improvements.

We are still in the process of completing the remediation of the 2016 and 2017 material weakness related to our accounting and proprietary systems. However, we cannot assure you that the steps we are taking will be sufficient to remediate our material weakness or prevent future material weaknesses or significant deficiencies from occurring.

If we identify future material weaknesses in our internal controls over financial reporting or fail to meet the demands that will be placed upon us as a public company, including the requirements of the Sarbanes-Oxley Act, we may be unable to accurately report our financial results or report them within the timeframes required by law or stock exchange regulations. Failure to comply with Section 404 of the Sarbanes-Oxley Act could also potentially subject us to sanctions or investigations by the SEC or other regulatory authorities. If additional material weaknesses exist or are discovered in the future, and we are unable to remediate any such material weakness, our reputation, financial condition and operating results could suffer.

Expansion of our operations internationally will require management attention and resources, involves additional risks and may be unsuccessful.

We have no experience with operating internationally or selling our merchandise outside of the United States, and if we choose to expand internationally we would need to adapt to different local cultures, standards and policies. The business model we employ and the merchandise we currently offer may not appeal to consumers outside of the United States. Furthermore, to succeed with clients in international locations, it likely will be necessary to locate fulfillment centers in foreign markets and hire local employees in those international centers, and we may have to invest in these facilities before proving we can successfully run foreign operations. We may not be successful in expanding into international markets or in generating revenue from foreign operations for a variety of reasons, including:

- localization of our merchandise offerings, including translation into foreign languages and adaptation for local practices;
- different consumer demand dynamics, which may make our model and the merchandise we offer less successful compared to the United States;
- competition from local incumbents that understand the local market and may operate more effectively;

- regulatory requirements, taxes, trade laws, trade sanctions and economic embargoes, tariffs, export quotas, custom duties or other trade restrictions or any unexpected changes thereto;
- laws and regulations regarding anti-bribery and anti-corruption compliance;
- differing labor regulations where labor laws may be more advantageous to employees as compared to the United States and increased labor costs;
- more stringent regulations relating to privacy and data security and access to, or use of, commercial and personal information, particularly in Europe;
- changes in a specific country's or region's political or economic conditions; and
- risks resulting from changes in currency exchange rates.

If we invest substantial time and resources to establish and expand our operations internationally and are unable to do so successfully and in a timely manner, our operating results would suffer.

Our business, including our costs and supply chain, is subject to risks associated with sourcing, manufacturing and warehousing.

We currently source all of the merchandise we offer from third-party vendors, and as a result we may be subject to price fluctuations or demand disruptions. Our operating results would be negatively impacted by increases in the prices of our merchandise, and we have no guarantees that prices will not rise. In addition, as we expand into new categories and product types, we expect that we may not have strong purchasing power in these news areas, which could lead to higher prices than we have historically seen in our current categories. We may not be able to pass increased prices on to clients, which could adversely affect our operating results. Moreover, in the event of a significant disruption in the supply of the fabrics or raw materials used in the manufacture of the merchandise we offer, the vendors that we work with might not be able to locate alternative suppliers of materials of comparable quality at an acceptable price. For example, natural disasters have in the past increased raw material costs, impacting pricing with certain of our vendors, and caused shipping delays for certain of our merchandise. Any delays, interruption, damage to or increased costs in the manufacture of the merchandise we offer could result in higher prices to acquire the merchandise or non-delivery of merchandise altogether, and could adversely affect our operating results.

In addition, we cannot guarantee that merchandise we receive from vendors will be of sufficient quality or free from damage, or that such merchandise will not be damaged during shipping, while stored in one of our distribution centers or when returned by customers. While we take measures to ensure merchandise quality and avoid damage, including evaluating vendor product samples, conducting inventory inspections and inspecting returned product, we cannot control merchandise while it is out of our possession or prevent all damage while in our distribution centers. We may incur additional expenses and our reputation could be harmed if clients and potential clients believe that our merchandise is not of high quality or may be damaged.

If we are unable to acquire new merchandise vendors or retain existing merchandise vendors, our operating results may be harmed.

As of July 29, 2017, we offered merchandise from more than 700 established and emerging brands. In order to continue to attract and retain quality merchandise brands, we must help merchandise vendors increase their sales and offer merchandise vendors a high quality, cost-effective fulfillment process.

If we do not continue to acquire new merchandise vendors or retain our existing merchandise vendors on acceptable commercial terms, we may not be able to maintain a broad selection of merchandise, and our operating results may suffer.

In addition, our Exclusive Brands are sourced from third-party vendors and contract manufacturers. The loss of one of our Exclusive Brand vendors could require us to source Exclusive Brand merchandise from another vendor or manufacturer, which could cause inventory delays, impact our clients' experiences, and otherwise harm our operating results.

Any failure by us or our vendors to comply with product safety, labor or other laws, or our standard vendor terms and conditions, or to provide safe factory conditions for our or their workers may damage our reputation and brand and harm our business.

The merchandise we sell to our clients is subject to regulation by the Federal Consumer Product Safety Commission, the Federal Trade Commission and similar state and international regulatory authorities. As a result, such merchandise could be in the future subject to recalls and other remedial actions. Product safety, labeling and licensing concerns may require us to voluntarily remove selected merchandise from our inventory. Such recalls or voluntary removal of merchandise can result in, among other things, lost sales, diverted resources, potential harm to our reputation and increased client service costs and legal expenses, which could have a material adverse effect on our operating results.

Some of the merchandise we sell may expose us to product liability claims and litigation or regulatory action relating to personal injury or environmental or property damage. Although we maintain liability insurance, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms or at all. In addition, some of our agreements with our vendors may not indemnify us from product liability for a particular vendor's merchandise or our vendors may not have sufficient resources or insurance to satisfy their indemnity and defense obligations.

We purchase our merchandise from numerous domestic and international vendors. Our standard vendor terms and conditions require vendors to comply with applicable laws. We recently hired independent firms that are in the process of conducting social audits of the working conditions at the factories producing our Exclusive Brands. If an audit reveals potential problems, we require that the vendor institute corrective action plans to bring the factory into compliance with our standards, or we may discontinue our relationship with the vendor. Failure of our vendors to comply with applicable laws and regulations and contractual requirements could lead to litigation against us, resulting in increased legal expenses and costs. In addition, the failure of any such vendors to provide safe and humane factory conditions and oversight at their facilities could damage our reputation with clients or result in legal claims against us.

Shipping is a critical part of our business and any changes in our shipping arrangements or any interruptions in shipping could adversely affect our operating results.

We currently rely on three major vendors for our shipping. If we are not able to negotiate acceptable pricing and other terms with these entities or they experience performance problems or other difficulties, it could negatively impact our operating results and our clients' experience. In addition, our ability to receive inbound inventory efficiently and ship merchandise to clients may be negatively affected by inclement weather, fire, flood, power loss, earthquakes, labor disputes, acts of war or terrorism and similar factors. For example, strikes at major international shipping ports have in the past impacted our supply of inventory from our vendors. In addition, as a result of Hurricane Harvey in September 2017, one of our shipping vendors was unable to deliver Fixes to certain affected areas for several weeks, resulting in delivery delays and Fix cancellations. We are also subject to risks of damage or loss during delivery by our shipping vendors. If our merchandise is not delivered in a timely fashion or is damaged or lost during the delivery process, our clients could become dissatisfied and cease using our services, which would adversely affect our business and operating results.

We are subject to payment-related risks.

We accept payments online via credit and debit cards, which subjects us to certain regulations and fraud, and we may in the future offer new payment options to clients that would be subject to additional regulations and

risks. We pay interchange and other fees in connection with credit card payments, which may increase over time and adversely affect our operating results. While we use a third party to process payments, we are subject to payment card association operating rules and certification requirements, including the Payment Card Industry Data Security Standard and rules governing electronic funds transfers. If we fail to comply with applicable rules and regulations, we may be subject to fines or higher transaction fees and may lose our ability to accept online payments or other payment card transactions. If any of these events were to occur, our business, financial condition and operating results could be adversely affected.

We may incur significant losses from fraud.

We have in the past incurred and may in the future incur losses from various types of fraud, including stolen credit card numbers, claims that a client did not authorize a purchase, merchant fraud and clients who have closed bank accounts or have insufficient funds in open bank accounts to satisfy payments. In addition to the direct costs of such losses, if the fraud is related to credit card transactions and becomes excessive, it could potentially result in us paying higher fees or losing the right to accept credit cards for payment. In addition, under current credit card practices, we are liable for fraudulent credit card transactions because we do not obtain a cardholder's signature. Our failure to adequately prevent fraudulent transactions could damage our reputation, result in litigation or regulatory action and lead to expenses that could substantially impact our operating results.

Unfavorable changes or failure by us to comply with evolving internet and eCommerce regulations could substantially harm our business and operating results.

We are subject to general business regulations and laws as well as regulations and laws specifically governing the internet and eCommerce. These regulations and laws may involve taxes, privacy and data security, consumer protection, the ability to collect and/or share necessary information that allows us to conduct business on the internet, marketing communications and advertising, content protection, electronic contracts or gift cards. Furthermore, the regulatory landscape impacting internet and eCommerce businesses is constantly evolving. For example, in 2010 California's Automatic Renewal Law went into effect, requiring companies to adhere to enhanced disclosure requirements when entering into automatically renewing contracts with consumers. As a result, a wave of consumer class action lawsuits was brought against companies that offer online products and services on a subscription or recurring basis. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation, a loss in business and proceedings or actions against us by governmental entities or others, which could impact our operating results.

If we cannot successfully protect our intellectual property, our business would suffer.

We rely on trademark, copyright, trade secrets, patents, confidentiality agreements and other practices to protect our brands, proprietary information, technologies and processes. Our principal trademark assets include the registered trademarks "Stitch Fix" and "Fix," multiple private label clothing and accessory brand names and our logos and taglines. Our trademarks are valuable assets that support our brand and consumers' perception of our services and merchandise. We also hold the rights to the "stitchfix.com" internet domain name and various other related domain names, which are subject to internet regulatory bodies and trademark and other related laws of each applicable jurisdiction. If we are unable to protect our trademarks or domain names in the United States or in other jurisdictions in which we may ultimately operate, our brand recognition and reputation would suffer, we would incur significant expense establishing new brands and our operating results would be adversely impacted.

We currently have one patent issued and seven patent applications pending in the United States. We also have four patent applications filed in the People's Republic of China. The patent that we own and those that may be issued in the future may not provide us with any competitive advantages or may be challenged by third parties, and our patent applications may never be granted. Even if issued, there can be no assurance that these patents will adequately protect our intellectual property or survive a legal challenge, as the legal standards

relating to the validity, enforceability and scope of protection of patent and other intellectual property rights are uncertain. Our limited patent protection may restrict our ability to protect our technologies and processes from competition. We primarily rely on trade secret laws to protect our technologies and processes, including the algorithms we use throughout our business. Others may independently develop the same or similar technologies and processes, or may improperly acquire and use information about our technologies and processes, which may allow them to provide a service similar to ours, which could harm our competitive position.

We may be required to spend significant resources to monitor and protect our intellectual property rights, and the efforts we take to protect our proprietary rights may not be sufficient.

We may be accused of infringing intellectual property rights of third parties.

We are also at risk of claims by others that we have infringed their copyrights, trademarks or patents, or improperly used or disclosed their trade secrets. The costs of supporting any litigation or disputes related to these claims can be considerable, and we cannot assure you that we will achieve a favorable outcome of any such claim. If any such claims is valid, we may be compelled to cease our use of such intellectual property and pay damages, which could adversely affect our business. Even if such claims were not valid, defending them could be expensive and distracting, adversely affecting our operating results.

We could be required to collect additional sales taxes or be subject to other tax liabilities that may increase the costs our clients would have to pay for our offering and adversely affect our operating results.

An increasing number of states have considered or adopted laws that attempt to impose tax collection obligations on out-of-state retailers. A successful assertion by one or more states requiring us to collect taxes where we presently do not do so, or to collect more taxes in a jurisdiction in which we currently do collect some taxes, could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest. The imposition by state governments of sales tax collection obligations on out-of-state retailers could also create additional administrative burdens for us, put us at a competitive disadvantage if they do not impose similar obligations on our competitors and decrease our future sales, which could have a material adverse impact on our business and operating results.

U.S. import taxation levels may increase and could harm our business.

Increases in taxes imposed on goods imported to the United States have been proposed by U.S. lawmakers and the President of the United States and, if enacted, may impede our growth and negatively affect our operating results. The substantial majority of our inventory is made outside of the United States and would be subject to increased taxation if new taxes on imports were imposed. Such taxes would increase the cost of our inventory and would raise retail prices of our merchandise to the extent we pass the increased costs on to clients, which could adversely affect our operating results.

We may experience fluctuations in our tax obligations and effective tax rate, which could adversely affect our operating results.

We are subject to taxes in the United States. We record tax expense based on current tax liabilities and our estimates of future tax liabilities, which may include reserves for estimates of probable settlements of tax audits. At any one time, multiple tax years are subject to audit by various taxing jurisdictions. The results of these audits and negotiations with taxing authorities may affect the ultimate settlement of these issues. As a result, we expect that throughout the year there could be ongoing variability in our quarterly tax rates as taxable events occur and exposures are re-evaluated. Further, our effective tax rate in a given financial statement period may be materially impacted by changes in tax laws, changes in the mix and level of earnings by taxing jurisdictions, or changes to existing accounting rules or regulations. Fluctuations in our tax obligations and effective tax rate could adversely affect our business, financial condition and operating results.

We may require additional capital to support business growth, and this capital might not be available or may be available only by diluting existing stockholders.

We intend to continue making investments to support our business growth and may require additional funds to support this growth and respond to business challenges, including the need to develop our services, expand our inventory, enhance our operating infrastructure, expand the markets in which we operate and potentially acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financings to secure additional funds. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our Class A common stock. Any debt financing secured by us in the future could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly limited, and our business and prospects could fail or be adversely affected.

Our failure to adequately and effectively staff our fulfillment centers, through third parties or with our own employees, could adversely affect our client experience and operating results.

We currently receive and distribute merchandise at five fulfillment centers in the United States, one of which is operated by a third party. If we or our third-party partner are unable to adequately staff our fulfillment centers to meet demand or if the cost of such staffing is higher than historical or projected costs due to mandated wage increases, regulatory changes, international expansion or other factors, our operating results could be harmed. In addition, operating fulfillment centers comes with potential risks, such as workplace safety issues and employment claims for the failure or alleged failure to comply with labor laws or laws respecting union organizing activities. Any such issues may result in delays in shipping times or packing quality, and our reputation and operating results may be harmed.

By using a third-party operator for one of our fulfillment centers, we also face additional risks associated with not having complete control over operations at that fulfillment center. Any deterioration in the financial condition or operations of that operator, or the loss of that operator, would have significant impact on our operations.

Some of our software and systems contain open source software, which may pose particular risks to our proprietary applications.

We use open source software in the applications we have developed to operate our business and will use open source software in the future. We may face claims from third parties demanding the release or license of the open source software or derivative works that we developed from such software (which could include our proprietary source code) or otherwise seeking to enforce the terms of the applicable open source license. These claims could result in litigation and could require us to purchase a costly license, publicly release the affected portions of our source code, or cease offering the implicated solutions unless and until we can re-engineer them to avoid infringement. In addition, our use of open source software may also present additional security risks because the source code for open source software is publicly available, which may make it easier for hackers and other third parties to determine how to breach our website and systems that rely on open source software. Any of these risks could be difficult to eliminate or manage and, if not addressed, could have an adverse effect on our business and operating results.

Adverse litigation judgments or settlements resulting from legal proceedings in which we may be involved could expose us to monetary damages or limit our ability to operate our business.

We have in the past and may in the future become involved in private actions, collective actions, investigations and various other legal proceedings by clients, employees, suppliers, competitors, government

agencies or others. The results of any such litigation, investigations and other legal proceedings are inherently unpredictable and expensive. Any claims against us, whether meritorious or not, could be time consuming, result in costly litigation, damage our reputation, require significant amounts of management time and divert significant resources. If any of these legal proceedings were to be determined adversely to us, or we were to enter into a settlement arrangement, we could be exposed to monetary damages or limits on our ability to operate our business, which could have an adverse effect on our business, financial condition and operating results.

If we are unable to make acquisitions and investments, or successfully integrate them into our business, our business could be harmed.

As part of our business strategy, we may acquire other companies or businesses. However, we may not be able to find suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. Acquisitions involve numerous risks, any of which could harm our business and negatively affect our operating results, including:

- difficulties in integrating the technologies, operations, existing contracts and personnel of an acquired company;
- difficulties in supporting and transitioning clients and suppliers, if any, of an acquired company;
- diversion of financial and management resources from existing operations or alternative acquisition opportunities;
- failure to realize the anticipated benefits or synergies of a transaction;
- failure to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company or technology, including issues related to intellectual property, regulatory compliance practices, revenue recognition or other accounting practices, or employee or client issues;
- risks of entering new markets in which we have limited or no experience;
- potential loss of key employees, clients, vendors and suppliers from either our current business or an acquired company’s business;
- inability to generate sufficient revenue to offset acquisition costs;
- additional costs or equity dilution associated with funding the acquisition; and
- possible write-offs or impairment charges relating to acquired businesses.

Our operating results could be adversely affected by natural disasters, public health crises, political crises or other catastrophic events.

Our principal offices and one of our fulfillment centers are located in the San Francisco Bay Area, an area which has a history of earthquakes, and are thus vulnerable to damage. We also operate offices and fulfillment centers in other cities and states. Natural disasters, such as earthquakes, hurricanes, tornadoes, floods and other adverse weather and climate conditions; unforeseen public health crises, such as pandemics and epidemics; political crises, such as terrorist attacks, war and other political instability; or other catastrophic events, whether occurring in the United States or internationally, could disrupt our operations in any of our offices and fulfillment centers or the operations of one or more of our third-party providers or vendors. In particular, these types of events could impact our merchandise supply chain, including our ability to ship merchandise to clients from or to the impacted region, and could impact our ability or the ability of third parties to operate our sites and ship merchandise. In addition, these types of events could negatively impact consumer spending in the impacted regions. To the extent any of these events occur, our business and operating results could be adversely affected.

Risks Relating to Our Initial Public Offering and Ownership of Our Class A Common Stock

The market price of our Class A common stock may be volatile or may decline steeply or suddenly regardless of our operating performance and we may not be able to meet investor or analyst expectations. You may not be able to resell your shares at or above the initial public offering price and may lose all or part of your investment.

The initial public offering price for our Class A common stock will be determined through negotiations between the underwriters and us, and may vary from the market price of our Class A common stock following this offering. If you purchase shares of our Class A common stock in this offering, you may not be able to resell those shares at or above the initial public offering price. We cannot assure you that the market price following this offering will equal or exceed prices in privately negotiated transactions of our shares that have occurred from time to time before this offering. The market price of our Class A common stock may fluctuate or decline significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our client base, the level of client engagement, revenue or other operating results;
- variations between our actual operating results and the expectations of securities analysts, investors and the financial community;
- any forward-looking financial or operating information we may provide to the public or securities analysts, any changes in this information or our failure to meet expectations based on this information;
- actions of securities analysts who initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company or our failure to meet these estimates or the expectations of investors;
- whether investors or securities analysts view our stock structure unfavorably, particularly our dual-class structure and the significant voting control of our executive officers, directors and their affiliates;
- additional shares of our Class A common stock being sold into the market by us or our existing stockholders, or the anticipation of such sales, including if existing stockholders sell shares into the market when applicable “lock-up” periods end;
- announcements by us or our competitors of significant products or features, technical innovations, acquisitions, strategic partnerships, joint ventures or capital commitments;
- changes in operating performance and stock market valuations of companies in our industry, including our vendors and competitors;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- lawsuits threatened or filed against us;
- developments in new legislation and pending lawsuits or regulatory actions, including interim or final rulings by judicial or regulatory bodies; and
- other events or factors, including those resulting from war or incidents of terrorism, or responses to these events.

In addition, extreme price and volume fluctuations in the stock markets have affected and continue to affect many eCommerce and other technology companies’ stock prices. Often, their stock prices have fluctuated in ways unrelated or disproportionate to the companies’ operating performance. In the past, stockholders have filed securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business and seriously harm our business.

Moreover, because of these fluctuations, comparing our operating results on a period-to-period basis may not be meaningful. You should not rely on our past results as an indication of our future performance. This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our Class A common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated revenue or earnings forecasts that we may provide.

An active trading market for our Class A common stock may never develop or be sustained.

We have applied to list our Class A common stock on the Nasdaq Global Select Market, or Nasdaq, under the symbol "SFIX". However, we cannot assure you that an active trading market for our Class A common stock will develop on that exchange or elsewhere or, if developed, that any market will be sustained. Accordingly, we cannot assure you of the likelihood that an active trading market for our Class A common stock will develop or be maintained, the liquidity of any trading market, your ability to sell your shares of our Class A common stock when desired, or the prices that you may obtain for your shares.

Future sales of shares by existing stockholders could cause our stock price to decline.

If our existing stockholders, including employees and service providers who obtain equity, sell or indicate an intention to sell, substantial amounts of our Class A common stock in the public market after the lock-up and legal restrictions on resale discussed in this prospectus lapse, the trading price of our Class A common stock could decline. Based on shares outstanding as of July 29, 2017, on the completion of this offering, we will have outstanding a total of 10,000,000 shares of Class A common stock and 86,411,815 shares of Class B common stock. This assumes no exercise of outstanding options and gives effect to the conversion of all of our outstanding shares of preferred stock into shares of Class B common stock, the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants in connection with this offering and the issuance of shares of Class A common stock on the completion of this offering and the sale of Class A common stock by the selling stockholder in this offering. Of these shares, only the shares of Class A common stock sold in this offering will be freely tradable, without restriction, in the public market immediately after the offering. Each of our directors, executive officers and other holders of substantially all our outstanding shares have entered into lock-up agreements with the underwriters that restrict their ability to sell or transfer their shares for a period of 180 days after the date of this prospectus; provided that such restricted period will end with respect to 35% of the shares subject to each lock-up agreement if at any time beginning 90 days after the date of this prospectus (i) we have filed at least one quarterly report on Form 10-Q or annual report on Form 10-K and (ii) the last reported closing price of our Class A common stock is at least 25% greater than the initial public offering price of our Class A common stock for 10 out of any 15 consecutive trading days, including the last day, ending on or after the 90th day after the date of this prospectus; provided, further that if such restricted period ends during a trading black-out period, the restricted period will end one business day following the date that we announce our earnings results for the previous quarter. However, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC may, in their sole discretion, waive the contractual lock-up before the lock-up agreements expire. After the lock-up agreements expire, all 96,411,815 shares outstanding as of July 29, 2017 (assuming the closing of the offering) will be eligible for sale in the public market, of which 72,886,239 shares are held by directors, executive officers and other affiliates and will be subject to volume limitations under Rule 144 of the Securities Act of 1933, as amended, or the Securities Act, and various vesting agreements. Sales of a substantial number of such shares upon expiration of the lock-up and market stand-off agreements, the perception that such sales may occur or early release of these agreements, could cause our market price to fall or make it more difficult for you to sell your Class A common stock at a time and price that you deem appropriate.

In addition, 10,218,912 shares of Class B common stock were subject to outstanding stock options as of July 29, 2017, and outstanding stock options to purchase an aggregate of 867,865 shares of Class B common

stock were granted subsequent to July 29, 2017. These shares will become eligible for sale in the public market to the extent permitted by the provisions of various vesting agreements, the lock-up agreements and Rules 144 and 701 of the Securities Act. We intend to file a registration statement on Form S-8 under the Securities Act covering all the shares of Class A common stock subject to stock options outstanding and reserved for issuance under our stock plans. That registration statement will become effective immediately on filing, and shares covered by that registration statement will be eligible for sale in the public markets, subject to Rule 144 limitations applicable to affiliates and the lock-up agreement described above. If these additional shares are sold, or if it is perceived that they will be sold in the public market, the trading price of our Class A common stock could decline.

The dual class structure of our common stock will have the effect of concentrating voting control with our executive officers, directors and their affiliates, and it may depress the trading price of our Class A common stock.

Our Class B common stock has ten votes per share and our Class A common stock, which is the stock we are offering in this offering, has one vote per share. Our existing stockholders, all of which hold shares of Class B common stock, will collectively beneficially own shares representing approximately 98.9% of the voting power of our outstanding capital stock following the completion of this offering. Our directors and executive officers and their affiliates will collectively beneficially own, in the aggregate, shares representing approximately 72.0% of the voting power of our outstanding capital stock immediately following the completion of this offering. As a result, the holders of our Class B common stock will be able to exercise considerable influence over matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, such as a merger or other sale of our company or our assets, even if their stock holdings represent less than 50% of the outstanding shares of our capital stock. This concentration of ownership will limit the ability of other stockholders to influence corporate matters and may cause us to make strategic decisions that could involve risks to you or that may not be aligned with your interests. This control may adversely affect the market price of our Class A common stock.

In addition, in July 2017, FTSE Russell and Standard & Poor's announced that they would cease to allow most newly public companies utilizing dual or multi-class capital structures to be included in their indices. Affected indices include the Russell 2000 and the S&P 500, S&P MidCap 400 and S&P SmallCap 600, which together make up the S&P Composite 1500. Under the announced policies, our dual class capital structure would make us ineligible for inclusion in any of these indices and, as a result, mutual funds, exchange-traded funds and other investment vehicles that attempt to passively track these indices will not be investing in our stock. These policies are new and it is unclear what effect, if any, they will have on the valuations of publicly traded companies excluded from the indices, but it is possible that they may depress these valuations compared to those of other similar companies that are included.

We have broad discretion in how we may use the net proceeds from this offering, and we may not use them effectively.

We cannot specify with any certainty the particular uses of the net proceeds that we will receive from this offering. Our management will have broad discretion in applying the net proceeds we receive from this offering. We may use the net proceeds for general corporate purposes, including working capital, operating expenses and capital expenditures. We may use a portion of the net proceeds to acquire complementary businesses, products, services or technologies. However, we do not have agreements or commitments to enter into any acquisitions at this time. We may also spend or invest these proceeds in a way with which our stockholders disagree. If our management fails to use these funds effectively, our business could be seriously harmed. Pending their use, the net proceeds from this offering may be invested in a way that does not produce income or that loses value.

If securities or industry analysts either do not publish research about us or publish inaccurate or unfavorable research about us, our business or our market, or if they change their recommendations regarding our common stock adversely, the trading price or trading volume of our Class A common stock could decline.

The trading market for our Class A common stock will be influenced in part by the research and reports that securities or industry analysts may publish about us, our business, our market or our competitors. If one or more of the analysts initiate research with an unfavorable rating or downgrade our Class A common stock, provide a more favorable recommendation about our competitors or publish inaccurate or unfavorable research about our business, our Class A common stock price would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume of our Class A common stock to decline.

We are an emerging growth company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make our Class A common stock less attractive to investors.

We are an emerging growth company and, for as long as we continue to be an emerging growth company, we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to "emerging growth companies," including:

- not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in our periodic reports and annual report on Form 10-K; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We could be an emerging growth company for up to five years following the completion of this offering, although we expect to not be an emerging growth company sooner. Our status as an emerging growth company will end as soon as any of the following takes place:

- the last day of the fiscal year in which we have more than $1.07 billion in annual revenue;
- the date we qualify as a "large accelerated filer," with at least $700 million of equity securities held by non-affiliates;
- the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; or
- the last day of the fiscal year ending after the fifth anniversary of the completion of this offering.

We cannot predict if investors will find our Class A common stock less attractive if we choose to rely on any of the exemptions afforded emerging growth companies. If some investors find our Class A common stock less attractive because we rely on any of these exemptions, there may be a less active trading market for our Class A common stock and the market price of our Class A common stock may be more volatile.

Under the JOBS Act, "emerging growth companies" can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this accommodation and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

We do not currently intend to pay dividends on our Class A common stock and, consequently, your ability to achieve a return on your investment will depend on appreciation of the value of our Class A common stock.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to pay any cash dividends on our Class A common stock in the foreseeable future. As a result, any investment return our Class A common stock will depend upon increases in the value for our Class A common stock, which is not certain.

Future securities issuances could result in significant dilution to our stockholders and impair the market price of our Class A common stock.

Future issuances of shares of our Class A common stock or the conversion of a substantial number of shares of our Class B common stock, or the perception that these sales or conversions may occur, could depress the market price of our Class A common stock and result in dilution to existing holders of our Class A common stock. Also, to the extent outstanding options and warrants to purchase our shares of our Class A or Class B common stock are exercised or options or other stock-based awards are issued or become vested, there will be further dilution. The amount of dilution could be substantial depending upon the size of the issuances or exercises. Furthermore, we may issue additional equity securities that could have rights senior to those of our Class A common stock. As a result, purchasers of our Class A common stock in this offering bear the risk that future issuances of debt or equity securities may reduce the value of our Class A common stock and further dilute their ownership interest.

As of July 29, 2017, there were 10,218,912 shares of Class B common stock subject to outstanding options. In connection with this offering, all of the shares of Class A common stock issuable upon the conversion of shares of Class B common stock subject to outstanding options will be registered for public resale under the Securities Act. Accordingly, these shares will be able to be freely sold in the public market upon issuance as permitted by any applicable vesting requirements, and subject to compliance with applicable securities laws.

In addition, as of July 29, 2017, the holders of approximately 60,577,280 shares of our Class B common stock, on an as converted basis, including 1,066,225 shares of Class B common stock issuable upon the automatic exercise of outstanding preferred stock warrants in connection with this offering, have rights, subject to certain conditions, to require us to file registration statements for the public resale of the shares of Class A common stock issuable upon conversion of their shares of Class B common stock, or to include such shares in registration statements that we may file.

The requirements of being a public company may strain our resources, result in more litigation and divert management's attention.

As a public company, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, the listing requirements of the Nasdaq and other applicable securities rules and regulations. Complying with these rules and regulations has increased and will increase our legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on our systems and resources. To address these challenges, we recently expanded our finance and accounting teams. The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are required to disclose changes made in our internal control and procedures on a quarterly basis. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business and operating results. We may need to hire additional employees or engage outside consultants to comply with these requirements, which will increase our costs and expenses.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be adversely affected.

These new rules and regulations may make it more expensive for us to obtain director and officer liability insurance and, in the future, we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

By disclosing information in this prospectus and in filings required of a public company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If those claims are successful, our business could be seriously harmed. Even if the claims do not result in litigation or are resolved in our favor, the time and resources needed to resolve them could divert our management's resources and seriously harm our business.

If you purchase shares of our Class A common stock in our initial public offering, you will experience substantial and immediate dilution.

The assumed initial public offering price of $19.00 per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, is substantially higher than the net tangible book value per share of our outstanding common stock immediately after this offering. If you purchase shares of our Class A common stock in our initial public offering, you will experience substantial and immediate dilution in the pro forma net tangible book value per share of $16.00 per share as of July 29, 2017, based on the initial public offering price of $19.00 per share. That is because the price that you pay will be substantially greater than the pro forma net tangible book value per share of the Class A common stock that you acquire. This dilution is due in large part to the fact that our earlier investors paid substantially less than the initial public offering price when they purchased their shares of our capital stock. You will experience additional dilution when those holding options exercise their right to purchase common stock under our equity incentive plans or when we otherwise issue additional shares of our common stock. For more information, see "Dilution."

Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect on the completion of this offering could make a merger, tender offer or proxy contest difficult, thereby depressing the trading price of our Class A common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect on the completion of this offering contain provisions that could depress the trading price of our Class A common stock by acting to discourage, delay or prevent a change of control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions include the following:

- establish a classified board of directors so that not all members of our board of directors are elected at one time;

- permit the board of directors to establish the number of directors and fill any vacancies and newly-created directorships;
- provide that directors may only be removed for cause;
- require super-majority voting to amend some provisions in our certificate of incorporation and bylaws;
- authorize the issuance of "blank check" preferred stock that our board of directors could use to implement a stockholder rights plan;
- eliminate the ability of our stockholders to call special meetings of stockholders;
- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;
- provide that the board of directors is expressly authorized to make, alter or repeal our bylaws;
- restrict the forum for certain litigation against us to Delaware;
- reflect the dual class structure of our common stock; and
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

Any provision of our amended and restated certificate of incorporation or amended and restated bylaws, that will be in effect on the completion of this offering 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 willing to pay for our Class A common stock. For information regarding these and other provisions, see "Description of Capital Stock—Anti-Takeover Provisions."

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will provide that the Court of Chancery of the State of Delaware and the federal district courts of the United States will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will provide that the Court of Chancery of the State of Delaware is the exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a breach of fiduciary duty;
- any action asserting a claim against us arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation that will be in effect on the completion of this offering to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our revenue, expenses, profitability and other operating results;
- future investments in our business, our anticipated capital expenditures and our estimates regarding our capital requirements;
- our ability to acquire new clients and successfully engage new and existing clients;
- the costs and success of our marketing efforts, and our ability to promote our brand;
- our ability to continue to collect meaningful data, improve our algorithms and provide personalized Fixes for our clients;
- our ability to gauge apparel trends and changing consumer preferences;
- our ability to maintain and expand relationships with our brand partners;
- our ability to effectively manage our inventory;
- our ability to advance our technological and data science capabilities, as well as our ability to use our technological and data science capabilities to drive efficiencies in our business;
- our reliance on key personnel and our ability to identify, recruit and retain skilled personnel;
- our ability to effectively manage our growth, including any international expansion;
- our ability to remediate our material weakness in our internal control over financial reporting;
- our ability to protect our intellectual property rights and any costs associated therewith;
- our ability to compete effectively with existing competitors and new market entrants; and
- the growth rates of the markets in which we compete.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in the section titled “Risk Factors” and elsewhere in this prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this prospectus. And while we believe that information provides a reasonable basis for these statements, that information may be

limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

MARKET, INDUSTRY AND OTHER DATA

This prospectus contains statistical data, estimates and forecasts that are based on independent industry publications, such as those published by Euromonitor International Limited, or Euromonitor, or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. The industry data presented in this prospectus related to the size of the U.S. apparel, footwear and accessories market is based on data from Euromonitor, Retail and Apparel and Footwear, 2017 edition, RSP (retail selling price), current terms, and our analysis of such data. None of the industry publications referred to in this prospectus were prepared on our or on our affiliates' behalf or at our expense. While we are not aware of any misstatements regarding any third-party information presented in this prospectus, Euromonitor's figures are based in part on official statistics, trade associations, trade press, company research, trade interviews and trade services, and as such have not been independently verified by Euromonitor in each case. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk Factors," that could cause results to differ materially from those expressed in these publications and other publicly available information.

USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $158.0 million (or approximately $185.0 million if the underwriters exercise their option to purchase additional shares of our Class A common stock from us in full) based on an assumed initial public offering price of $19.00 per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses. We will not receive any of the proceeds from the sale of Class A common stock in this offering by the selling stockholder.

A $1.00 increase (decrease) in the assumed initial public offering price of $19.00 per share of Class A common stock would increase (decrease) the net proceeds to us from this offering by approximately $8.5 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. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) the net proceeds to us from this offering by approximately $18.0 million, assuming the assumed initial public offering price of $19.00 per share of Class A common stock remains the same, and after deducting estimated underwriting discounts and commissions.

The principal purposes of this offering are to increase our capitalization and financial flexibility, and create a public market for our Class A common stock. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds to us from this offering. However, we currently intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. We may also use a portion of the net proceeds to acquire complementary businesses, products, services or technologies. However, we do not have agreements or commitments to enter into any acquisitions at this time.

We will have broad discretion over how to use the net proceeds to us from this offering. We intend to invest the net proceeds to us from the offering that are not used as described above in investment-grade, interest-bearing instruments.

DIVIDEND POLICY

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash and capitalization as of July 29, 2017:

- on an actual basis;
- on a pro forma basis, giving effect to (i) the reclassification of our common stock into Class B common stock, (ii) the automatic conversion of all of our outstanding shares of convertible preferred stock into shares of Class B common stock in connection with this offering, (iii) the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants in connection with this offering and (iv) the filing and effectiveness of our amended and restated certificate of incorporation which will be in effect on the completion of this offering; and
- on a pro forma as adjusted basis, giving effect to (i) the pro forma adjustments set forth above, (ii) our receipt of estimated net proceeds from the sale of shares of Class A common stock that we are offering at an assumed initial public offering price of $19.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses and (iii) the automatic conversion of 1,000,000 shares of our Class B common stock held by the selling stockholder into an equivalent number of our Class A common stock upon the sale by the selling stockholder in this offering.

You should read this table together with the section titled “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.

	July 29, 2017		
	Actual	Pro Forma	Pro Forma As Adjusted
	(in thousands except share and per share amounts)		
Cash	$ 110,608	$ 110,608	$ 271,018[1]
Convertible preferred stock, $0.00002 par value, 60,577,280 shares authorized, 59,511,055 shares issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	42,222	—	—
Stockholders’ equity:			
Preferred stock, $0.00002 par value, no shares authorized, issued, and outstanding, actual, and 20,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.00002 par value, 100,000,000 authorized, 26,834,535 shares issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	1	—	—
Class A common stock, $0.00002 par value, no shares authorized, issued and outstanding, actual, 2,000,000,000 shares authorized and no shares issued and outstanding, pro forma, 2,000,000,000 shares authorized and 10,000,000 shares issued and outstanding, pro forma as adjusted	—	—	—
Class B common stock, $0.00002 par value, no shares authorized, issued and outstanding, actual, 100,000,000 shares authorized and 87,411,815 shares issued and outstanding, pro forma, 100,000,000 shares authorized and 86,411,815 shares issued and outstanding, pro forma as adjusted	—	2	2
Additional paid-in capital	27,002	95,902	253,925
Retained earnings	34,858	34,858	34,858
Total stockholders’ equity	$ 61,861	$ 130,762	$ 288,785
Total capitalization	$ 104,083	$ 130,762	$ 288,785

(1) Pro forma as adjusted cash reflects $2.4 million of deferred offering costs that had been paid as of July 29, 2017.

A $1.00 increase (decrease) in the assumed initial public offering price of $19.00 per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of our pro forma as adjusted cash, additional paid-in capital, total stockholders' equity and total capitalization by approximately $8.5 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. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) each of our pro forma as adjusted cash, additional paid-in capital, total stockholders' equity and total capitalization by approximately $18.0 million, assuming the assumed initial public offering price of $19.00 per share of Class A common stock remains the same, and after deducting estimated underwriting discounts and commissions.

The number of shares of Class A common stock and Class B common stock that will be outstanding after this offering is based on no shares of Class A common stock and 87,411,815 shares of Class B common stock outstanding as of July 29, 2017, and excludes:

- 10,218,912 shares of Class B common stock issuable on the exercise of stock options outstanding as of July 29, 2017 under our 2011 Plan with a weighted-average exercise price of $7.12 per share;
- 867,865 shares of Class B common stock issuable upon the exercise of outstanding stock options issued after July 29, 2017 pursuant to our 2011 Plan with a weighted-average exercise price of $23.43 per share; and
- 6,172,685 shares of Class A common stock reserved for future issuance under our 2017 Plan, which will become effective in connection with this offering, as well as any future increases, including annual increases, in the number of shares of Class A common stock reserved for issuance under our 2017 Plan and any shares underlying outstanding stock awards granted under our 2011 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Employee Benefit Plans."

DILUTION

If you invest in our Class A 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 Class A common stock and the pro forma as adjusted net tangible book value per share immediately after this offering.

Our pro forma net tangible book value as of July 29, 2017 was $128.4 million, or $1.47 per share. Pro forma net tangible book value per share represents the amount of our total tangible assets less our total liabilities, divided by the number of our shares of common stock outstanding as of July 29, 2017, after giving effect to (i) the automatic conversion of all outstanding shares of preferred stock into an aggregate of 59,511,055 shares of Class B common stock, (ii) issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants in connection with this offering and (iii) the reclassification of our preferred stock warrant liability to additional paid-in capital.

After giving effect to the sale by us of 9,000,000 shares of Class A common stock in this offering at an assumed initial public offering price of $19.00 per share, the midpoint of the estimated price 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 as adjusted net tangible book value as of July 29, 2017 would have been $288.8 million, or $3.00 per share. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $1.53 per share to our existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $16.00 per share to new investors purchasing Class A common stock in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of Class A common stock. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$19.00
Pro forma net tangible book value per share as of July 29, 2017	$1.47	
Increase in pro forma as adjusted net tangible book value per share attributable to new investors purchasing shares in this offering	1.53	
Pro forma as adjusted net tangible book value per share after this offering		3.00
Dilution in pro forma as adjusted net tangible book value per share to new investors in this offering		$16.00

The dilution information discussed above is illustrative only and may change based on the actual initial public offering price and other terms of this offering. A $1.00 increase (decrease) in the assumed initial public offering price of $19.00 per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by $0.09 per share and increase (decrease) the dilution to new investors by $0.91 per share, in each case assuming the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, each increase or decrease of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) our pro forma as adjusted net tangible book value by approximately $0.15 ($0.16) per share and decrease (increase) the dilution to new investors by approximately $0.15 ($0.16) per share, in each case assuming the assumed initial public offering price of $19.00 per share of Class A common stock remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses.

If the underwriters exercise their option to purchase additional shares of Class A common stock in full, the pro forma net tangible book value per share, as adjusted to give effect to this offering, would be $3.23 per share, and the dilution in pro forma net tangible book value per share to new investors in this offering would be $15.77 per share.

The following table summarizes, as of July 29, 2017, on a pro forma as adjusted basis as described above, the number of shares of our common stock, the total consideration and the average price per share (i) paid to us by existing stockholders, and (ii) to be paid by new investors acquiring our Class A common stock in this offering at an assumed initial public offering price of $19.00 per share, the midpoint of the estimated price range set forth on the cover page 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	87,411,815	90.7%	$ 48,284,295	22.0%	$ 0.55
New investors	9,000,000	9.3	171,000,000	78.0	$ 19.00
Totals	96,411,815	100.0%	$219,284,295	100.0%	

Each $1.00 increase (decrease) in the assumed initial public offering price of $19.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors and total consideration paid by all stockholders by approximately $8.5 million, assuming that the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions.

Sales by the selling stockholder in this offering will cause the number of shares held by existing stockholders to be reduced to 86,411,815 shares, or 89.6% of the total number of shares of our common stock outstanding following the completion of this offering, and will increase the number of shares held by new investors to 10,000,000 shares, or 10.4% of the total number of shares outstanding following the completion of this offering.

After giving effect to the sale of shares in this offering by us and the selling stockholder, if the underwriters exercise in full their option to purchase additional shares from us, the number of shares held by new investors will increase to 11,500,000 shares, or 11.7% of the total number of shares outstanding following the completion of this offering.

The number of shares of Class A common stock and Class B common stock that will be outstanding after this offering is based on no shares of Class A common stock and 87,411,815 shares of Class B common stock outstanding as of July 29, 2017, and excludes:

- 10,218,912 shares of Class B common stock issuable on the exercise of stock options outstanding as of July 29, 2017 under our 2011 Plan with a weighted-average exercise price of $7.12 per share;
- 867,865 shares of Class B common stock issuable upon the exercise of outstanding stock options issued after July 29, 2017 pursuant to our 2011 Plan with a weighted-average exercise price of $23.43 per share; and
- 6,172,685 shares of Class A common stock reserved for future issuance under our 2017 Plan, which will become effective in connection with this offering, as well as any future increases, including annual increases, in the number of shares of Class A common stock reserved for issuance under our 2017 Plan and any shares underlying outstanding stock awards granted under our 2011 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled “Executive Compensation—Employee Benefit Plans.”

To the extent that any outstanding options are exercised or new options are issued under our stock-based compensation plans, or we issue additional shares of common stock in the future, there will be further dilution to

investors participating in this offering. If all outstanding options under our 2011 Plan as of July 29, 2017 were exercised or settled, then our existing stockholders, including the holders of these options, would own 90.6% and our new investors would own 9.4% of the total number of shares of our Class A common stock and Class B common stock outstanding on the completion of this offering.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The selected consolidated statement of operations data for 2016 and 2017 and the selected consolidated balance sheet data as of July 30, 2016 and July 29, 2017 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The selected consolidated statements of operations data for 2014 and 2015 and the selected consolidated balance sheet data as of August 2, 2014 and August 1, 2015 have been derived from our consolidated financial statements that are not included in this prospectus. You should read the consolidated financial and other data set forth below in conjunction with our consolidated financial statements and the accompanying notes and the information in "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected for the full year or any other period in the future.

	2014	2015	2016	2017
	(in thousands, except share and per share data)			
Consolidated Statements of Operations Data:				
Revenue, net	$ 73,227	$ 342,803	$ 730,313	$ 977,139
Cost of goods sold	47,425	198,054	407,064	542,718
Gross profit	25,802	144,749	323,249	434,421
Selling, general and administrative expenses(1)(2)	30,242	108,562	259,021	402,781
Operating income (loss)	(4,440)	36,187	64,228	31,640
Remeasurement of preferred stock warrant liability	1,534	2,938	3,019	18,881
Other (income) expense, net	336	(2)	(13)	(42)
Income (loss) before income taxes	(6,310)	33,251	61,222	12,801
Provision for income taxes	23	12,322	28,041	13,395
Net income (loss)	$ (6,333)	$ 20,929	$ 33,181	$ (594)
Net income (loss) attributable to common stockholders(3)				
Basic	$ (6,333)	$ 4,573	$ 8,211	$ (594)
Diluted	$ (6,333)	$ 5,318	$ 9,496	$ (594)
Earnings (loss) per share attributable to common stockholders(3)				
Basic	$ (0.34)	$ 0.22	$ 0.36	$ (0.02)
Diluted	$ (0.34)	$ 0.21	$ 0.34	$ (0.02)
Shares used to compute earnings (loss) per share attributable to common stockholders(3)				
Basic	18,893,197	20,705,313	22,729,890	24,973,931
Diluted	18,893,197	25,452,912	27,882,844	24,973,931
Pro forma earnings per share attributable to common stockholders(3)				
Basic				$ 0.21
Diluted				$ 0.20
Shares used in computing pro forma earnings per share attributable to common stockholders(3)				
Basic				85,551,211
Diluted				90,908,541

	2014	2015	2016	2017
	(in thousands, except share and per share data)			
Other Financial and Operating Data:				
Adjusted EBITDA(4)	$(3,791)	$42,126	$72,582	$60,578
Non-GAAP net income (loss)(4)	$(4,422)	$29,033	$41,010	$30,680
Active clients (as of period end)(5)	261	867	1,674	2,194

(1) Includes stock-based compensation expense of $241,000, $743,000, $1,850,000 and $3,545,000 for 2014, 2015, 2016 and 2017, respectively.
(2) Includes compensation expense related to certain stock sales by current and former employees of $4,810,000 and $21,283,000 for 2016 and 2017, respectively.
(3) See Note 11 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the calculations of our basic and diluted earnings (loss) per share attributable to common stockholders, pro forma earnings per share and the weighted average number of shares used in the computation of the per share amounts.
(4) See the section titled “Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures” for information regarding our use of adjusted EBITDA and non-GAAP net income (loss), and their reconciliation to net income (loss).
(5) See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics” for information on how we define and calculate active clients.

	August 2, 2014	August 1, 2015	July 30, 2016	July 29, 2017
	(in thousands)			
Consolidated Balance Sheet Data:				
Cash	$ 34,636	$ 68,449	$ 91,488	$110,608
Working capital(1)	28,684	41,615	63,199	63,844
Total assets	46,145	111,600	191,600	257,205
Convertible preferred stock	42,222	42,222	42,222	42,222
Total stockholders’ equity (deficit)	(12,945)	8,539	49,947	61,861

(1) Working capital for all periods presented above is defined as current assets less current liabilities.

Non-GAAP Financial Measures

We report our financial results in accordance with generally accepted accounting principles in the United States, or GAAP. However, management believes that certain non-GAAP financial measures provide investors of our financial information with additional useful information in evaluating our performance. Management believes that excluding certain items that may vary substantially in frequency and magnitude period-to-period from net income (loss) provides useful supplemental measures that assist in evaluating our ability to generate earnings and to more readily compare these metrics between past and future periods. Management also believes that adjusted EBITDA is frequently used by investors and securities analysts in their evaluations of companies, and that such supplemental measure facilitates comparisons between companies. These non-GAAP financial measures may be different than similarly titled measures used by other companies. For instance, we do not exclude stock-based compensation expense from adjusted EBITDA or non-GAAP net income (loss). Stock-based compensation is an important part of how we attract and retain our employees, and we consider it to be a real cost of running the business.

Our non-GAAP financial measures should not be considered in isolation from, or as substitutes for, financial information prepared in accordance with GAAP. There are several limitations related to the use of our non-GAAP financial measures as compared to the closest comparable GAAP measures. Some of these limitations include:

- our non-GAAP financial measures exclude compensation expense that we recognized related to certain stock sales by current and former employees;

- our non-GAAP financial measures exclude the remeasurement of preferred stock warrant liability, which is a non-cash expense that will not recur in the periods following the period in which we complete this offering;
- adjusted EBITDA also excludes the recurring, non-cash expenses of depreciation and amortization of property and equipment and, although these are non-cash expenses, the assets being depreciated and amortized may have to be replaced in the future; and
- adjusted EBITDA does not reflect our tax provision that reduces cash available to us.

Adjusted EBITDA

Adjusted EBITDA is net income (loss) excluding other (income) expense, net, provision for income taxes, depreciation and amortization, the remeasurement of preferred stock warrant liability and compensation expense related to certain stock sales by current and former employees. The following table presents a reconciliation of net income (loss), the most comparable GAAP financial measure, to adjusted EBITDA for each of the periods presented:

	2014	2015	2016	2017
	(in thousands)			
Adjusted EBITDA reconciliation:				
Net income (loss)	$(6,333)	$20,929	$33,181	$ (594)
Add (deduct):				
Other (income) expense, net	336	(2)	(13)	(42)
Provision for income taxes	23	12,322	28,041	13,395
Depreciation and amortization	272	773	3,544	7,655
Remeasurement of preferred stock warrant liability	1,534	2,938	3,019	18,881
Compensation expense related to certain stock sales by current and former employees	377	5,166	4,810	21,283
Adjusted EBITDA	$(3,791)	$42,126	$72,582	$60,578

Non-GAAP Net Income (Loss)

Non-GAAP net income (loss) is net income (loss) excluding the remeasurement of preferred stock warrant liability, compensation expense related to certain stock sales by current and former employees and their related tax impacts, if any. The following table presents a reconciliation of net income (loss), the most comparable GAAP financial measure, to non-GAAP net income (loss) for each of the periods presented:

	2014	2015	2016	2017
	(in thousands)			
Non-GAAP net income (loss) reconciliation:				
Net income (loss)	$(6,333)	$20,929	$33,181	$ (594)
Add (deduct):				
Remeasurement of preferred stock warrant liability	1,534	2,938	3,019	18,881
Compensation expense related to certain stock sales by current and former employees	377	5,166	4,810	21,283
Tax impact of non-GAAP adjustments(1)	—	—	—	(8,890)
Non-GAAP net income (loss)	$(4,422)	$29,033	$41,010	$30,680

(1) The income tax impact is calculated using the U.S. federal and state statutory tax rates applied to the non-GAAP adjustments. If the non-GAAP adjustments are treated as permanent items for tax purposes, there is no related non-GAAP tax impact.

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 the section titled "Selected Consolidated Financial and Other Data" and the consolidated financial statements and related notes thereto included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section titled "Risk Factors" included elsewhere in this prospectus.

Overview

Stitch Fix is transforming the way people find what they love, one client at a time and one Fix at a time.

Stitch Fix was inspired by the vision of a client-first, client-centric new way of retail. What people buy and wear matters. When we serve our clients well, we help them discover and define their styles, we find jeans that fit and flatter their bodies, we reduce their anxiety and stress when getting ready in the morning, we give them time back in their lives to invest in themselves or spend with their families and we give them confidence in job interviews and on first dates. Most of all, we are fortunate to play a small part in our clients looking, feeling and ultimately being their best selves.

We are reinventing the shopping experience by delivering one-to-one personalization to our clients through the combination of data science and human judgment. This combination drives a better client experience and a more powerful business model than either element could deliver independently.

Our mission is to inspire our clients to look, feel and be their best selves. Our clients are happiest, and in turn our business succeeds, when we successfully personalize Fixes that meet their fit, style and price preferences. Since our founding in 2011, we have focused on developing a personal styling service that utilizes data science to transcend the traditional brick-and-mortar and eCommerce retail experience. In 2011, we launched our Women's business. Since 2013, we have opened five fulfillment centers across the United States and have grown our stylist team to over 3,400 employees. By 2014, our business was generating positive operating cash flows, allowing us to expand into new categories. From 2015 to 2017, we entered into the Petite, Maternity, Men's and Plus categories and began offering shoes and accessories.

Our stylists hand select items from a broad selection of merchandise. Stylists pair their own judgment with our analysis of client and merchandise data to provide a personalized shipment of apparel, shoes and accessories suited to each client's needs. We call each of these unique shipments a Fix. Our clients may choose to schedule automatic shipments that arrive every two to three weeks or on a monthly, bi-monthly or quarterly cadence, or schedule a Fix on-demand. Clients can increase or decrease their desired Fix frequency at any time, and can select the exact date by which they want to receive a Fix. After receiving a Fix, our clients purchase the items they want to keep and return the other items. For each Fix, we charge clients a $20 styling fee that is credited towards the merchandise purchased. If the client chooses to keep all items in a Fix, she receives a 25% discount on her entire purchase.

We are successful when we are able to help clients find what they love again and again, creating long-term, trusted relationships. Our clients share personal information with us because they recognize that doing so will result in more personalized and successful experiences. Our data-driven understanding of our clients and merchandise, paired with the personal touch of our stylists, allows us to meet clients' needs and adapt as their tastes and preferences evolve. As of July 29, 2017, we had 2,194,000 active clients. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics" for

information on how we define and calculate active clients. In 2016 and 2017, our repeat rate was 83% and 86%, respectively. We define repeat rate for a given period as the percentage of revenue, excluding styling fees, deductions for estimated refunds, gift card redemptions, referral credit adjustments and clearance sales, but including sales tax, in that period recognized from clients who have ever previously checked out a Fix.

The very human experience that we deliver is powered by data science. Our data science capabilities consist of our rich data set and our proprietary algorithms, which fuel our business by enhancing the client experience and driving business model efficiencies. The vast majority of our client data is provided directly and explicitly by our clients, rather than inferred, scraped or obtained from other sources. We also gather extensive merchandise data, such as inseam, pocket shape, silhouette and fit. This large and growing data set provides the foundation for proprietary algorithms that we use throughout our business, including those that predict purchase behavior, forecast demand, optimize inventory and enable us to design new apparel. We believe our data science capabilities give us a significant competitive advantage, and as our data set grows, our algorithms become more powerful.

Our stylists leverage our data science through a custom-built, web-based styling application that provides recommendations from our broad selection of merchandise. Our stylists then apply their judgment to select what they believe to be the best items for each Fix. Our stylists provide a personal touch, offer styling advice and context to each item selected, and help us develop long-term relationships with our clients. Our stylists are U.S.-based employees, most of whom work part-time and remotely. The flexible working arrangement we have with stylists creates leverage in our business model by allowing us to easily scale our total stylist work time and manage capacity as Fix demand necessitates. Our stylists are not compensated based on commission because we want our stylists to best serve our clients, even if that means suggesting a less expensive item.

We maintain a broad range of product offerings to serve our clients. We offer both merchandise sourced from brand partners and our own Exclusive Brands. We use our data to inform the merchandise we buy and develop that will best suit our clients. We also use our data to manage and deploy that merchandise, resulting in favorable inventory turnover rates. We believe that we are a preferred channel and a powerful growth opportunity for our brand partners. Unlike many sales channels, we do not rely on discounts or promotions. We enable our brand partners to reach clients they may not have otherwise reached. Further, we provide our brand partners with insights based on client feedback that help our brand partners to improve and evolve their merchandise to better meet consumer demand.

We have developed an efficient logistics infrastructure. As of July 29, 2017, we had five fulfillment centers encompassing 1.8 million square feet of space, supported by over 1,500 full-time employees. We support our logistics network with proprietary algorithms to optimize inventory allocation, reduce shipping and fulfillment expenses and deliver Fixes quickly and efficiently to our clients. We inspect and re-deploy returned items quickly, to drive more favorable working capital. We believe we can create additional leverage in our logistics infrastructure through our operational and data science expertise.

We reach clients through a combination of word of mouth, referrals, advertising and other marketing efforts. We invest in marketing with the goal of attracting new clients, improving engagement with current clients and expanding our client closet share over time. As we continue to expand our marketing efforts, we plan to remain disciplined in measuring the return on advertising spend.

We believe our success in serving clients has resulted in our rapid and profitable growth. We have also been capital-efficient, having raised only $42.5 million of equity capital since inception. We have achieved positive cash flows from operations on an annual basis since 2014, while continuing to make meaningful investments to drive growth. In 2015, 2016 and 2017 we reported $342.8 million, $730.3 million and $977.1 million in revenue, respectively, representing year-over-year growth of 113.0% and 33.8%, respectively. We had net income of $33.2 million in 2016 and a net loss of $0.6 million in 2017, and reported $72.6 million and $60.6 million in adjusted EBITDA in 2016 and 2017, respectively. As of August 1, 2015, July 30, 2016 and July 29, 2017, we had 867,000 active clients, 1,674,000 active clients and 2,194,000 active clients, respectively, representing year-over-

year growth of 93.1% and 31.1%, respectively. See the section titled “Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures” for information regarding our use of adjusted EBITDA and its reconciliation to net income (loss) determined in accordance with U.S. generally accepted accounting principles, or GAAP.

Key Metrics

In addition to the measures presented in our consolidated financial statements, we use the following key metrics to measure our performance.

	2016	2017
	(in thousands)	
Adjusted EBITDA	$72,582	$60,578
Non-GAAP net income	$41,010	$30,680
Active clients (as of period end)	1,674	2,194

See the section titled “Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures” for information regarding our use of adjusted EBITDA and non-GAAP net income and their reconciliation to net income (loss).

Active Clients

We believe that the number of active clients is a key indicator of our growth and the overall health of our business. We define an active client as a client who checked out a Fix in the preceding 12-month period, measured as of the last date of that period. A client checks out a Fix when she indicates what items she is keeping through our mobile application or on our website.

Factors Affecting Our Performance

Client Acquisition and Engagement

To grow our business, we must continue to acquire clients and successfully engage them. We believe that implementing broad-based marketing strategies that increase our brand awareness has the potential to strengthen Stitch Fix as a national consumer brand, help us acquire new clients and drive revenue growth. According to a study commissioned by us and conducted by Millward Brown, a market research firm, our aided brand awareness among women in the United States with household income above $50,000 and ages 21 to 65 increased from 28% in December 2016 to 41% in May 2017. As our business has achieved a greater scale and we are able to support a large and growing client base, we have increased our investments in marketing to take advantage of more marketing channels to profitably acquire clients. For example, we recently significantly increased our advertising spend, from $25.0 million in 2016 to $70.5 million in 2017, to support the growth of our business. We expect to continue to make significant marketing investments to grow our business. We currently utilize both digital and offline channels to attract new visitors to our website or mobile app and subsequently convert them into clients. Our current marketing efforts include client referrals, affiliate programs, partnerships, display advertising, television, print, radio, video, content, direct mail, social media, email, mobile “push” communications, search engine optimization and keyword search campaigns.

To successfully acquire clients and increase engagement, we must also continue to improve the diversity of our offering. These efforts may include broadening our brand partnerships and expanding into new categories, product types, price points and geographies.

To help investors understand the relationships we build and engagement we have with our clients over time, we have included below a one-time disclosure showing cumulative revenue from groups of clients, which we refer to as cohorts, who first ordered a Fix from us in 2014, 2015, 2016, the first half of 2016 and the first half of

2017. Our cohort revenue calculation in this analysis reflects cash received from clients at checkout. Cash received at checkout excludes revenue from styling fees, deductions for estimated refunds, gift cards redemptions, referral credit adjustments and clearance sales, but includes sales taxes. We use this methodology because our accounting systems do not currently enable us to report GAAP revenue on a client-by-client or cohort basis. We believe this cohort methodology provides a conservative view of client spend relative to actual GAAP revenue for all reported periods because the exclusion of styling fees is greater than the impact of all other items in each period disclosed. In addition, year-over-year changes in cohort revenue may be impacted by fluctuations in the size of these excluded or included items that would not be reflected in a corresponding GAAP revenue analysis. For example, we collected and remitted more sales tax and in more jurisdictions in 2017 than in 2016, which sales tax was included in our cohort revenue but would not be reflected in a GAAP revenue analysis.

The cohorts are defined as follows:

- The 2014 cohort includes all clients who checked out their first Fix between August 4, 2013 and August 2, 2014.
- The 2015 cohort includes all clients who checked out their first Fix between August 3, 2014 and August 1, 2015.
- The 2016 cohort includes all clients who checked out their first Fix between August 2, 2015 and July 30, 2016.
- The first half 2016 cohort includes all clients who checked out their first Fix between August 2, 2015 and January 30, 2016.
- The first half 2017 cohort includes all clients who checked out their first Fix between July 31, 2016 and January 28, 2017.

The 104-week period comparison shows the amount, on average, that clients spent with us during their first two years engaging with our service. Because 104-week data was not yet available for our 2016 cohort at the time of this prospectus, we included a 52-week period comparison to show the purchasing behavior of clients who checked out their first Fix during 2016, compared to 2014 and 2015. Similarly, because 52-week data was not yet available for our 2017 cohort at the time of this prospectus, we also included a 26-week period comparison to show the purchasing behavior of clients who checked out their first Fix during the first half of 2017, after we began to invest more in marketing, compared to the first half of 2016.

Each 104-week cohort represents the total cumulative revenue from all clients who checked out their first Fix during the identified fiscal year, measured over a period starting with the calendar week of each client's first Fix and ending 103 full calendar weeks thereafter, divided by the total number of clients in the cohort.

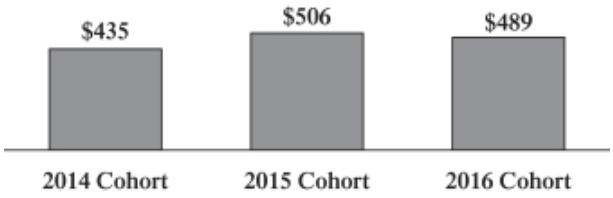
For example, if a client checked out her first Fix on July 8, 2014, she would be included in the 2014 cohort. The revenue from all purchases she made beginning with her first Fix through July 9, 2016 (the last day of the 103rd calendar week following the calendar week of her first Fix) would be included in the cohort.

Average 104-Week Cohort Revenue per Client

Each 52-week cohort represents the total cumulative revenue from all clients who checked out their first Fix during the corresponding fiscal year, measured over a period starting with the calendar week of each client's first Fix and ending 51 full calendar weeks thereafter, divided by the total number of clients in the cohort.

For example, if a client checked out her first Fix on July 28, 2015, she would be included in the 2015 cohort. The revenue from all purchases she made beginning with her first Fix through July 23, 2016 (the last day of the 51st calendar week following the calendar week of her first Fix) would be included in the cohort.

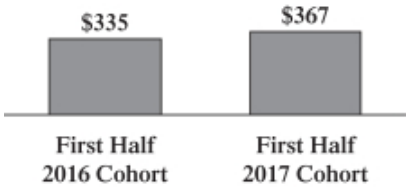
Average 52-Week Cohort Revenue per Client



Each 26-week cohort represents the total cumulative revenue from all clients who checked out their first Fix during the corresponding first 26 weeks of 2016 or 2017, measured over a period starting with the calendar week of each client's first Fix and ending 25 full calendar weeks thereafter, divided by the total number of clients in the cohort.

For example, if a client checked out her first Fix on January 28, 2017, she would be included in the first half 2017 cohort. The revenue from all purchases she made beginning with her first Fix through July 22, 2017 (the last day of the 25th calendar week following the calendar week of her first Fix) would be included in the cohort.

Average 26-Week Cohort Revenue per Client



To assist investors in understanding the above cohort analyses, we offer our views of some of the trends that we believe underlie our business and the client behavior we observe.

The cohort data demonstrates, on average, that we generate significant revenue over the initial six-month, one-year and two-year periods of a client relationship. We believe this allows us to invest in developing many marketing channels through which we can profitably acquire more clients.

The cohort data also shows that client spend has, on average, been higher during the first six months of a client relationship than the second six months, and that the spend during a cohort's first year is higher, on average, than the second year. Given our short operating history and limitations on client data prior to 2014, we have limited ability to compare client cohort behavior over periods longer than two years. However, similar to the trend we observe when comparing the 26-week, 52-week and 104-week cohorts above, we would expect to see clients spend, on average, less in subsequent periods. While we expect this behavior from our clients, we believe the above cohort analyses reflect the opportunities we have to better serve and build long-term relationships with our clients regardless of the cadence at which they purchase.

First, each cohort includes clients for whom we did not have a suitable offering at the time they initially tried our service. We hope to re-engage these clients as we expand our offerings to meet more clients' needs. We believe that one benefit of the feedback we receive from these clients is that we can successfully re-engage them in very personalized ways. For example, prior to our launch of our Plus offering in February 2017, size 14 or size 16 clients were likely underserved by our merchandise assortment and may not have ordered many Fixes in subsequent months. Once we launched Plus and were better able to serve these clients, we could successfully re-engage them through a variety of personalized marketing efforts based on their original feedback.

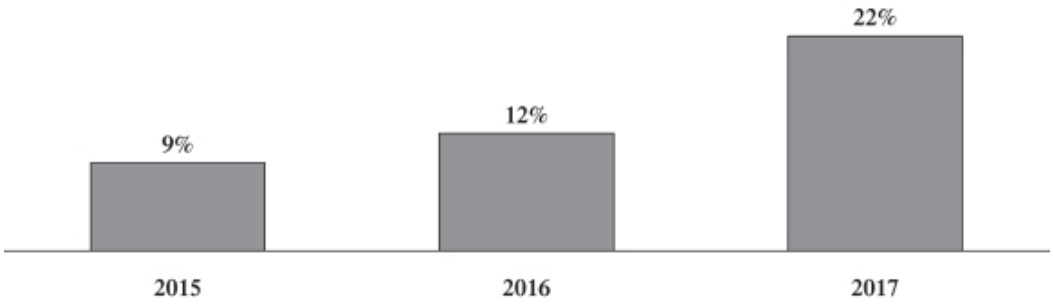
Second, we observe that for some clients, our success in helping them find clothes they love reduces their need for more apparel in subsequent periods. We see these clients reduce the cadence of their Fix deliveries to better match their spending preferences. We believe that client apparel purchasing can be "lumpy," where clients initially stock up and fill their closets and then slow their purchasing. While a client exhibiting this behavior would spend less in a subsequent period, we believe that serving our clients on their natural purchasing cadence, rather than forcing more spend, fosters the valuable, long-term client relationships we seek to cultivate. For other clients, there may be periods of inactivity, followed by their re-engagement in the weeks or months that follow. From the beginning of 2014 through the end of 2017, over 650,000 unique clients re-engaged with us by checking out a Fix after more than 16 weeks of inactivity.

Lastly, we recognize that we have an opportunity to better serve clients that initially try our service but chose not to repeat because we did not understand their style, fit, or budget as well as they would have liked or did not have the right merchandise for their Fixes. We believe that improvements in our merchandise assortment, algorithms, inventory management and stylist tools will help us better serve these clients. Since we receive direct feedback from many of these clients, we believe we have the ability to re-engage them in very personalized ways through marketing and by communicating improvements in our offering that address the specific reasons why they chose not to repeat.

While we believe the above cohort analyses demonstrate the significant revenue opportunity we have and how we deliver value to clients over time, as our client base, product offerings and marketing spend change, we cannot be certain that future cohorts will maintain spend levels similar to those above.

In addition, to provide investors with insight into changes in client activity over periods, we have included below a one-time disclosure showing our success in increasing the average number of items purchased per Fix by our clients. The chart below illustrates how the average number of items purchased per Fix has grown over time compared to 2014. From 2014 through 2017, this figure has increased 22%. We believe this improvement highlights our strengthened ability to effectively serve our clients.

Growth in Average Number of Items Purchased per Fix (as compared to 2014)(1)



(1) Reflects the percentage growth in the average number of items purchased per Fix during each respective year compared to the average number of items purchased per Fix in 2014.

We believe that our improvements in product assortment, advances in our algorithms and development of our styling organization have contributed to the increase in average items purchased per Fix over the periods presented. With respect to product assortment, we believe that our expanded offerings, breadth of styles and improved planning capabilities we built during these periods allowed us to manage and deliver more personalized Fixes to clients. With respect to our algorithms, we believe that the network effects from our large and growing data set, the improvements in the quality of data we collected and the enhancements we made in our personalization algorithms during these periods helped us better predict for each client which items she would like and choose to purchase. With respect to our styling organization, we believe that our success in hiring and

training stylists and improvements we made in the tools they use have contributed to our ability to serve clients better and helped increase average items purchased per Fix during these periods.

Although we do not manage our business to any particular number of items purchased per Fix or amount of revenue per Fix, or pay commission to our stylists based on these results, we do believe that the increase in average items purchased per Fix during the above periods demonstrates our ability to improve our service and enhance our clients' experiences.

While we intend to continue improving our product assortment, algorithms and styling organization, we cannot be certain that average items purchased per Fix will continue to increase or, even if it were to increase, that it would do so at rates similar to those above. Additionally, we may make strategic decisions in the future that could influence the overall number of items purchased per Fix, but may not reflect increases or decreases in client engagement.

Investment in our Operations and Infrastructure

To grow our client base and enhance our offering, we will incur additional expenses. We intend to leverage our data science and deep understanding of our clients' needs to inform investments in operations and infrastructure. We anticipate that our expenses will increase as we continue to hire additional personnel and further advance our technological and data science capabilities. Moreover, we intend to make capital investments in our inventory, fulfillment centers and office space and logistics infrastructure as we launch new categories, expand internationally and drive operating efficiencies. We expect to increase our spending on these investments in the future and cannot be certain that these efforts will grow our client base or be cost-effective. However, we believe these strategies will yield positive returns in the long term.

Inventory Management

We leverage our data science to buy and manage our inventory, including merchandise assortment and fulfillment center optimization. To ensure sufficient availability of merchandise, we generally enter into purchase orders well in advance and frequently before apparel trends are confirmed by client purchases. As a result, we are vulnerable to demand and pricing shifts and to suboptimal selection and timing of merchandise purchases. We incur inventory write-offs and changes in inventory reserves that impact our gross margins. Because our merchandise assortment directly correlates to client success, we may at times optimize our inventory to prioritize long-term client success over short-term gross margin impact. Moreover, our inventory investments will fluctuate with the needs of our business. For example, entering new categories or adding new fulfillment centers will require additional investments in inventory.

Merchandise Mix

We offer apparel, shoes and accessories across categories, brands, product types and price points. We currently serve our clients in the following categories: Women's, Petite, Maternity, Men's and Plus. We also carry a mix of third-party branded merchandise and our own Exclusive Brands. We also offer a wide variety of product types, including denim, dresses, blouses, skirts, shoes, jewelry and handbags. We sell merchandise across a broad range of price points and may further broaden our price point offerings in the future.

While changes in our merchandise mix have not caused significant fluctuations in our gross margin to date, categories, brands, product types and price points do have a range of margin profiles. For example, our Exclusive Brands have generally contributed higher margin, and shoes have generally contributed lower margin. Shifts in merchandise mix driven by client demand may result in fluctuations in our gross margin from period to period.

Components of Results of Operations

Revenue

We generate revenue from the sale of merchandise. We charge a $20 nonrefundable upfront fee, referred to as a “styling fee,” that is applied against any merchandise purchased in the Fix. We deduct discounts, sales tax and estimated refunds to arrive at net revenue, which we refer to as revenue throughout this prospectus. We expect our revenue to increase in absolute dollars as we grow our business, although our revenue growth rate may continue to slow in future periods.

Cost of Goods Sold

Cost of goods sold consists of the costs of merchandise, expenses for shipping to and from clients and inbound freight, inventory write-offs and changes in our inventory reserve, payment processing fees and packaging materials costs. We expect our cost of goods sold to fluctuate as a percentage of revenue primarily due to how we manage our inventory and merchandise mix. Our classification of cost of goods sold may vary from other companies in our industry and may not be comparable.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of compensation and benefits costs, including stock-based compensation expense, for our employees including our stylist, fulfillment center operations, data analytics, merchandising, engineering, client experience, marketing and corporate personnel. Selling, general and administrative expenses also include marketing and advertising costs, third-party logistics costs, facility costs for our fulfillment centers and offices, professional service fees, information technology costs and depreciation and amortization expense. We expect our selling, general and administrative expenses to increase in absolute dollars and to fluctuate as a percentage of revenue due to the anticipated growth of our business, increased marketing investments and additional costs associated with becoming a public company. Our classification of selling, general and administrative expenses may vary from other companies in our industry and may not be comparable.

Remeasurement of Preferred Stock Warrant Liability

We estimate the fair value of the preferred stock warrant liability at the end of each reporting period and recognize changes in the fair value through our statement of operations. We expect to remeasure the liability associated with these warrants each quarter until they are exercised. In connection with our initial public offering, all warrants will be automatically exercised for no consideration.

Provision for Income Taxes

Our provision for income taxes consists of an estimate of federal and state income taxes based on enacted federal and state tax rates, as adjusted for allowable credits, deductions and the valuation allowance against deferred tax assets, as applicable.

Results of Operations

The following table sets forth our results of operations for the periods indicated:

	2016	2017	Change Amount	Change %
Revenue, net	$730,313	$977,139	$246,826	33.8%
Cost of goods sold	407,064	542,718	135,654	33.3
Gross profit	323,249	434,421	111,172	34.4
Selling, general and administrative expenses	259,021	402,781	143,760	55.5
Operating income	64,228	31,640	(32,588)	(50.7)
Remeasurement of preferred stock warrant liability	3,019	18,881	15,862	525.4
Other income, net	(13)	(42)	(29)	(223.1)
Income before income taxes	61,222	12,801	(48,421)	(79.1)
Provision for income taxes	28,041	13,395	(14,646)	(52.2)
Net income (loss)	$ 33,181	$ (594)	$ (33,775)	(101.8)%

The following table sets forth the components of our results of operations as a percentage of revenue:

	2016	2017
Revenue, net	100.0%	100.0%
Cost of goods sold	55.7	55.5
Gross profit	44.3	44.5
Selling, general and administrative expenses	35.5	41.2
Operating income	8.8	3.3
Remeasurement of preferred stock warrant liability	0.4	1.9
Other income, net	0.0	0.0
Income before income taxes	8.4	1.4
Provision for income taxes	3.8	1.4
Net income (loss)	4.6%	(0.0)%

Comparison of the Year Ended July 30, 2016 and the Year Ended July 29, 2017

Revenue and Gross Margin

Revenue in 2017 increased by $246.8 million, or 33.8%, from revenue in 2016. The increase in revenue was primarily attributable to a 31.1% increase in active clients, which drove increased sales of merchandise.

Gross margin increased to 44.5% in 2017 from 44.3% in 2016. The increase was primarily attributable to improved inventory management.

Selling, General and Administrative Expenses

Selling, general and administrative expenses in 2017 increased by $143.8 million, or 55.5%, from selling, general and administrative expenses in 2016. The increase in selling, general and administrative expenses was primarily attributable to a $68.1 million increase in compensation and benefits expenses as we increased our headcount, and a $16.5 million increase related to compensation expense recognized for certain stock sales by current and former employees. In addition, the increase was driven by $47.8 million in higher marketing spend as we expanded our television, online and radio advertising initiatives.

Remeasurement of Preferred Stock Warrant Liability

The change in the preferred stock warrant liability was due to an increase in the underlying fair value of our preferred stock.

Provision for Income Taxes

Our provision for income taxes reflects an effective tax rate of 45.8% and 104.6% for 2016 and 2017, respectively. Our effective tax rate and provision for income taxes increased from 2016 to 2017 primarily due to an increase in the nondeductible remeasurement of the preferred stock warrant liability.

Quarterly Results of Operations

The following tables set forth our unaudited quarterly consolidated statements of operations for each of the quarters indicated. The information for each quarter has been prepared on a basis consistent with our audited consolidated financial statements included in this prospectus and reflect, in the opinion of management, all adjustments of a normal, recurring nature that are necessary for a fair presentation of the financial information contained in those statements. Our historical results are not necessarily indicative of the results that may be expected for the full year or any other period in the future. The following quarterly financial information should be read in conjunction with our audited consolidated financial statements and related notes included in this prospectus.

	Quarter Ended							
	October 31, 2015	January 30, 2016	April 30, 2016	July 30, 2016	October 29, 2016	January 28, 2017	April 29, 2017	July 29, 2017
	(in thousands)							
Consolidated Statements of Operations:								
Revenue, net	$ 155,969	$ 175,796	$194,006	$204,542	$ 236,004	$ 237,775	$245,075	$258,285
Cost of goods sold	85,048	102,235	108,884	110,897	125,926	131,053	139,692	146,047
Gross profit	70,921	73,561	85,122	93,645	110,078	106,722	105,383	112,238
Selling, general and administrative expenses	48,296	58,002	76,069	76,654	83,550	105,835	101,368	112,028
Operating income	22,625	15,559	9,053	16,991	26,528	887	4,015	210
Remeasurement of preferred stock warrant liability	993	1,060	295	671	1,503	1,146	12,858	3,374
Other income, net	(1)	(1)	(4)	(7)	(7)	(6)	(12)	(17)
Income (loss) before income taxes	21,633	14,500	8,762	16,327	25,032	(253)	(8,831)	(3,147)
Provision (benefit) for income taxes	9,011	6,174	5,556	7,300	11,789	(486)	732	1,360
Net income (loss)	$ 12,622	$ 8,326	$ 3,206	$ 9,027	$ 13,243	$ 233	$ (9,563)	$ (4,507)
Other Financial and Operating Data:								
Adjusted EBITDA	$ 23,080	$ 16,303	$ 14,976	$ 18,223	$ 27,989	$ 24,094	$ 6,050	$ 2,445
Non-GAAP net income (loss)	$ 13,615	$ 9,386	$ 8,311	$ 9,698	$ 14,746	$ 13,772	$ 3,295	$ (1,133)
Active clients (as of period end)	1,085	1,283	1,510	1,674	1,847	1,920	2,074	2,194

The following table provides a reconciliation of net income (loss) to adjusted EBITDA:

	Quarter Ended							
	October 31, 2015	January 30, 2016	April 30, 2016	July 30, 2016	October 29, 2016	January 28, 2017	April 29, 2017	July 29, 2017
	(in thousands)							
Net income (loss)	$ 12,622	$ 8,326	$ 3,206	$ 9,027	$ 13,243	$ 233	$ (9,563)	$(4,507)
Add (deduct):								
Other income, net	(1)	(1)	(4)	(7)	(7)	(6)	(12)	(17)
Provision (benefit) for income taxes	9,011	6,174	5,556	7,300	11,789	(486)	732	1,360
Depreciation and amortization	455	744	1,113	1,232	1,461	1,924	2,035	2,235
Remeasurement of preferred stock warrant liability	993	1,060	295	671	1,503	1,146	12,858	3,374
Compensation expense related to certain stock sales by current and former employees	—	—	4,810	—	—	21,283	—	—
Adjusted EBITDA	$ 23,080	$ 16,303	$ 14,976	$ 18,223	$ 27,989	$ 24,094	$ 6,050	$ 2,445

The following table provides a reconciliation of net income (loss) to non-GAAP net income (loss):

	Quarter Ended							
	October 31, 2015	January 30, 2016	April 30, 2016	July 30, 2016	October 29, 2016	January 28, 2017	April 29, 2017	July 29, 2017
	(in thousands)							
Net income (loss)	$ 12,622	$ 8,326	$ 3,206	$ 9,027	$ 13,243	$ 233	$ (9,563)	$(4,507)
Add (deduct):								
Remeasurement of preferred stock warrant liability	993	1,060	295	671	1,503	1,146	12,858	3,374
Compensation expense related to certain stock sales by current and former employees	—	—	4,810	—	—	21,283	—	—
Tax impact of non-GAAP adjustments	—	—	—	—	—	(8,890)	—	—
Non-GAAP net income (loss)	$ 13,615	$ 9,386	$ 8,311	$ 9,698	$ 14,746	$ 13,772	$ 3,295	$(1,133)

The following table sets forth components of results of operations as a percentage of revenue:

	Quarter Ended							
	October 31, 2015	January 30, 2016	April 30, 2016	July 30, 2016	October 29, 2016	January 28, 2017	April 29, 2017	July 29, 2017
Consolidated Statements of Operations:								
Revenue, net	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	54.5	58.2	56.1	54.2	53.4	55.1	57.0	56.5
Gross profit	45.5	41.8	43.9	45.8	46.6	44.9	43.0	43.5
Selling, general and administrative expenses	31.0	33.0	39.2	37.5	35.4	44.5	41.4	43.4
Operating income	14.5	8.8	4.7	8.3	11.2	0.4	1.6	0.1
Remeasurement of preferred stock warrant liability	0.6	0.6	0.2	0.3	0.6	0.5	5.2	1.3
Other income, net	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income (loss) before income taxes	13.9	8.2	4.5	8.0	10.6	(0.1)	(3.6)	(1.2)
Provision (benefit) for income taxes	5.8	3.5	2.9	3.6	5.0	(0.2)	0.3	0.5
Net income (loss)	8.1%	4.7%	1.6%	4.4%	5.6%	0.1%	(3.9)%	(1.7)%

Our quarterly revenue increased for all periods presented primarily due to increases in active clients. Our growth rate fluctuated from quarter to quarter and we expect that it will continue to do so because of a variety of factors, including the success of our marketing initiatives, our ability to match merchandise to client demand, the launch of new categories and product types, seasonality and economic cycles that influence retail apparel purchase trends. Seasonality in our business does not follow that of traditional retailers, such as typical concentration of revenue in the holiday quarter. For example, in the three months ended January 28, 2017, we experienced a lower quarter over quarter growth rate due to slower active client growth during the holiday season. This seasonality was less apparent in the three months ended January 30, 2016 due to the rapid growth of our business. Additionally, while we expect our revenue base to continue to expand, our revenue may increase at a lower rate as compared to our prior periods.

Our quarterly gross profit increased for all periods presented, except for the three months ended January 28, 2017 and the three months ended April 29, 2017. Our gross profit decreased in the three months ended January 28, 2017 as compared to the three months ended October 29, 2016 due to slower revenue growth over the holidays and increased inventory write-offs. Our gross profit decreased in the three months ended April 29, 2017 as compared to the three months ended January 28, 2017 primarily due to an increase in the inventory provision as a result of a higher balance of inventory. Our gross margin fluctuated from quarter to quarter primarily due to how we managed our inventory.

Our selling, general and administrative expenses increased for all periods presented, except for the three months ended April 29, 2017, primarily due to increased compensation and benefits as a result of growth in headcount and higher marketing expenses as we continued to grow our business. In addition, our selling, general and administrative expenses in the three months ended April 30, 2016 and January 28, 2017 was impacted by the compensation expense of $4.8 million and $21.3 million, respectively, related to certain stock sales by current and former employees which were discrete transactions. The decrease in selling, general and administrative expenses from the three months ended January 28, 2017 to the three months ended April 29, 2017 was a result of the $21.3 million discrete transaction recorded in the three months ended January 28, 2017. Excluding this discrete transaction, our selling, general and administrative expenses increased significantly in the three months ended April 29, 2017 due to increased marketing expenses as we expanded our television, online and radio advertising initiatives.

We had net income for all periods presented except for the three months ended April 29, 2017 and July 29, 2017. Our net loss in the three months ended April 29, 2017 and July 29, 2017 was driven by the $12.9 million and $3.4 million expense related to the remeasurement of the preferred stock warrant liability due to increases in the underlying fair value of our preferred stock. In addition, our net income in the three months ended April 30, 2016 and January 28, 2017 was impacted by the discrete transactions mentioned above.

We had positive adjusted EBITDA for all periods presented. We had positive non-GAAP net income for all periods presented except for the three months ended July 29, 2017. The decline in the three months ended April 29, 2017 and July 29, 2017 for both adjusted EBITDA and non-GAAP net income (loss) was primarily due to increased headcount and increased marketing expenses as we expanded our television, online and radio advertising initiatives.

Liquidity and Capital Resources

Our principal sources of liquidity since inception have been our cash flows from operations, as well as the net proceeds we received through private sales of equity securities. We raised $42.5 million of equity capital in aggregate with our last round of financing completed in 2014. We have had positive and growing cash flows from operations since 2014. As of July 29, 2017, we had $110.6 million of cash. In addition, we had restricted cash of $9.4 million as of July 29, 2017, representing collateral for letters of credit for our leased properties.

Our primary use of cash includes operating costs such as merchandise purchases, compensation and benefits, marketing and other expenditures necessary to support our business growth. We have been able to fund these costs through our cash flows from operations since 2014 and expect to continue to do so. We believe our existing cash balances and cash flows from operations will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months.

The following table summarizes our cash flows for the periods indicated and our cash and working capital balances as of the end of the period:

	2016	2017
	(in thousands)	
Cash provided by operating activities	$ 45,116	$ 38,624
Cash used in investing activities	(15,238)	(17,130)
Cash (used in) provided by financing activities	499	(3,028)
Net increase in cash and restricted cash	$ 30,377	$ 18,466
Cash	$ 91,488	$110,608
Working capital(1)	$ 63,199	$ 63,844

(1) Working capital for all periods presented above is defined as current assets less current liabilities.

Cash Provided by Operating Activities

During 2017, cash provided by operating activities was $38.6 million, which was primarily due to net loss of $0.6 million and non-cash expenses of $36.6 million. The non-cash expenses were largely driven by $18.9 million in expenses related to the remeasurement of the preferred stock warrant liability, a $13.2 million non-cash compensation expense related to stock-based compensation and certain stock sales by the then-current and former employees, $7.7 million of depreciation and amortization and a $3.6 million increase in our inventory reserve, partially offset by a $6.7 million increase in our deferred tax asset.

During 2016, cash provided by operating activities was $45.1 million, which was primarily due to net income of $33.2 million and non-cash expenses of $13.2 million. The non-cash expenses were largely driven by

a $4.8 million non-cash compensation expense related to a stock sale by an employee, a $5.9 million increase in our inventory reserve and $3.5 million of depreciation and amortization, partially offset by a $5.9 million increase in our deferred tax asset.

Cash Used in Investing Activities

During 2016 and 2017, cash used in investing activities was $15.2 million and $17.1 million, respectively, due to the purchase of property and equipment primarily related to the expansion of our fulfillment centers and offices.

Cash (Used In) Provided by Financing Activities

During 2017, cash used in financing activities was $3.0 million, which was primarily due to $3.6 million for the repurchase of our common stock in a tender offer and $1.9 million in deferred payments for offering costs, partially offset by $2.3 million in proceeds from the issuance of common stock upon exercise of stock options.

During 2016, cash provided by financing activities was $0.5 million, which was primarily due to proceeds from the exercise of stock options.

Off-Balance Sheet Arrangements

We have not entered any off-balance sheet arrangements and do not have any holdings in variable interest entities.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations as of July 29, 2017:

	Payments Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
			(in thousands)		
Operating leases	$ 93,218	$ 15,643	$33,178	$29,956	$ 14,441
Purchase commitments(1)	153,712	153,712	—	—	—
Unrecognized tax benefits(2)	—	—	—	—	—
Total contractual obligations	$246,930	$169,355	$33,178	$29,956	$ 14,441

(1) Represents estimated open purchase orders to purchase inventory in the normal course of business.

(2) Due to the uncertainty with respect to the timing of future cash flows associated with our unrecognized tax benefits, we are unable to make reasonably reliable estimates of the period of cash settlement with the respective taxing authorities. Therefore, the related balances have not been included in the "Payments Due by Period" section of the table.

Quantitative and Qualitative Disclosures about Market Risk

Our cash is deposited in checking and savings accounts; therefore, we believe we are relatively insensitive to interest rate changes.

Internal Control over Financial Reporting

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 financial statements will not be prevented or detected on a timely basis. In connection with the audit of our 2016 consolidated financial statements, we and our independent registered public accounting firm identified one material weakness in our internal controls in 2016 primarily related to the accounting and proprietary systems used in our financial reporting process not having the proper level of controls. As a result, journal entries were prepared and posted to our accounting system without an independent review. In addition, our proprietary systems lacked controls over access, program change management and computer operations that are needed to ensure access to financial data is adequately restricted to appropriate personnel.

During 2017, we took certain actions towards remediating the material weakness, which included implementing an accounting system that has the ability to better manage segregation of duties and controls over the preparation and review of journal entries, and engaging external consultants to conduct a review of processes that involve financial data within our accounting and proprietary systems. This review, which is ongoing, includes identification of potential risks, documentation of processes and recommendations for improvement. We are still in the process of completing the remediation of the previously identified material weakness. Therefore, in connection with the audit of our 2017 consolidated financial statements, we and our independent registered public accounting firm concluded that there remains a material weakness related to the accounting and proprietary systems used in our financial reporting process.

See “Risk Factors—Material weaknesses in our internal control over financial reporting may cause us to fail to timely and accurately report our financial results or result in material misstatement of our financial statements.”

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with GAAP. The preparation of our financial statements requires us to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures. We base our estimates on historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates. The critical accounting policies, estimates and judgments that we believe to have the most significant impacts to our consolidated financial statements are described below.

Inventory

Inventory consists of finished goods, which are recorded at the lower of cost or net realizable value using the specific identification method. We establish a reserve for excess and slow-moving inventory we expect to write off based on historical trends. In addition, we estimate and accrue shrinkage and damage as a percentage of revenue based on historical trends. Inventory shrinkage and damage estimates are made to reduce the inventory value for lost, stolen or damaged items. If actual experience differs significantly from our estimates, our operating results could be adversely affected.

Stock-Based Compensation

We grant stock options to our employees, consultants and members of our board of directors and recognize stock-based compensation expense based on the fair value of stock options at grant date. We estimate the fair

value of stock options using the Black-Scholes option-pricing model. This model requires us to use certain estimates and assumptions such as:

- Fair value of our common stock—estimated using the methodology as discussed below in *Common Stock Valuation*;
- Expected volatility of our common stock—based on the volatility of comparable publicly-traded companies;
- Expected term of our stock options—as we do not have sufficient historical experience for determining the expected term of the stock option awards granted, we base our expected term on the simplified method, which represents the mid-point between the vesting date and the end of the contractual term;
- Expected dividend yield—as we have not paid and do not anticipate paying dividends on our common stock, our expected dividend yield is 0%; and
- Risk-free interest rates—based on the U.S. Treasury zero coupon notes in effect at the grant date with maturities equal to the expected terms of the options granted.

If any of the assumptions used in the Black-Scholes option-pricing model changes significantly, stock-based compensation for future awards may differ materially compared with the awards granted previously.

We record stock-based compensation expense net of estimated forfeitures so that expense is recorded for only those stock options that we expect to vest. We estimate forfeitures based on our historical forfeiture of stock options adjusted to reflect future changes in facts and circumstances, if any. We will revise our estimated forfeiture rate if actual forfeitures differ from our initial estimates.

We have granted certain option awards that contain both service and performance conditions. The service condition will be satisfied ratably over the 24-month period following the fourth anniversary of the grant date. The performance condition will be satisfied upon the occurrence of an initial public offering, or IPO, within 12 months of the grant date. Expense related to awards which contain both service and performance conditions is recognized using the accelerated attribution method. No expense will be recorded related to these awards until the performance condition becomes probable of occurring, which is upon consummation of the IPO.

Common Stock Valuations

The valuation of our common stock was determined based on the guidelines outlined in the American Institute of Certified Public Accountants Accounting & Valuation Guide, Valuation of Privately-Held-Company Equity Securities Issued as Compensation.

We considered objective and subjective factors to determine our best estimate of the fair value of our common stock including the following factors:

- contemporaneous valuations of our common stock by an independent valuation specialist;
- the prices, rights, preferences and privileges of our convertible preferred stock relative to the common stock;
- the prices of our common stock in sale transactions;
- our operating and financial performance and projections;
- the likelihood of achieving a liquidity event, such as an initial public offering given internal company and external market condition;
- the lack of marketability of our common stock;
- the market multiples of comparable publicly traded companies; and
- macroeconomic conditions and outlook.

In 2016 and through the three months ended October 29, 2016, the equity value of our business was determined using the market approach. The market approach estimates the fair value of a company by applying market multiples of comparable publicly traded companies in the same industry or similar lines of business. The selection of our comparable industry peer companies requires us to make significant judgments as to the comparability of these companies to us. We considered several factors including business description, business size, market share, revenue model, development stage and historical operating results. The equity value was then allocated to the common stock using the Option Pricing Method, or OPM. The OPM treats common shares and preferred shares as call options on the total equity value of a company, with exercise prices based on the value thresholds at which the allocation among the various holders of a company's securities changes. Under this method, the common shares have value only if the funds available for distribution to shareholders exceed the value of the preferred shares liquidation preferences at the time of the liquidity event, such as a strategic sale or a merger.

Starting in the three months ended January 28, 2017, we began using a hybrid method, which is an application of the Probability Weighted Expected Return Method, or PWERM, in which at least one of the scenarios includes an OPM analysis. In our application of the hybrid method a discrete IPO scenario was weighted with an OPM analysis (intended to represent exit scenarios other than the defined IPO scenario). For the IPO scenario, our enterprise value was estimated using a market approach. The market approach estimated the fair value of our company by applying market multiples derived from companies that recently completed IPO transactions. We then applied an appropriate weighting to the results of each scenario to determine the per share fair value of our common stock. The determination of the weighting requires significant judgment including our overall expectations for a possible IPO.

Following this offering, it will not be necessary to determine the fair value of our common stock using this valuation approach as shares of our common stock will be traded in the public market.

Remeasurement of Preferred Stock Warrant Liability

Our preferred stock warrants are classified as liabilities and recorded at fair value at the end of each reporting period with the change in fair value recorded in the statements of operations. We expect to continue to remeasure these warrants until they are exercised. In connection with this offering, our warrants will be automatically exercised for no consideration. We estimate the fair value of our preferred stock using a methodology and assumptions that are consistent with those used in estimating the fair value of our common stock discussed above.

Income Taxes

We are subject to income taxes in the United States. We compute our provision for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that are expected to apply to taxable income for the years in which those tax assets and liabilities are expected to be realized or settled.

Significant judgment is required in determining our uncertain tax positions. We continuously review issues raised in connection with all ongoing examinations and open tax years to evaluate the adequacy of our tax liabilities. We evaluate uncertain tax positions under a two-step approach. The first step is to evaluate the uncertain tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained upon examination based on its technical merits. The second step is, for those positions that meet the recognition criteria, to measure the tax benefit as the largest amount that is more than 50% likely of being realized. We believe our recorded tax liabilities are adequate to cover all open tax years based on our assessment. This assessment relies on estimates and assumptions and involves significant

judgments about future events. To the extent that our view as to the outcome of these matters changes, we will adjust income tax expense in the period in which such determination is made. We classify interest and penalties related to income taxes as income tax expense.

Revenue Recognition

While our revenue recognition does not involve significant judgment, it represents an important accounting policy. Revenue is recognized net of sales taxes, discounts and estimated refunds. We generate revenue when clients purchase merchandise, at which point we apply the nonrefundable upfront styling fee against the price of merchandise purchased. If none of the items within the Fix are purchased, we recognize the nonrefundable upfront styling fee as revenue at that time. If a client exchanges an item, we recognize revenue at the time the client receives the new item. Sales tax collected from clients is not considered revenue and is included in accrued liabilities until remitted to the taxing authorities. Discounts are recorded as a reduction to revenue when merchandise is purchased. We record a refund reserve based on our historical refund patterns.

We sell gift cards to clients and establish a liability based on the face value of such gift cards. The liability is relieved and we recognize revenue upon redemption by our clients. For unredeemed gift cards, we will recognize revenue when the likelihood of gift card redemption becomes remote. To date, we have not recognized any revenue related to unredeemed gift cards as we believe we do not have sufficient historical data available to estimate the likelihood of redemption becoming remote.

JOBS Act Accounting Election

We are an “emerging growth company”, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Under the JOBS Act, “emerging growth companies” can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update, or ASU, No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, or ASU 2014-09, which amended the existing FASB Accounting Standards Codification. ASU 2014-09 establishes a principle for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services and also provides guidance on the recognition of costs related to obtaining and fulfilling customer contracts. We expect to adopt this standard in our first quarter of 2019. We are in the process of evaluating the impact this standard will have on our consolidated financial statements. As part of our process, we are still assessing the adoption methodology, which allows the amendment to be applied either retrospectively to each prior period presented or with the cumulative effect recognized as of the date of initial application.

In July 2015, the FASB issued ASU No. 2015-11, *Inventory: Simplifying the Measurement of Inventory (Topic 330)*. The new guidance replaces the current inventory measurement requirement of lower of cost or market with the lower of cost or net realizable value. We early adopted this standard beginning in 2017 with no impact on our consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, or ASU 2016-02, which requires lessees to record most leases on their balance sheets but recognize the expenses on their income statements in a

manner similar to current practice. ASU 2016-02 states that a lessee would recognize a lease liability for the obligation to make lease payments and a right to use asset for the right to use the underlying asset for the lease term. We expect to adopt this standard in our first quarter of 2020. We are currently evaluating the impact that this standard will have on our consolidated financial statements but we expect that it will result in a substantial increase in our long-term assets and liabilities.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation – Stock Compensation: Improvements to Employee Share Based Payment Accounting (Topic 718)*, which simplifies the accounting and reporting of stock-based payment transactions, including adjustments to how excess tax benefits and payments for tax withholdings should be classified and provides the election to eliminate the estimate for forfeitures. We expect to adopt this standard in the first quarter of 2018. We do not expect the adoption of this standard to have a material impact on our consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes: Intra-Entity Transfers of Assets Other Than Inventory (Topic 740)*, which amends existing guidance on the recognition of current and deferred income tax impacts for intra-entity asset transfers other than inventory. This amendment should be applied on a modified retrospective basis. We expect to adopt this standard in 2019 and are currently evaluating the impact that it will have on our consolidated financial statements.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows: Restricted Cash (Topic 230)*, or ASU 2016-18. ASU 2016-18 requires that the statement of cash flows explains the change during the period in the total cash, cash equivalents and restricted cash. We early adopted this standard beginning in 2017 and have retroactively adjusted the consolidated statements of cash flows for all periods presented.

LETTER FROM KATRINA LAKE, FOUNDER AND CEO

Hello,

Every day, every one of us sets the stage for our sentiment, our confidence and our success by getting dressed. When you feel great, when you feel your best, it opens up a world of possibility. Feeling confident and self-assured are important inputs into good days, successful days and happy days.

At Stitch Fix we are privileged to play a part in this daily ritual for millions of clients across the United States.

I founded Stitch Fix to take on a very human problem: How do I find clothes I love? Like most people, I want to look stylish and feel my best. Spending a day at the mall, or devoting hours of time to sifting through millions of products online is time consuming, overwhelming and neither effective nor enjoyable. I knew there had to be another way.

Technology has transformed our daily lives, changing how we communicate with loved ones, listen to music, consume news or move around a city. And yet, the challenge of finding jeans that fit is remarkably untouched by 21st century technology. Apparel is a huge and meaningful market, over $300 billion in the U.S. alone. Yet, the vast majority, 85%, is still purchased offline, just as it was a century ago.

Stitch Fix is not better stores, it's not better eCommerce, it's a better way.

Stitch Fix is founded on a core set of beliefs. These beliefs are the foundational pillars of our success.

Client-First, Always

Stitch Fix was built one client at a time, one personal relationship at a time. There is a beautiful simplicity to success in our business: the better we are at helping our clients find what they love, the better our business is. This powerful alignment we have provides continued incentive to putting clients at the center of everything we do, which I believe to be critical to our success and the long-term health of our company.

Personalization is the Future

Our success as a business is inextricably linked to our personalization capabilities. We strongly believe that most existing retail constructs are insufficient and out of date. We also believe our model of personalization, getting to know every client, each product, and generating relevant and actionable recommendations, to be superior and enduring, especially for the many people who hate to shop. I believe we are the best in the world at personalizing in apparel at scale, but I also know that we are just at the beginning of how powerful personalization can be.

Humans + Data, Better Together

Our business is built with the belief that data and technology make us humans better. Our algorithmic recommendations are a powerful partner to our stylists. Our stylists are freed from rote calculations and tasks and are able to focus on what they are uniquely, extraordinarily good at—creating human connections, being creative, providing valuable context to their choices. This partnership can power more meaningful, more human jobs. The philosophy of leveraging strengths of humans and technology and combining them in a powerful partnership extends broadly within Stitch Fix, not just in our styling, but also in our operations, in our buying and in our customer care.

Building for Long Term

The relationships we build with our clients are long term in nature. I style clients myself—the relationships I have with my clients are diverse and ever evolving. Some of my clients have received Fixes consistently for years, I have others who schedule as the need arises, and some who prefer specific occasion or product-focused Fixes. Optimizing for client satisfaction, regardless of transaction size, or frequency of transactions, is our long-term strategy. This approach applies to all of our client relationships, but also to our business more broadly. There have been, and will continue to be opportunities to invest in the business with a long-term view for success. Whether it is in new businesses, in data science and engineering capabilities or in opportunities to broaden our share of wallet, we are relentlessly committed on the long term - for our clients, and also for our shareholders.

In Search of a Better Way

The premise of Stitch Fix—that clients don't choose what's in their Fix—is bold. We have historically and will continue to make choices and decisions that challenge conventional thinking. Some of these decisions will prove to be successful, others will not. But we learn and grow from them all. Stitch Fix was founded in search of a better way, and it's a philosophy that extends to the way that we approach problem solving and challenges of all scale and sizes.

Look Good, Feel Good, Be Good

When I founded Stitch Fix, I wanted to create a company that I would want to work at for the rest of my life. As a founder, I have both the privilege and the responsibility of creating the future. I am immensely proud that this is a company that is successful because of our values and our culture. I take pride in creating a business and cultivating a culture in which diversity of perspectives is celebrated. It makes us all better. I believe that we can generate great shareholder value in a business that creates positive change in the world. At Stitch Fix, we believe that we can make our industry better through our business. We can create meaningful jobs, be the workplace of the future, drive positive change through our vendor community and reduce the impact apparel has on the planet. We believe that a world full of more confident, more self-assured people is a better, more successful world.

Thank You

I am immensely grateful to everyone who believed in us and supported us over the years. First and foremost, our clients: Thank you for your support, for bringing us into your lives and for making this work so rewarding. To our employees: Thank you for your commitment, for your partnership, for being bright, kind and goal-oriented and for creating a culture that makes #StitchFixLife so great. I am also grateful for our forward-thinking board of directors and investors. Thank you for the valuable support, conviction and guidance.

Welcome

While we're proud of all that we've achieved, we share the feeling that we're just beginning. We believe in a wide lens of possibility, and we're just getting started. We are very excited for the many chapters to come for Stitch Fix and looking forward to welcoming more partners on this journey.

Katrina Lake

BUSINESS

Overview

Stitch Fix is transforming the way people find what they love, one client at a time and one Fix at a time.

Stitch Fix was inspired by the vision of a client-first, client-centric new way of retail. What people buy and wear matters. When we serve our clients well, we help them discover and define their styles, we find jeans that fit and flatter their bodies, we reduce their anxiety and stress when getting ready in the morning, we give them confidence in job interviews and on first dates and we give them time back in their lives to invest in themselves or spend with their families. Most of all, we are fortunate to play a small part in our clients looking, feeling and ultimately being their best selves.

We are reinventing the shopping experience by delivering one-to-one personalization to our clients through the combination of data science and human judgment. This combination drives a better client experience and a more powerful business model than either element could deliver independently.

Since our founding in 2011, we have helped millions of clients discover and buy what they love through personalized shipments of apparel, shoes and accessories, hand-selected by Stitch Fix stylists and delivered to our clients' homes. We call each of these shipments a Fix. Clients can choose to schedule automatic shipments or order a Fix on-demand after they fill out a style profile on our website or mobile app. For each Fix, we charge clients a styling fee that is credited toward items they purchase. After receiving a Fix, our clients purchase the items they want to keep and return the other items, if any, at no additional charge.

Stitch Fix was founded with a focus on Women's apparel. In our first few years, we were able to gain a deep understanding of our clients and merchandise and build the capability to listen to our clients, respond to feedback and deliver the experience of personalization. More recently, we have extended those capabilities into Petite, Maternity, Men's and Plus apparel, began offering different product types including shoes and accessories and expanded the number of brands we offer. Our stylists leverage our data science and apply their own judgment to hand select apparel, shoes and accessories for our clients from a broad selection of merchandise.

We are successful when we are able to help clients find what they love again and again, creating long-term, trusted relationships. Our clients share personal information with us, including detailed style, size, fit and price preferences, as well as unique inputs, such as how often they dress for certain occasions or which parts of their bodies they like to flaunt or cover up. Our clients are motivated to share these personal details with us and provide us with ongoing feedback because they recognize that doing so will result in more personalized and successful experiences. This feedback also creates a valuable network effect by helping us to better serve other clients. As of July 29, 2017, we had 2,194,000 active clients. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics" for information on how we define and calculate active clients. In 2016 and 2017, our repeat rate was 83% and 86%, respectively. We define repeat rate for a given period as the percentage of revenue, excluding styling fees, deductions for estimated refunds, gift card redemptions, referral credit adjustments and clearance sales, but including sales tax, in that period recognized from clients who have ever previously checked out a Fix.

The very human experience that we deliver is powered by data science. Our data science capabilities consist of our rich data set and our proprietary algorithms, which fuel our business by enhancing the client experience and driving business model efficiencies. The vast majority of our client data is provided directly and explicitly by the client, rather than inferred, scraped or obtained from other sources. We also gather extensive merchandise data, such as inseam, pocket shape, silhouette and fit. This large and growing data set provides the foundation for proprietary algorithms that we use throughout our business, including those that predict purchase behavior, forecast demand, optimize inventory and enable us to design new apparel. We believe our data science capabilities give us a significant competitive advantage, and as our data set grows, our algorithms become more powerful.

Our stylists leverage our data science through a custom-built, web-based styling application that provides recommendations from our broad selection of merchandise. Our stylists then apply their judgment to select what they believe to be the best items for each Fix. Our stylists provide a personal touch, offer styling advice and context to each item selected and help us develop long-term relationships with our clients.

We offer merchandise across multiple price points and styles from over 700 brands, including established and emerging brands, as well as our own private labels, which we call Exclusive Brands. Many of our brand partners also design and supply items exclusively for our clients.

We have scaled our business rapidly, profitably and in a capital-efficient manner, having raised only $42.5 million of equity capital since inception. We have achieved positive cash flows from operations on an annual basis since 2014, while continuing to make meaningful investments to drive growth. In 2015, 2016 and 2017, we reported $342.8 million, $730.3 million and $977.1 million in revenue, respectively, representing year-over-year growth of 113.0% and 33.8%, respectively. We had net income of $33.2 million in 2016 and a net loss of $0.6 million in 2017, and reported $72.6 million and $60.6 million in adjusted EBITDA in 2016 and 2017, respectively. As of August 1, 2015, July 30, 2016 and July 29, 2017, we had 867,000 active clients, 1,674,000 active clients and 2,194,000 active clients, respectively, representing year-over-year growth of 93.1% and 31.1%, respectively. See the section titled “Selected Consolidated Financial and Other Data—Non-GAAP Financial Measures” for information regarding our use of adjusted EBITDA and its reconciliation to net income (loss) determined in accordance with U.S. generally accepted accounting principles, or GAAP.

Industry Overview

Technology is Driving Transformation Across Industries

Technological innovation has profoundly impacted how consumers discover and purchase products, forcing businesses to adapt to engage effectively with consumers. We believe that new business models that embrace these changes and truly focus on the consumer will be the winners in this changing environment.

The Apparel, Shoes and Accessories Market is Massive but Many Retailers have Failed to Adapt to Changing Consumer Behavior

The U.S. apparel, shoes and accessories market is large, but we believe many brick-and-mortar retailers have failed to adapt to evolving consumer preferences. Euromonitor, a consumer market research company, estimated that the U.S. apparel, footwear and accessories market was $353 billion in calendar 2016. Euromonitor expects this market to grow to $421 billion by calendar 2021, a compound annual growth rate, or CAGR, of 3.6%.

Historically, brick-and-mortar retailers have been the primary source of apparel, shoes and accessories sales in the United States. Over time, brick-and-mortar retail has changed and the era of salespersons who know each customer on a personal level has passed. We believe many of today’s consumers view the traditional retail experience as impersonal, time-consuming and inconvenient. This has led to financial difficulties, bankruptcies and store closures for many major department stores, specialty retailers and retail chains. For example, Macy’s, one of the largest department stores in the United States, announced in August 2016 its intent to close approximately 100, or 11%, of its stores and Michael Kors, a specialty retailer, announced in May 2017 its intent to close at least 100, or 12%, of its stores. The struggles of traditional retailers are also reflected in broader market data. According to the U.S. Census Bureau, average monthly department store sales declined $6.4 billion, or 33%, from calendar 2000 to calendar 2016.

eCommerce is Growing, but has Further Depersonalized the Shopping Experience

The internet has created new opportunities for consumers to shop for apparel. eCommerce continues to take market share from brick-and-mortar retail. Euromonitor estimated that the eCommerce portion of the U.S.

apparel, footwear and accessories market was $55 billion in calendar 2016. Euromonitor expects the eCommerce portion of this market to grow to $94 billion by calendar 2021, a CAGR of 11.4%. This represents an expansion of eCommerce penetration of the U.S. apparel, footwear and accessories market from 15.5% of $353 billion in calendar 2016 to 22.3% of $421 billion in calendar 2021.

The first wave of eCommerce companies prioritized low price and fast delivery. This transaction-focused model is well-suited for commoditized products and when consumers already know what they want. However, we believe eCommerce companies often fall short when consumers do not know what they want and price and delivery speed are not the primary decision drivers. There is an overwhelming selection of apparel, shoes and accessories available to consumers online, and searches and filters are poor tools when it comes to finding items that fit one's style, figure and occasion. eCommerce companies also lack the critical personal touchpoints necessary to help consumers find what they love, further depersonalizing the shopping experience.

Personalization is the Next Wave

To be relevant today, retailers must find a way to connect with consumers on a personal level and fit conveniently into their lifestyles. Personalization in retail can be difficult and nuanced, as consumers consider many factors that can be difficult to articulate, including style, size, fit, feel and occasion. We believe that an intelligent combination of data science and human judgment is required to deliver the personalized retail experience that consumers seek.

Our Offering

Stitch Fix combines data science and human judgment to deliver one-to-one personalization to our clients at scale. We help millions of clients discover and buy what they love through data-driven, personalized, hand-selected shipments of apparel, shoes and accessories.

Our Data Science Advantage

Our data science capabilities fuel our business. These capabilities consist of our rich and growing set of detailed client and merchandise data and our proprietary algorithms. We use data science throughout our business, including to style our clients, predict purchase behavior, forecast demand, optimize inventory and design new apparel.

Our data set is particularly powerful because:

- the vast majority of our client data is provided directly and explicitly by the client, rather than inferred, scraped or obtained from other sources;
- our clients are motivated to provide us with relevant personal data, both at initial signup and over time as they use our service, because they trust it will improve their Fixes; and
- our merchandise data tracks dimensions that enable us to predict purchase behavior and deliver more personalized Fixes.

On average, each client directly provides us with over 85 meaningful data points through his or her style profile, including detailed style, size, fit and price preferences, as well as unique inputs such as how often he or she dresses for certain occasions or which parts of his or her body a client likes to flaunt or cover up. Over time, through their feedback on Fixes they receive, clients share additional information about their preferences as well as detailed data about both the merchandise they keep and return. Historically, over 85% of shipments have resulted in direct client feedback. This feedback loop drives important network effects, as our client-provided data informs not only our personalization capabilities for the specific client, but also helps us better serve other clients.

We believe our proprietary merchandise data set is differentiated from other retailers. We encode each of our SKUs with many information attributes to help our algorithms make better recommendations for our clients. The information we store for each SKU includes:

- basic data, such as brand, size, color, pattern, silhouette and material;
- item measurements, such as length, width, diameter of sleeve opening and distance from collar to first button;
- nuanced descriptors, such as how appropriate the piece is for a client that prefers preppy clothing or whether it is appropriate for a formal event; and
- client feedback, such as how the item fit a 5'10" client or how popular the piece is with young mothers.

Our algorithms use our data set to match merchandise to each of our clients. For every combination of client and merchandise, we compute the probability the client will keep that item based on her and other clients' preferences and purchase history as well as the attributes and past performance of the merchandise. For example, our Delila embroidery neckline knit top is purchased 52% of the time it is included in a Fix. However, for a particular client for whom it is well suited, our algorithms may predict she is 80% likely to purchase the item if it were included in her Fix. This allows us to more efficiently tailor every Fix to each client's specific preferences.

Pairing Data Science with Human Judgment

The combination of data science and human judgment drives a better client experience and a more powerful business model than either element could deliver independently. Our advanced data science capabilities harness the power of our data for our stylists by generating predictive recommendations to streamline our stylists' individualized curation process. Stylists add a critical layer of contextual, human decision making that augments and improves our algorithms' selections and ultimately produces a better, more personalized Fix for each client.

Our Differentiated Value Proposition

Our Value Proposition to Clients

Our clients love our service for many reasons. We help clients find apparel, shoes and accessories that they love in a way that is convenient and fun. We save our clients time by doing the shopping, delivering Fixes right to their homes, allowing them to try on merchandise in the comfort of their homes and in the context of their own closets and making the return process simple. Our expert styling service connects each client to a professional who will understand her fashion needs, hand select items personalized to her and offer her ongoing style advice. Clients also value the quality and diversity of our merchandise as we deliver the familiar brands they know, offer items they can't find anywhere else and expand their fashion palette by exposing them to new brands and styles they might not have tried if they shopped for themselves. We often hear from clients that we have helped them find the perfect pair of jeans or discover a dress silhouette they never would have selected for themselves. In these situations, not only is our service more convenient, it is in fact more effective at helping clients find what they love. We proudly style men and women across ages, sizes, tastes, geographies and price preferences.

Our Value Proposition to Brand Partners

We believe that we are a preferred channel and a powerful growth opportunity for our brand partners. Unlike many sales channels, we do not rely on discounts or promotions. Also, by introducing our clients to brands they may not have shopped for, we help our brand partners reach clients they may not have otherwise reached. Further, we provide our brand partners with insights based on client feedback that help our brand partners improve and evolve their merchandise to better meet consumer demand.

Our Strengths

Since we were founded in 2011, we have shipped millions of Fixes to clients throughout the United States. We have achieved this success due to our following key strengths:

Our Rich Client and Merchandise Data. We believe that we are the only company that has successfully combined rich client data with detailed merchandise data to provide a personalized shopping experience. Our data set provides meaningful, predictive insight for each client and benefits from a perpetual feedback loop that drives powerful network effects. On average, each client directly provides us with over 85 meaningful data points through his or her style profile. Clients continue to provide feedback on an ongoing basis through our checkout surveys, their written feedback and updates to their style profile. We also receive data implicitly through the items that clients keep and those that they return. Further, we gather extensive data associated with each piece of inventory that we buy or create, such as inseam, pocket shape, silhouette and fit. This data set provides us with unique insights that allow us to continue refining and improving the shopping experience for our clients.

Our Expert Data Science Team and Proprietary and Predictive Algorithms. Our high-caliber data science team consists of more than 75 members, the majority of whom have Ph.Ds. This team has developed proprietary algorithms that we use across our business to take advantage of our large data set. These algorithms enable us to better style our clients, predict purchase behavior, forecast demand, optimize inventory and design new apparel.

Our 3,400+ Stylist Organization. Our stylist organization consists of over 3,400 passionate and creative employees. Stylists deliver the critical human component required to build one-to-one relationships, make better recommendations and provide a highly personalized experience for each client. By arming our stylists with algorithmic recommendations based on highly actionable proprietary data in addition to specific client requests and feedback, we enable the critical human contribution to personalize each Fix.

Our Unique Combination of Data Science and Human Judgment. The combination of humans, data and algorithms drives a better client experience and a more powerful business model than any of these elements can deliver independently. Humans are typically better than algorithms at creativity, improvisation, curation and empathy, while algorithms are typically better at performing repeatable functions and calculations at scale with large volumes of data. We employ the best of what humans, data and algorithms can provide. We believe the result of this unique combination is much greater than the sum of its parts, gives us a superior business model and enables us to offer true one-to-one personalization to our clients at scale.

Our Strategy

We aim to transform the way people find what they love. We plan to achieve this goal by continuing to:

Expand Our Relationships with Existing Clients. Because our clients share personal data and feedback, we can continuously improve the personalization of our offering, better meet our diverse clients' preferences and build long-term relationships. We intend to seek ways to better serve our existing clients by:

- developing new and novel ways for our clients to engage with us through social media, mobile apps and other channels;
- broadening our selection of stylish, high quality merchandise through our brand partners, including items that are exclusive to Stitch Fix, and our own Exclusive Brands; and
- investing in our data science and technology platform to advance our personalization capabilities.

These initiatives will be designed to improve client engagement and satisfaction and expand our client closet share over time.

Acquire New Clients. To date, we have focused on Women's, Petite, Maternity, Men's and Plus categories in the United States. We believe there is significant opportunity to attract new clients in these categories. We intend to increase brand awareness and cost-effectively reach new clients through a combination of word of mouth, referrals, advertising and other marketing efforts.

Expand Our Addressable Market. Our data science capabilities and powerful business model have enabled us to successfully expand from the Women's category into multiple new categories, such as Petite, Maternity, Men's and Plus, and product types such as shoes and accessories. We expect to continue expanding into new categories and product types, and we may also expand into new geographies. We plan to continue to leverage our data science and infrastructure from our existing categories and product types to expand quickly and in a capital-efficient manner.

How It Works

Our Client Offering: The Fix

A Fix is a Stitch Fix-branded box containing a combination of apparel, shoes and accessories personally selected for a client by her Stitch Fix stylist and delivered to the client for her to try on in the comfort of her own home. She can keep some, all or none of the items in the Fix and easily return any items in a postage-prepaid bag provided in the Fix. One of our stylists individually selects each item in a Fix for a client from a broad selection of merchandise recommended to the stylist by our algorithms. These algorithmic recommendations are based on the client's personal style profile, her own order behavior, the aggregate historical behavior of our client base and the aggregate historical data we have collected on each item of merchandise we have available.

We alleviate many of the pain points clients experience in their existing shopping experience. We provide clients with the convenience of trying on clothes in the comfort of their own homes and in the context of their own closets prior to making a purchase decision. We offer our clients selections from a broad variety of merchandise and brands that are personalized to meet their individual style, size, fit and price preferences. We also enable clients to discover new brands and explore new styles that they may never have found while shopping on their own.

The Client Experience

Our clients are motivated to share personal details with us and to give us ongoing feedback about their individual style, size, fit and price preferences because they recognize that doing so will result in more personalized and successful experiences. We have numerous touch points with our clients. Before a client receives his or her first Fix, he or she shares the following information with us:

- *Style profile*. Upon registering, each client fills out a style profile on either our website or mobile application. The style profile allows us to introduce ourselves to a client, initiate a dialogue and start gathering data. A client can update his or her profile at any time. The style profile is a questionnaire through which they give us highly personal information, such as:
  - style, size, fit and price preferences;
  - preferred and disliked colors, patterns and fabrics;
  - how often he or she would like to receive items specific to various occasions, such as for work, a date night or casual weekends;
  - how adventurous he or she would like the items in his or her Fix to be;
  - personal details, such as which parts of his or her body he or she prefers to flaunt or cover-up, or if she is pregnant and interested in maternity clothing; and
  - links to social media accounts to give us a more comprehensive view of his or her individual style preferences.

- *Personal note to stylist*. Each client can share a personal note with his or her stylist when placing a Fix order or after receiving a Fix. For example, a client might request shoes for a friend's wedding or shorts for an upcoming vacation. These personal notes enable us to better personalize a Fix. Some clients share notes with us regularly, forming relationships over several years and spanning life milestones, such as marriage or the birth of a child.

After completing her initial style profile, a client chooses her preferred order frequency and can select the exact date by which she wants to receive her Fix. We currently offer two types of Fix scheduling:

- *Auto-ship*. A client can elect to auto-ship Fixes every two to three weeks, monthly, bi-monthly or quarterly.
- *On-demand*. Our on-demand option allows clients to schedule a one-time Fix at any time, either instead of or in addition to utilizing the auto-ship option. An on-demand client is prompted to schedule her next Fix each time she checks out, but is not obligated to do so.

We recognize that our clients have different needs, so our Fix frequency options are another way that we personalize the client experience. Each client can increase or decrease the Fix frequency at any time, and can also easily reschedule any given shipment to better accommodate her needs. Each Fix is delivered to the client's address of choice.

In addition to a personalized selection of apparel, shoes and accessories, each Fix also includes a personal note from the stylist and a style card to provide clients with outfit ideas for each item.

Opening up a Fix is a treasured moment for our clients. Our clients often post videos, photos and testimonials on social media and their personal blogs to capture their excitement when unboxing their Fixes. We are proud to have created a community of clients who are excited to share what they receive in their Fixes.

Once a client decides which items she wishes to keep she can easily check out and pick the delivery date for her next Fix via our website or mobile application.

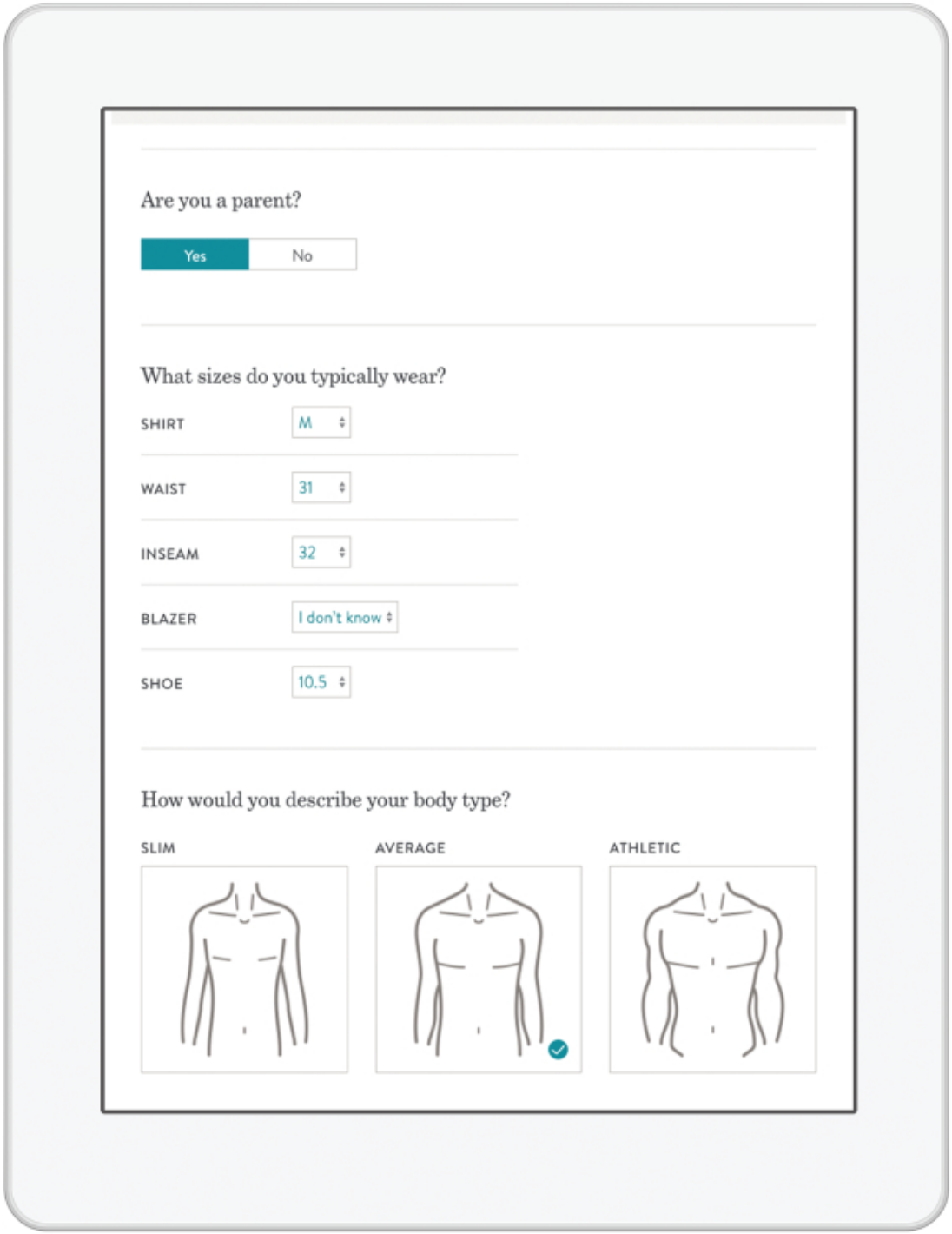
During the checkout process, each client is invited to provide feedback about the fit, price, style and quality of the items received. The client can return the items she does not want or exchange items for a different size if available, using the postage-prepaid bag delivered in her Fix. We request that clients return items to us that they do not wish to purchase within three calendar days of receiving a Fix.

We charge clients a $20 styling fee for each Fix, which is credited toward the merchandise purchased. If the client chooses to keep all items, she receives a 25% discount on the entire shipment. Historically, over 85% of shipments have resulted in direct client feedback. This feedback informs both our algorithms and stylists to improve each future Fix.

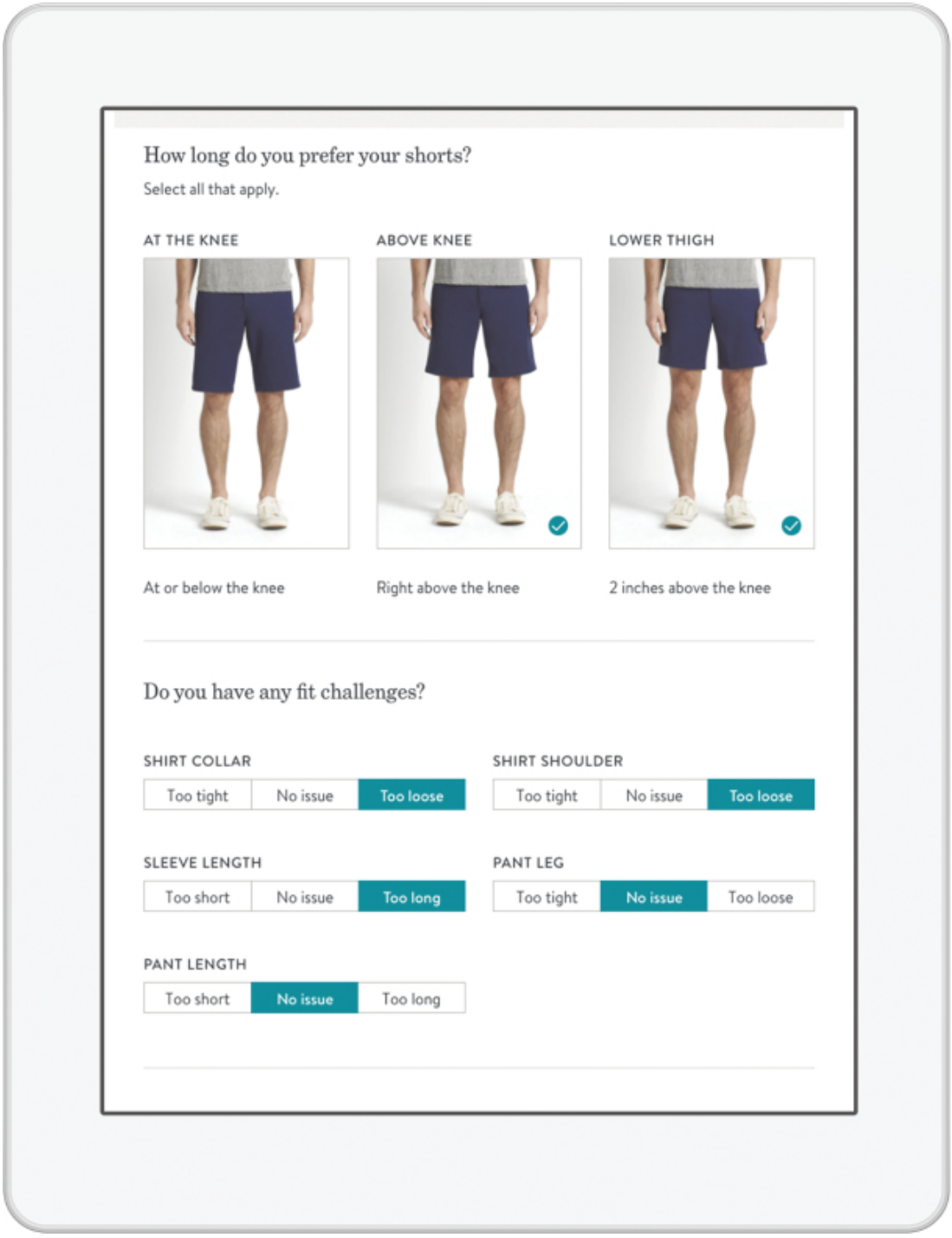
Images on the following pages illustrate elements of our men's style profile.

Table of Contents

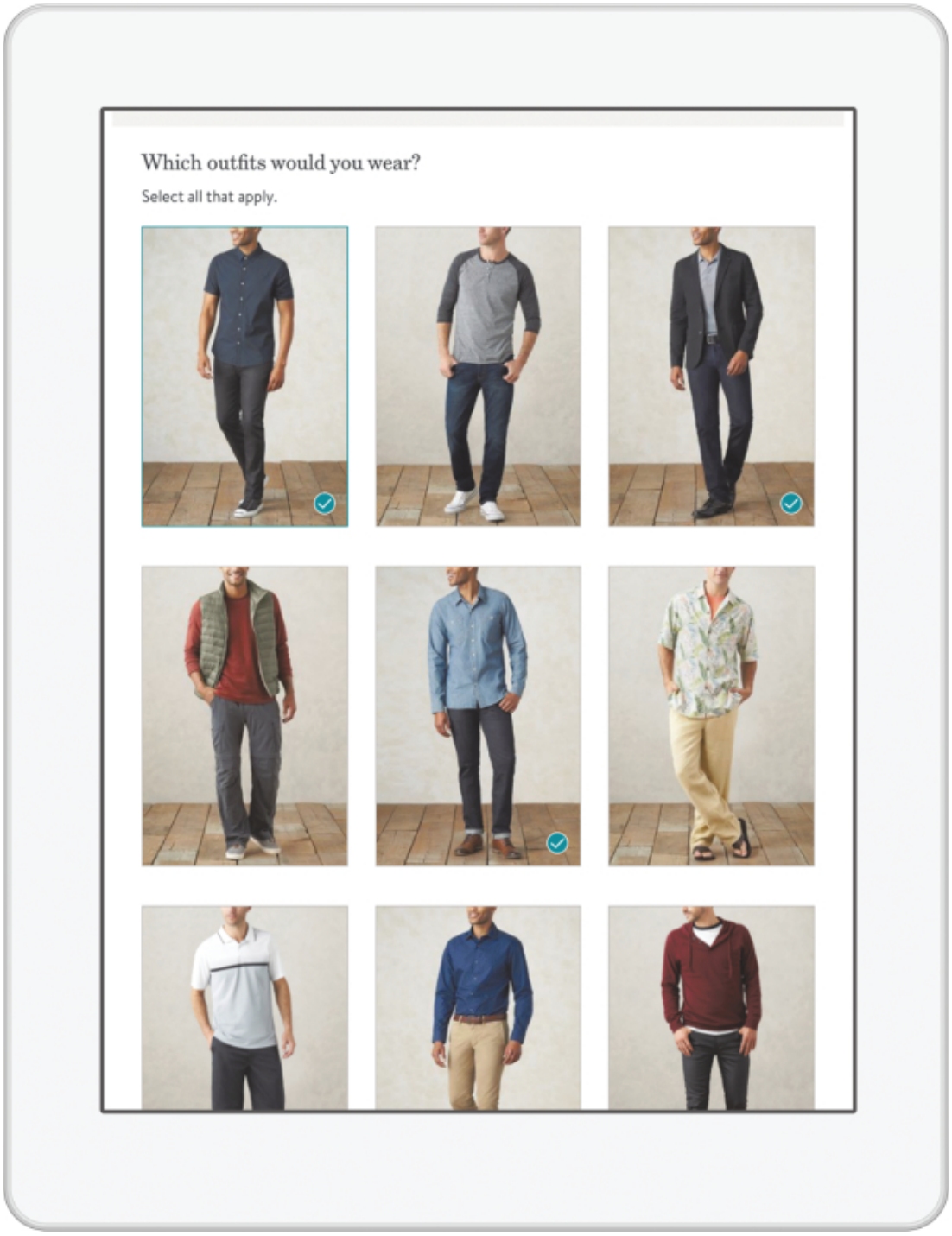
Men's Style Profile: Size



Men's Style Profile: Fit



Men's Style Profile: Style



Our Data Science

Our Unique Data Set

We believe we are the only company that has successfully combined rich client data with detailed merchandise data to provide a personalized shopping experience for consumers. Clients directly provide us with meaningful data about themselves, such as style, size, fit and price preferences, when they complete their initial style profile and provide additional rich data about themselves and the merchandise they receive through the feedback they provide after receiving a Fix. Our clients are motivated to provide us with this detailed information because they recognize that doing so will result in a more personalized and successful experience. This perpetual feedback loop drives important network effects, as our client-provided data informs not only our personalization capabilities for the specific client, but also helps us better serve other clients. For example, a client may tell us in her feedback from a Fix that a size small blouse was the right size, but fit too tight in the shoulders. Based on the detailed information we know about that client's body proportions and fit preferences and the item specific merchandise data we gather about the blouse, our stylists, informed by our algorithms' recommendations, will not recommend that blouse to clients with similar body proportions and fit preferences. We believe our client feedback loop and its corresponding network effects ultimately contribute to better personalization for all of our clients.

Our Proprietary Algorithms

We use data science to both enhance the client experience and optimize our business model efficiency. Our business model leverages proprietary algorithms, developed by our team of over 75 data scientists, that are utilized across our business, including in recommendation systems, human computation, resource management, inventory management and apparel design. Experimentation and algorithm development are deeply ingrained in our business. As our data set grows, our algorithms become more powerful. Our proprietary algorithms include:

Client Experience Algorithms

- *Styling algorithm.* For each Fix, our proprietary algorithms analyze client-level, item-level and Fix-level data to match the client's preferences with our available inventory. The algorithm assigns each available item a score that reflects the probability that the client will like that item. The best matches are presented as options in the web-based styling application, and the stylist then provides the final, human layer of judgment to select the items that the client receives in his or her Fix.
- *New style development*. Our algorithms identify client needs that are underserved or unmet in the market, whether that is finding the perfect fitting blouse at the right price point or a comfortable yet stylish t-shirt off season. Once a particular need is identified, our new style development algorithms work to create a solution to that need. The algorithms disaggregate various popular attributes of the item of apparel, such as collar design, sleeve length, pocket angle, color, pattern and fabric, and then recombine these traits into apparel items in order to meet these needs and provide new design recommendations for our Exclusive Brands. Developing exclusive items using our algorithms increases our ability to delight clients with stylish and properly-fitting merchandise at the right price points.
- *Stylist assignment.* Our matchmaking algorithms optimize which of our available stylists will be best able to serve a client based on the particular characteristics of each client and stylist. The matching process is a complex function of the history between the client and stylist (if any), and affinities we may detect between a client and a stylist, such as the client's stated and latent style preferences compared with those of the stylist, geographic proximity or demographic profile.

Business Model Efficiency Algorithms

- *Demand forecasting*. Our algorithms analyze our database of current and historical client data to understand our clients' needs over time, including preferences, lifestyle, life stage and satisfaction. Our

algorithms forecast demand for specific categories, product types, styles, patterns and brands to help us meet our clients' needs effectively while enabling us to minimize excess supply and manage our fulfillment centers and stylist staffing appropriately.

- *Merchandise optimization*. Unlike many traditional retailers, which typically purchase and then mark down seasonal merchandise several times a year, our merchandise algorithms drive visibility into our merchandise and inventory management so that we are not constrained to the same seasonal trends. These algorithms help us answer critical questions such as what merchandise to buy, how much to buy, the distribution of sizes for what we are buying and how to allocate the merchandise we buy among our fulfillment centers. Our scientific merchandise management enables us to adjust inventory and allocation decisions real-time.
- *Fulfillment center assignment*. Before a Fix is styled, the client Fix request is processed by an algorithm that calculates a cost function for the Fix for each fulfillment center based on a combination of its location relative to the client and how well the inventories in the different fulfillment centers match the client's needs. We can then choose the optimal fulfillment center from which to ship each Fix.
- *Pick path optimization*. Our pick path algorithms minimize the time and distance our fulfillment center associates spend walking our vast fulfillment centers to pull the items for each Fix. By mapping out a more efficient path to pick items for multiple Fixes at a time, we have significantly reduced walk times and labor costs in our fulfillment centers.

Our Stylist Organization

We have over 3,400 employee stylists, the vast majority of whom are part-time and work remotely. They enjoy working at Stitch Fix for many reasons, including the desire for a creative outlet, love of fashion, connection to clients, flexible scheduling, the ability to work from home, a desire for personal growth and the ability to be a part of our stylist community. The flexible working arrangement we have with stylists creates leverage in our business model by allowing us to easily scale our total stylist work time and manage capacity as Fix demand necessitates. We empower our stylists with a custom-built, web-based styling application that leverages our database and algorithms. Stylists often build personal connections with clients through our platform. Our stylists are not compensated based on commission because we want our stylists to delight our clients, even if that means suggesting a less expensive item.

Our Merchandise, Brand Partners and Exclusive Brands

The breadth of our merchandise selection is essential to our success. Our algorithms filter over one thousand SKUs to recommend a subset of relevant merchandise to our stylists, who leverage the information to select the merchandise for a client's Fix. We source merchandise from brand partners and also create our own merchandise to serve unmet client needs. We offer apparel, shoes and accessories across a range of price points. We currently serve our clients in the following categories: Women's, Petite, Maternity, Men's and Plus. Our merchandise addresses a diverse range of styles. Our Women's aesthetics include classic, boho, glam, preppy, romantic, edgy, and casual. Our Men's aesthetics include refined, American prep, active, heritage, contemporary, coastal and outdoor.

Brand Partners

We partner with over 700 established and emerging brands across multiple price points and styles. With many of our brand partners, we develop third-party branded items exclusively sold to Stitch Fix clients. This exclusivity allows our clients to discover personally-recommended products that are unavailable elsewhere.

Exclusive Brands

We also design and bring to market our own styles, which we refer to as Exclusive Brands, in order to target specific client needs that are unmet by what our merchandising team can source in the market. We use data science to identify and develop the new products for our Exclusive Brands. We then pair our data with the expertise of our design teams to bring these new products to market. We expect our product development efforts will yield better products for our clients as we acquire more data and feedback.

Exclusive Brands are a meaningful part of our business. In 2017, more than 20% of our revenue was attributable to Exclusive Brand products. We expect our Exclusive Brands to be a permanent part of our portfolio but do not have specific targets for the merchandise mix provided by our brand partners and our Exclusive Brands, and expect it will fluctuate over time. We will continue to develop products when we identify opportunities or gaps in the market.

Client Acquisition

Our one-to-one personalization at scale allows us to serve men and women across demographics, geographies, style profiles and price preferences.

We currently acquire new clients through a variety of marketing channels, including client referrals, affiliate programs, partnerships, display advertising, television, print, radio, video, content, direct mail, social media, email, mobile “push” communications, search engine optimization and keyword search campaigns. After signup, we continue to engage clients through a variety of initiatives. These engagement initiatives include stylist Fix notes and fashion content that we send through email and disseminate over multiple social media channels.

Our Operations

Client Experience Team

As of July 29, 2017, we employed over 200 client experience associates who are available seven days a week to assist clients and answer client questions over email and social media platforms. Client experience associates help clients with a variety of topics, including style profile setup, shipping details and pricing questions. We are also expanding our client connectivity to include phone and online chat to further enhance the customer service experience. We believe that the service our client experience associates provide offers additional opportunity for us to deepen the connection between Stitch Fix and our clients.

Technology

Our technology platform features a modern architecture of custom-built applications. We developed our applications with particular emphasis on gathering client and merchandise data and feeding the data back into our algorithms in order to continually improve our client experience and the efficiency of our business. We make heavy use of trials, design studios and user research to test, learn, fail fast and iterate. Building specialized, data-driven applications tailored for our superior business model allows us to provide a more personalized client experience. Our proprietary technology platform includes the following:

Client Facing Applications. Our website and mobile application deliver convenient and easy to use interfaces through which our clients interact with our service and our stylists. Features of our client-facing applications, such as our style profile and our checkout survey, serve as the collection and feedback channels through which we gather useful information about our clients and funnel this information back into our algorithms so we enhance the personalization of our service.

Styling Application. Our stylist application is the key tool through which we blend the power of our data science with our stylists' judgment to deliver one-to-one personalization at scale. For each Fix, the tool displays the personal preferences, Fix history and notes of each client, and allows stylists to filter items in inventory by a variety of attributes and navigate through our algorithms' recommendations. Our styling application also employs our data science capabilities by guiding and providing suggestions to the stylist, such as to review a prior Fix if an item the stylist is selecting is similar to something from a client's Fix history. Stylists use the tool to select the items for each Fix, compose a note to the client and process the Fix for fulfillment by our operations team.

Internal Business Applications. Our proprietary internal business applications allow us to operate critical business functions in an innovative manner. These include: our merchandising applications that help us manage our vendors, better plan product purchasing and optimize our inventory; our fulfillment center applications that help us efficiently manage the receipt of new products, order fulfillment, shipping and returns; and our client support applications that help our client experience team deliver exceptional support to our clients.

Sourcing

We purchase merchandise directly from our brand partners, who are responsible for the entire manufacturing process.

For the production of our Exclusive Brands, we contract with merchandise vendors, which are responsible for the entire manufacturing process. Some of these vendors operate their own manufacturing facilities and others subcontract the manufacturing to other parties. Our vendors agree to our standard vendor terms, which govern our business relationship. Although we do not have long-term agreements with our vendors, we have long-standing relationships with a diverse base of vendors that we believe to be mutually satisfactory.

All of our Exclusive Brand merchandise is produced according to our specifications, and we require that all of our vendors comply with applicable law and observe strict standards of conduct. We recently hired independent firms that are in the process of conducting social audits of the working conditions at the factories producing our Exclusive Brands. If an audit reveals potential problems, we require that the vendor institute corrective action plans to bring the factory into compliance with our standards, or we may discontinue our relationship with the vendor. We require that all new factories producing Exclusive Brand merchandise for us may be audited before Stitch Fix production begins.

In October 2017, we purchased certain knitting, cutting and sewing assets in Pennsylvania to experiment with making very small quantities of apparel to test with our clients. At the present time, we have no plans to manufacture apparel in any meaningful quantities and anticipate that we will continue to rely almost exclusively on third-party vendors to supply our merchandise.

Inventory Management and Fulfillment

We have five fulfillment centers located in California, Arizona, Texas, Pennsylvania and Indiana.

In our fulfillment centers, our algorithms increase efficiencies in processes such as allocation, batch picking, transportation, shipping, returns and ongoing process improvement. We have a reverse logistics operation to manage returned merchandise. Our specialist returns teams, in our dedicated return intake areas, accept, process and reallocate returns to our inventory so the merchandise can be selected for another Fix. Our expertise in inventory management allows us to turn inventory quickly, which drives working capital efficiency.

Mission, People and Culture

Our mission is to inspire our clients to look, feel and be their best selves. We believe our ability to delight our clients starts with a compelling employee mission as well: Inspiring people to be their best selves. When our employees thrive, our clients feel the love that goes into every Fix. From our offices in San Francisco, California

and Austin, Texas, to our fulfillment centers across the country, to our stylists working anywhere they like, we are committed to creating an exceptional employee experience.

The foundation of our culture is our operating system, or OS:

- Our People: kind, bright and goal-oriented;
- Our Values: partnership, innovation, integrity and responsibility; and
- Our Leadership Goal: trust, inspire, develop, learn and act.

The foundation that brings the OS to life is feedback. Just as feedback from our clients allows us to deliver a truly personalized experience, the feedback we provide to each other allows us to be our best selves.

Stitch Fix employees are united in their passion for serving our clients and love solving problems through partnering across diverse skill sets. We know we are better together. For example, our merchandise buyers work with our data scientists to drive better personalization outcomes for our clients. We challenge and develop our employees through meaningful work. We take the time to develop managers who can partner with our employees in achieving their personal and professional goals. Every employee can be a leader at Stitch Fix. And above all, we take what we do seriously, while not taking ourselves too seriously. We like to have fun. All of this adds up to a company filled with people who are encouraged to be their authentic selves and share their unique gifts to create an incredible client experience.

As of July 29, 2017, we had over 5,800 employees, including over 3,400 stylists, 1,500 fulfillment center employees, 200 client experience employees, 95 engineers and 75 data scientists. As of such date, over 86% of our employees and 55% of our management team identified as female. None of our employees is represented by a labor union. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

Competition

The retail apparel market is very competitive. Our competitors include local, national and global department stores, specialty clothing and shoe chains, discount stores, traditional retailers, independent retail stores, the online platforms of these traditional retail competitors and eCommerce companies that market apparel, shoes and accessories. Additionally, we experience competition for consumer discretionary spending from other product and experiential categories.

We compete primarily on the basis of client experience, brand, product selection, quality, convenience and price. We believe that we are able to compete effectively because we offer clients a personalized and fun shopping experience that our competitors are unable to match. See “Risk Factors—Our industry is highly competitive and if we do not compete effectively our operating results could be adversely affected.”

Intellectual Property

We protect our intellectual property through a combination of trademarks, domain names, copyrights, trade secrets and patents, as well as contractual provisions and restrictions on access to our proprietary technology. Our principal trademark assets include the trademarks “Stitch Fix” and “Fix,” which are registered in the United States and some foreign jurisdictions, our logos and taglines, and multiple private label apparel and accessory brand names. We have applied to register or registered many of our trademarks in the United States and other jurisdictions, and we will pursue additional trademark registrations to the extent we believe they would be beneficial and cost-effective.

We have one patent issued and seven patent applications pending in the United States. We also have four patent applications filed in the People’s Republic of China. Our issued patent will expire in 2035. We intend to pursue additional patent protection to the extent we believe it would be beneficial and cost-effective.

We are the registered holder of multiple domestic and international domain names that include “stitchfix” and similar variations. We also hold domain registrations for many of our private label brand names and other related trade names and slogans.

Our proprietary algorithm technologies, other than those incorporated into a patent application, are protected by trade secret laws.

In addition to the protection provided by our intellectual property rights, we enter into confidentiality and proprietary rights agreements with our employees, consultants, contractors and business partners. Our employees are also subject to invention assignment agreements. We further control the use of our proprietary technology and intellectual property through provisions in both our client terms of use on our website and in our vendor terms and conditions.

Facilities

Our corporate headquarters are located in San Francisco, California and comprise approximately 76,200 square feet of space, with another floor of 19,050 square feet being added in November 2017. We also operate a photography studio in San Francisco that is approximately 19,200 square feet. Our current leases on these facilities, entered into in January 2016 and February 2016, respectively, expire in November 2023 and May 2021, respectively, in each case with an option to renew for 5 and 3 years, respectively.

We lease an additional 34,821 square feet of office space in Texas, where our client experience team is based, and 3,300 square feet of space for an engineering office in Pennsylvania.

We also lease and operate four fulfillment centers, comprising a total of approximately 1,477,850 square feet, at which we receive merchandise from vendors, ship products to clients and receive and process returns from clients. These facilities are located in California, Arizona, Texas and Pennsylvania. Our fifth fulfillment center in Indiana, representing another 281,700 square feet, is leased and operated by a third party logistics contractor.

In addition, we own approximately 24,000 square feet of space in Pennsylvania that houses the apparel manufacturing assets we acquired in October 2017.

We believe our facilities, including our planned expansions, are sufficient for our current needs.

Legal Matters

We are from time to time subject to, and are presently involved in, litigation and other legal proceedings. We believe that there are no pending lawsuits or claims that, individually or in the aggregate, may have a material effect on our business, financial condition or operating results.

Government Regulation

As with all retailers and companies operating on the internet, we are subject to a variety of U.S. federal and state laws governing the processing of payments, consumer protection, the privacy of consumer information and other laws regarding unfair and deceptive trade practices.

Apparel, shoes and accessories sold by us are also subject to regulation in the United States by governmental agencies, including the Federal Trade Commission and the Consumer Products Safety

Commission. These regulations relate principally to product labeling, licensing requirements, flammability testing and product safety. We are also subject to environmental laws, rules and regulations. Similarly, apparel, shoes and accessories sold by us are also subject to import regulations in the United States countries concerning the use of wildlife products for commercial and non-commercial trade, including the U.S. Fish and Wildlife Service. We do not estimate any significant capital expenditures for environmental control matters either in the current fiscal year or in the near future.

We are also subject to regulations relating to our supply chain. For example, the California Transparency in Supply Chains Act requires retail sellers that do business in California to disclose their efforts to eradicate slavery and human trafficking in their supply chains. We require our suppliers to adhere to labor and workplace standards and to warrant that any products sent to us were made in compliance with all applicable laws, including laws prohibiting child labor, forced labor and unsafe working conditions.

Although we have not suffered any material restriction from doing business in the past due to government regulation, significant impediments may arise in the future as we expand product offerings.

MANAGEMENT

Management and Directors

The following table sets forth information for our directors and management as of September 30, 2017:

Name	Age	Position
Management:		
Katrina Lake(*)	34	Founder, Chief Executive Officer and Director
Paul Yee(*)	45	Chief Financial Officer
Lisa Bougie	48	General Manager, Stitch Fix Women
Eric Colson	46	Chief Algorithms Officer
Scott Darling(*)	45	Chief Legal Officer and Secretary
Cathy Polinsky	40	Chief Technology Officer
Mike Smith(*)	47	Chief Operating Officer
Margaret Wheeler	56	Chief People and Culture Officer
Non-Employee Directors:		
Steven Anderson(1)(2)	49	Director
J. William Gurley(2)(3)	51	Director
Marka Hansen(1)	64	Director
Sharon McCollam(2)(3)	55	Director

(*) Executive officer, within the meaning of Rule 3b-7 under the Exchange Act.
(1) Member of the compensation committee.
(2) Member of the audit committee.
(3) Member of the nominating and corporate governance committee.

Management

Katrina Lake. Ms. Lake is our Founder and has served as our Chief Executive Officer and a member of our board of directors since our inception in 2011. Prior to founding Stitch Fix, Ms. Lake managed the blogger platform at Polyvore, a fashion eCommerce company, and served as an associate at The Parthenon Group, a consulting firm, and at Leader Ventures, a venture capital firm. Ms. Lake is also a member of the board of directors of GrubHub, Inc., an online and mobile food delivery service. Ms. Lake holds a B.A. in Economics from Stanford University and an M.B.A. from Harvard University. We believe that Ms. Lake is qualified to serve as a member of our board of directors based on the perspective and experience she brings as our Founder and Chief Executive Officer.

Paul Yee. Mr. Yee has served as our Chief Financial Officer since June 2017. From April 2013 to June 2017, he served as the Chief Financial Officer of Method Products, PBC and subsequently as Chief Financial Officer of its parent companies PAD NV and People Against Dirty Holdings Ltd., a green cleaning products company known for its Method and Ecover brands. From June 2017 to September 2017, Mr. Yee served in a limited capacity as a consultant to People Against Dirty Holdings Ltd. as it contemplated a sale to a third party. From January 2007 to April 2013, Mr. Yee served in multiple capacities at Peet's Coffee & Tea, Inc., a specialty coffee and tea company, including his most recent role as Vice President of Finance & Investor Relations from May 2011 to April 2013. From August 1999 to December 2006, Mr. Yee served in multiple capacities at Gap, Inc., a global retailer of clothing and accessories, including in leadership roles in finance and inventory planning. Mr. Yee holds a B.A. in Urban Studies and an M.B.A. from Stanford University.

Lisa Bougie. Ms. Bougie has served as our General Manager, Stitch Fix Women since October 2013. From February 2004 to October 2013, Ms. Bougie served in a variety of capacities at Nike, Inc., an athletic apparel company, most recently as Vice President/General Manager Direct to Consumer, Emerging Markets from January 2012 to October 2013. Ms. Bougie holds a B.S. in Marketing from Santa Clara University.

Eric Colson. Mr. Colson has served as our Chief Algorithms Officer since August 2012. From September 2009 to August 2012, Mr. Colson served as the Vice President of Data Science and Engineering at Netflix, Inc., a media company. From December 2006 to September 2009, Mr. Colson served in various roles of increasing responsibility on the data science and data engineering teams at Netflix. Prior to joining Netflix, Mr. Colson served in senior data science roles at Yahoo!, a technology and media company, Blue Martini Software, a software and professional services provider, and Proxicom, a developer of interactive and internet-enabled solutions. Mr. Colson holds a B.A. in Economics from San Francisco State University, an M.S. in Information Systems from Golden Gate University and an M.S. in Management Science and Engineering from Stanford University.

Scott Darling. Mr. Darling has served as our Chief Legal Officer since October 2016 and as our Corporate Secretary since March 2017. From August 2015 to May 2016, Mr. Darling served as Chief Legal Officer and Corporate Secretary of Beepi, Inc. an online automobile retailer. From October 2011 to August 2015, Mr. Darling served as the Vice President, General Counsel and Corporate Secretary of Trulia, Inc., a home search marketplace. Prior to joining Trulia, Mr. Darling served as Vice President, General Counsel and Corporate Secretary at Imperva Inc., a cybersecurity company, from October 2010 until June 2011, and as Senior Attorney with Microsoft Corporation, a multinational technology company, from May 2008 to September 2010. Mr. Darling started his career with the law firm Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP. Mr. Darling holds a B.A. in Ethics, Politics and Economics from Yale University and a J.D. from the University of Michigan.

Cathy Polinsky. Ms. Polinsky has served as our Chief Technology Officer since October 2016. From July 2014 to October 2016, Ms. Polinsky served as Senior Vice President and Vice President, Enterprise Search of Salesforce, an enterprise software company. From October 2009 to July 2014, Ms. Polinsky served in engineering management roles of increasing responsibilities at Salesforce. Prior to joining Salesforce, Ms. Polinsky served in various software development and software engineering management roles at Yahoo!, Oracle and Amazon. Ms. Polinsky holds a B.A. with a special major in Computer Science from Swarthmore College.

Mike Smith. Mr. Smith has served as our Chief Operating Officer since September 2017, served as our General Manager, Stitch Fix Men from March 2016 to September 2017 and served as our Chief Operating Officer from June 2012 to March 2016. From February 2003 to June 2012, Mr. Smith served in a variety of capacities at Walmart.com, Inc., an online retail company, including Vice President from August 2008 to May 2010 and Chief Operating Officer from May 2010 to June 2012. Mr. Smith holds a B.A. in Interdisciplinary Studies from the University of Virginia and an M.B.A. from the University of California, Berkeley.

Margaret Wheeler. Ms. Wheeler has served as our Chief People and Culture Officer since March 2014. From March 2012 to March 2014, Ms. Wheeler served as the Senior Vice President, People Potential at Lululemon Athletica, an apparel company, and served as their Vice President, People Potential from March 2010 to March 2012. Prior to joining Lululemon, Ms. Wheeler served in a variety of capacities at Starbucks Corporation, a food and beverage company, most recently as Vice President, Global Learning, from January 2008 to March 2010. Ms. Wheeler holds a B.A. in Humanistic Studies from Saint Mary’s College, Notre Dame, Indiana and an M.A. in Anglo-Irish Literature from University College, Dublin, Ireland.

Non-Employee Directors

Steven Anderson. Mr. Anderson has served on our board of directors since April 2011. Since April 2006, Mr. Anderson has served as a general partner of Baseline Ventures, a venture capital firm of which he is the founder. Previously, Mr. Anderson served in a variety of positions at Microsoft Corporation, a multinational technology company, eBay Inc., an online marketplace, Starbucks Corporation, a food and beverage company, and Digital Equipment Corporation, a manufacturer and vendor of computer hardware, as well as a partner of Kleiner Perkins Caufield & Byers, a venture capital firm. Mr. Anderson holds a B.A. in Business from the

University of Washington, and an M.B.A. from the Stanford University Graduate School of Business. We believe Mr. Anderson is qualified to serve as a member of our board of directors due to his extensive experience with technology companies, including his experience as a venture capitalist investing in technology companies.

J. William Gurley. Mr. Gurley has served on our board of directors since August 2013. Mr. Gurley serves as a general partner of Benchmark Capital, a venture capital firm, which he joined in March 1999. Previously, he served as a partner of Hummer Windblad Venture Partners, a venture capital firm, a research analyst for Credit Suisse First Boston, an investment bank, and a design engineer at Compaq Computer Corporation, a manufacturer of computers and related components. Mr. Gurley previously served on the boards of directors of Grubhub Inc., OpenTable Inc., Zillow Group, Inc. and Ubiquiti Networks, Inc. Mr. Gurley holds a B.S. in Computer Science from the University of Florida and an M.B.A. from the University of Texas. We believe Mr. Gurley is qualified to serve as a member of our board of directors due to his extensive experience with technology companies, including his experience as a member of the board of directors of public technology companies and as a venture capitalist investing in technology companies.

Marka Hansen. Ms. Hansen has served on our board of directors since February 2014. Ms. Hansen previously served as a consultant to us, from February 2013 to February 2014. From February 2007 until February 2011 she was the President of Gap North America, a subsidiary of The Gap Inc., a clothing retailer. Previously, Ms. Hansen served in various leadership positions at The Gap Inc., including as President of Banana Republic, LLC, a division of The Gap Inc. Ms. Hansen currently serves as a director of J.Jill, Inc., an omnichannel, specialty women's apparel brand. She holds a B.A. in Liberal Studies from Loyola Marymount University. We believe that Ms. Hansen is qualified to serve as a member of our board of directors because of her experience in retail, design and marketing.

Sharon McCollam. Ms. McCollam has served on our board of directors since November 2016. From December 2012 to January 2017, Ms. McCollam served as Chief Administrative and Chief Financial Officer of Best Buy Co., Inc., a provider of technology products, services and solutions marketed through eCommerce websites and retail stores. From July 2006 to December 2012, Ms. McCollam served as Executive Vice President, Chief Operating and Chief Financial Officer at Williams-Sonoma Inc., a specialty retailer of high-quality products for the home that markets through eCommerce websites, direct mail catalogs and retail stores. From October 2000 to July 2006, Ms. McCollam served as William-Sonoma's Chief Financial Officer. From 1996 to 2000, Ms. McCollam served as Chief Financial Officer of Dole Fresh Vegetables, Inc., a division of Dole Food Company, Inc., a producer and marketer of fresh fruit and vegetables. From 1993 to 1996, Ms. McCollam held other financial leadership positions at Dole Food Fresh Vegetables, Inc. Ms. McCollam previously served on the boards of directors of Del Monte Foods Company, OfficeMax Incorporated, Whole Foods Market, Inc. and Williams-Sonoma, Inc. Ms. McCollam holds a B.S. in Accounting from the University of Central Oklahoma and is a Certified Public Accountant. We believe that Ms. McCollam is qualified to serve as a member of our board of directors because of her experience in retail and as member of the boards of directors of public and private companies.

There are no family relationships among any of our directors or executive officers.

Composition of Our Board of Directors

Our business and affairs are managed under the direction of our board of directors. We currently have five directors. Certain members of our board of directors were elected under the provisions of a voting agreement. Under the terms of this voting agreement, the stockholders who are party to the voting agreement have agreed to vote their respective shares to elect: (1) one director designated by Baseline Ventures, currently Mr. Anderson; (2) one director designated by Benchmark Capital Partners, currently Mr. Gurley; (3) two directors designated by Ms. Lake and other common stockholders, currently Ms. Lake and one vacancy, and (4) two individuals

designated jointly by Ms. Lake and other common stockholders, and the holders of a majority of our preferred stock, currently Ms. Hansen and Ms. McCollam. The voting agreement will terminate on the completion of this offering. Following the completion of this offering, no stockholder will have any special rights regarding the election or designation of members of our board of directors. Our current directors will continue to serve as directors until their resignation, removal or successor is duly elected.

Our board of directors may establish the authorized number of directors from time to time by resolution. In accordance with our amended and restated certificate of incorporation that will be in effect on the completion of this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Our directors will be divided among the three classes as follows:

- the Class I directors will be Ms. Lake and Ms. McCollam, whose terms will expire at the first annual meeting of stockholders to be held after the completion of this offering;
- the Class II directors will be Ms. Hansen and Mr. Anderson, whose terms will expire at the second annual meeting of stockholders to be held after the completion of this offering; and
- the Class III director will be Mr. Gurley, whose term will expire at the third annual meeting of stockholders to be held after the completion of this offering.

We expect that 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 will consist of one-third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning her or his background, employment and affiliations, our board of directors has determined that Mr. Anderson, Mr. Gurley, Ms. Hansen and Ms. McCollam do not have relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is “independent” as that term is defined under the listing requirements and rules of the Nasdaq. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our shares by each non-employee director and the transactions described in the section titled “Certain Relationships and Related Party Transactions.”

Committees of Our Board of Directors

Our board of directors has established an audit committee and a compensation committee, and will establish a nominating and corporate governance committee prior to the completion of this offering. The composition and responsibilities of each of the committees of our board of directors are described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

Audit Committee

Our audit committee consists of Ms. McCollam, Mr. Gurley and Mr. Anderson. Our board of directors has determined that Ms. McCollam satisfies the independence requirements under Nasdaq listing standards and

Rule 10A-3(b)(1) of the Exchange Act. We intend to comply with the Nasdaq listing requirement regarding the composition of our audit committee within the transition period for newly public companies. The chair of our audit committee is Ms. McCollam, who our board of directors has determined is an "audit committee financial expert" within the meaning of SEC regulations. Each member of our audit committee can read and understand fundamental financial statements in accordance with applicable requirements. In arriving at these determinations, our board of directors has examined each audit committee member's scope of experience and the nature of their employment in the corporate finance sector.

The primary purpose of the audit committee is to discharge the responsibilities of our board of directors with respect to our corporate accounting and financial reporting processes, systems of internal control and financial statement audits, and to oversee our independent registered public accounting firm. Specific responsibilities of our audit committee include:

- helping our board of directors oversee our corporate accounting and financial reporting processes;
- managing the selection, engagement, qualifications, independence and performance of a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;
- discussing the scope and results of the audit with the independent registered public accounting firm, and reviewing, with management and the independent accountants, our interim and year-end operating results;
- developing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- reviewing related person transactions;
- obtaining and reviewing a report by the independent registered public accounting firm at least annually that describes our internal quality control procedures, any material issues with such procedures and any steps taken to deal with such issues when required by applicable law; and
- approving or, as permitted, pre-approving, audit and permissible non-audit services to be performed by the independent registered public accounting firm.

Our audit committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable Nasdaq listing standards.

Compensation Committee

Our compensation committee consists of Ms. Hansen and Mr. Anderson. The chair of our compensation committee is Ms. Hansen. Our board of directors has determined that each of Ms. Hansen and Mr. Anderson is independent under the Nasdaq listing standards, a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act and an "outside director" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code.

The primary purpose of our compensation committee is to discharge the responsibilities of our board of directors in overseeing our compensation policies, plans and programs and to review and determine the compensation to be paid to our executive officers, directors and other senior management, as appropriate. Specific responsibilities of our compensation committee include:

- reviewing and approving the compensation of our chief executive officer, other executive officers and senior management;
- reviewing, evaluating and recommending to our board of directors succession plans for our executive officers;
- reviewing and recommending to our board of directors the compensation paid to our directors;

- administering our equity incentive plans and other benefit programs;
- reviewing, adopting, amending and terminating incentive compensation and equity plans, severance agreements, profit sharing plans, bonus plans, change-of-control protections and any other compensatory arrangements for our executive officers and other senior management; and
- reviewing and establishing general policies relating to compensation and benefits of our employees, including our overall compensation philosophy.

Our compensation committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable Nasdaq listing standards.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Mr. Gurley and Ms. McCollam. The chair of our nominating and corporate governance committee is Mr. Gurley. Our board of directors has determined that each member of the nominating and corporate governance committee is independent under the applicable Nasdaq listing standards.

Specific responsibilities of our nominating and corporate governance committee will include:

- identifying and evaluating candidates, including the nomination of incumbent directors for reelection and nominees recommended by stockholders, to serve on our board of directors;
- considering and making recommendations to our board of directors regarding the composition and chairmanship of the committees of our board of directors;
- instituting plans or programs for the continuing education of our board of directors and orientation of new directors;
- developing and making recommendations to our board of directors regarding corporate governance guidelines and matters; and
- overseeing periodic evaluations of the board of directors' performance, including committees of the board of directors.

Our nominating and corporate governance committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable Nasdaq listing standards.

Code of Conduct

We have adopted a Code of Conduct that applies to all our employees, officers and directors. This includes our principal executive officer, principal financial officer and principal accounting officer or controller, or persons performing similar functions. The full text of our Code of Conduct will be posted on our website at www.stitchfix.com. We intend to disclose on our website any future amendments of our Code of Conduct or waivers that exempt any principal executive officer, principal financial officer, principal accounting officer or controller, persons performing similar functions or our directors from provisions in the Code of Conduct. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

Compensation Committee Interlocks and Insider Participation

None of the members of the compensation committee are currently, or have been at any time, one of our officers or employees. None of our executive officers currently serve, or have served during the last year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or compensation committee.

Non-Employee Director Compensation

The following table sets forth information regarding compensation earned by or paid to our non-employee directors during 2017:

Name	Fees Earned or Paid in Cash	Option Awards(1)	Total
Steven Anderson	$ —	$ —	$ —
J. William Gurley	—	—	—
Marka Hansen	—	—	—
Sharon McCollam	—	157,932	157,932

(1) Amounts reported represent the aggregate grant date fair value of stock options granted to our directors during 2017 under our 2011 Plan, computed in accordance with Financial Accounting Standard Board Accounting Standards Codification, Topic 718, or ASC Topic 718. The assumptions used in calculating the grant date fair value of the stock options reported in this column are set forth in the notes to our audited consolidated financial statements included elsewhere in this prospectus. This amount does not reflect the actual economic value that may be realized by the non-employee director.

Ms. Lake, our Chief Executive Officer, is also a director but does not receive any additional compensation for her service as a director. See the section titled “Executive Compensation” for more information regarding the compensation earned by Ms. Lake.

In November 2017, our board of directors approved a director compensation policy for non-employee directors who are not affiliated with our investors and who we refer to below as our Independent Directors, which will become effective in connection with this offering. Pursuant to this policy, our Independent Directors will receive the following compensation.

Cash Compensation

Each Independent Director will be entitled to receive the following cash compensation for services on our board and its committees as follows:

- $50,000 annual cash retainer for service as a board member;
- $20,000 per year for service as chair of the audit committee and $10,000 per year for service as a member of the audit committee;
- $15,000 per year for service as chair of the compensation committee and $7,500 per year for service as a member of the compensation committee; and
- $10,000 per year for service as chair of the nominating and corporate governance committee and $5,000 per year for service as a member of the nominating and corporate governance committee.

The annual cash compensation amounts will be payable in equal quarterly installments, in arrears following the end of each quarter in which the service occurred, pro-rated for any partial quarters. All annual cash fees are vested upon payment.

Equity Compensation

Each Independent Director will also be entitled to receive a nonqualified stock option grant with an aggregate value of $150,000 on the date of each annual meeting of our stockholders; provided that any Independent Director serving on our board of directors as of the date of this offering will not receive a nonqualified stock option grant until the date of the annual meeting that follows the date on which all equity award grants held by such Independent Director as of the date of this offering have become fully vested. Each such option will be granted under our 2017 Plan and will vest on the earlier of the first anniversary of its date of

grant and the date of the next annual meeting of stockholders, subject to the director's continuous service through the applicable vesting date. Any outstanding options held by each Independent Director who remains in continuous service with us until immediately prior to a change in control (as defined in our 2017 Plan) will become fully vested immediately prior to the closing of such change in control event in which their service is terminated.

In addition, any person who, after this offering, is elected or appointed as an Independent Director for the first time will, upon the date of his or her initial election or appointment, receive a nonqualified stock option grant with an aggregate value of $150,000, multiplied by a fraction, the numerator of which is the number of days between the date of appointment and the date of the next then-scheduled annual meeting of stockholders (or, if the date of such annual meeting has not yet been scheduled, the first anniversary of the immediately preceding annual meeting), and the denominator of which is 365.

Expenses

We will reimburse each eligible non-employee director for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in meetings of our board of directors and any committee of the board.

Stock Ownership Guidelines

In connection with this offering, our board of directors intends to adopt stock ownership guidelines applicable to members of our management, including our named executive officers, and our non-employee directors who are not affiliated with our investors. Under these stock ownership guidelines, our Chief Executive Officer is expected to own shares of our stock in an amount equal to the lesser of five times her annualized base salary or a number of shares of Class A or Class B common stock to be determined based on the price per share of this offering, and each other member of management is expected to own shares of our stock in an amount equal to the lesser of two times the individual's annualized base salary or a number of shares of Class A or Class B common stock to be determined based on the price per share of this offering. In addition, each of our non-employee directors is expected to have stock ownership in an amount equal to the lesser of four times the annual cash retainer paid to the director, without regard to any fees paid with respect to service on a committee of the board, or a number of shares of Class A or Class B common stock to be determined based on the price per share of this offering. Individuals subject to the guidelines must achieve the required ownership levels within five years of our adoption of the guidelines or, if later, within five years of becoming subject to the guidelines. Until they satisfy their ownership requirements, each covered individual will be subject to a holding requirement with respect to 100% of the shares they acquire (on an after-tax basis) upon the exercise of stock options or vesting of restricted stock units. Ownership that counts toward satisfaction of the guidelines includes shares owned outright by the individual (including shares held through a 401(k) plan and shares issued pursuant to vested RSU awards) and shares underlying in-the-money, vested stock option awards. Our board of directors will evaluate compliance with the guidelines on an annual basis. The value of shares of our Class A common stock for purposes of determining the number of shares required to be held pursuant to these guidelines in a given year will be determined at fiscal year end based on the average closing price of our Class A common stock for the preceding 90 trading days.

EXECUTIVE COMPENSATION

Our named executive officers, consisting of our principal executive officer, our next two most highly compensated executive officers and our former Chief Operating Officer, as of July 29, 2017, were:

- Katrina Lake, our Founder, Chief Executive Officer and Director;
- Paul Yee, our Chief Financial Officer;
- Julie Bornstein, our former Chief Operating Officer; and
- Scott Darling, our Chief Legal Officer and Secretary.

2017 Summary Compensation Table

The following table presents all of the compensation awarded to or earned by or paid to our named executive officers during 2017.

Name and Principal Position	Year	Salary	Option Awards(2)	All Other Compensation	Total
Katrina Lake	2017	$534,955	$7,836,827	$ 744,357(3)	$9,116,139
Founder, Chief Executive Officer and Director					
Paul Yee	2017	$ 59,231	$4,826,721	—	$4,885,952
Chief Financial Officer					
Julie Bornstein(1)	2017	$471,955	—	$ 1,703,389(4)	$2,175,344
Former Chief Operating Officer					
Scott Darling	2017	$244,129	$ 635,362	—	$ 879,491
Chief Legal Officer and Secretary					

(1) Ms. Bornstein ceased serving as an executive officer in July 2017.

(2) Amounts reported represent the aggregate grant date fair value of stock options granted to our named executive officers during 2017 under our 2011 Plan, computed in accordance with ASC Topic 718. The assumptions used in calculating the grant date fair value of the stock options are set forth in the notes to our audited consolidated financial statements included elsewhere in this prospectus. This amount does not reflect the actual economic value that may be realized by the named executive officer.

(3) Consists of $744,357 paid in connection with a repurchase of shares by us from Ms. Lake in December 2016, which is the difference between the purchase price paid by us and the fair market value of the shares on the date of repurchase.

(4) Consists of (a) $1,465,889 from the sale of shares by Ms. Bornstein to Baseline Encore, L.P., of which $1,139,000 is the excess of the purchase price paid by Baseline Encore, L.P. over the fair market value of the shares on the date of purchase, $159,616 represents certain tax obligations and $167,273 relates to additional tax gross-ups on the tax obligation and (b) $237,500 pursuant to a separation agreement related to the termination of Ms. Bornstein's employment.

Outstanding Equity Awards as of July 29, 2017

The following table presents information regarding outstanding equity awards held by our named executive officers as of July 29, 2017. All awards were granted under our 2011 Plan.

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date	Number of Shares of Stock that Have Not Vested(1)	Market Value of Shares that Have Not Vested(2)
Katrina Lake	—	—	—	—	435,417(3)	$
	—	181,232(4)	$16.98	6/30/2027	—	—
	—	362,465(5)	$16.98	7/11/2027	—	—
Paul Yee	333,444(6)	23,556	$16.98	6/30/2027	18,000(7)	
Julie Bornstein	416,420(8)	—	$1.30	3/26/2025	3,205(9)	—
Scott Darling	89,032(10)	80,968	$4.94	10/28/2026	55,000(11)	$

(1) The shares in this column represent shares of restricted stock issued upon the early exercise of stock options, in each case that remained unvested as of July 29, 2017. We have a right to repurchase any unvested shares subject to each such award if the holder of the award ceases to provide services to us prior to the date on which all shares subject to the award have vested in accordance with the applicable vesting schedule described in the footnotes below.

(2) The market value of the restricted stock as of July 29, 2017 was determined based on the board of director's determination of the fair market value of our common stock as of such date. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Common Stock Valuations."

(3) These restricted shares were issued in connection with the early exercise of a stock option and vest in 48 equal monthly installments commencing on March 22, 2015, subject to the individual's continued service through each vesting date.

(4) The stock options vest in equal monthly installments over 24 months beginning on June 30, 2019, subject to the individual's continued service through each vesting date.

(5) The stock options vest in equal monthly installments over 24 months beginning on July 11, 2021, subject to the completion of this offering by July 11, 2018 and to the individual's continued service through each vesting date. If the completion of this offering does not occur by July 11, 2018, the stock options shall be cancelled.

(6) The stock options vest over four years, with 25% vesting on June 12, 2018 and the balance vesting in equal monthly installments over the remaining three years, subject to the individual's continued service through each vesting date.

(7) These restricted shares were issued in connection with the early exercise of the stock options referred to in footnote (6), which vests over four years, with 25% of the shares vesting on June 12, 2018 and the balance vesting in equal monthly installments over the remaining three years, subject to the individual's continued service through each vesting date.

(8) The stock options vest over four years, with 25% of the securities vesting on March 27, 2016 and the balance vesting in equal monthly installments over the remaining three years, subject to the individual's continued service through each vesting date.

(9) These restricted shares were issued in connection with the early exercise of the stock options referred to in footnote (8), which vests over four years, with 25% of the shares vesting on March 27, 2016 and the balance vesting in equal monthly installments over the remaining three years, subject to the individual's continued service through each vesting date.

(10) The stock options vest over four years, with 25% of the securities vesting on October 28, 2017 and the balance vesting in equal monthly installments over the remaining three years, subject to the individual's continued service through each vesting date.

(11) These restricted shares were issued in connection with the early exercise of the stock options referred to in footnote (10), which vests over four years, with 25% of the shares vesting on October 28, 2017 and the balance vesting in equal monthly installments over the remaining three years, subject to the individual's continued service through each vesting date.

Emerging Growth Company Status

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

Pension Benefits

Our named executive officers did not participate in, or otherwise receive any benefits under, any defined benefit pension or retirement plan sponsored by us during 2017.

Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, a non-qualified deferred compensation plan sponsored by us during 2017.

Employment Agreements

The initial terms and conditions of employment for Julie Bornstein and Scott Darling were set forth in written offer letters. In September 2017, we entered into revised employment offer letters with Ms. Lake, Mr. Yee and Mr. Darling setting forth the terms and conditions of such executive's employment with us. The employment offer letters generally provide for at-will employment and set forth the executive officer's initial base salary. They also provide that upon a termination of employment by the Company without "cause" or by the executive for "good reason" (each as defined in the employment offer letters), the executive will receive six months of salary payments and COBRA premium reimbursement (12 months in the case of Ms. Lake). If the termination occurs during the period beginning one month prior to a "change in control" (as defined in our 2017 Incentive Plan) or within 12 months thereafter, the executive will instead receive 12 months of salary payments and COBRA premium reimbursement (18 months in the case of Ms. Lake), as well as vesting in full of all equity awards. Each executive is subject to customary confidentiality requirements and similar covenants. Each of our named executive officers has executed our standard proprietary information and inventions agreement.

Katrina Lake

We entered into an offer letter with Ms. Lake, dated September 5, 2017. Pursuant to the offer letter, Ms. Lake's base salary is $650,000 per year. Ms. Lake's employment is at will and may be terminated at any time, with or without cause.

Paul Yee

We entered into an initial offer letter with Mr. Yee, our Chief Financial Officer, dated April 10, 2017, which set forth the initial terms and conditions of his employment with us. We entered into a new offer letter with Mr. Yee, dated September 5, 2017, which replaced and superseded Mr. Yee's prior offer letter. Pursuant to the

new offer letter, Mr. Yee's base salary is $440,000 per year. Mr. Yee's employment is at will and may be terminated at any time, with or without cause.

Julie Bornstein

We entered into an offer letter with Ms. Bornstein, our former Chief Operating Officer, dated February 27, 2015. Pursuant to the offer letter, Ms. Bornstein's initial base salary was $450,000, and Ms. Bornstein was granted an option to purchase 852,069 shares of our Class B common stock. The stock option vests over four years, with 25% of the securities vesting on March 27, 2016, and the balance vesting in equal monthly installments over the next three years, subject to Ms. Bornstein's continued service through each vesting date. In July 2017, we entered into an agreement with Ms. Bornstein, pursuant to which we agreed that her employment would terminate on October 1, 2017. Pursuant to this agreement, we agreed to (a) pay Ms. Bornstein $237,500 within 10 days after her date of termination; (b) extend the period of time for her to exercise her stock options that are vested as of her termination date from December 30, 2017 to October 1, 2018; and (c) pay for the continuation of her health care coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 through April 30, 2018. Pursuant to this agreement, Ms. Bornstein has agreed to release any and all claims against us related to her employment and separation. The agreement also contains confidentiality and other customary restrictive covenants.

Scott Darling

We entered into an initial offer letter with Mr. Darling, our Chief Legal Officer and Secretary, dated October 20, 2016, which set forth the initial terms and conditions of his employment with us. We entered into a new offer letter with Mr. Darling, dated September 5, 2017, which replaced and superseded Mr. Darling's prior offer letter. Pursuant to the new offer letter, Mr. Darling's base salary is $325,000 per year. Mr. Darling's employment is at will and may be terminated at any time, with or without cause.

Employee Benefit Plans

We believe that our ability to grant equity-based awards is a valuable and necessary compensation tool that aligns the long-term financial interests of our employees, consultants and directors with the financial interests of our stockholders. In addition, we believe that our ability to grant options and other equity-based awards helps us to attract, retain and motivate employees, consultants and directors, and encourages them to devote their best efforts to our business and financial success. The principal features of our incentive plans and our 401(k) plan are summarized below. These summaries are qualified in their entirety by reference to the actual text of the plans, which, other than the 401(k) plan, are filed as exhibits to the registration statement of which this prospectus is a part.

2017 Incentive Plan

Our board of directors adopted our 2017 Incentive Plan, or our 2017 Plan, in November 2017 and our stockholders approved our 2017 Plan in November 2017. The 2017 Plan became effective on the date of its adoption by our board of directors, but no stock award may be granted prior to the execution and delivery of the underwriting agreement related to this offering. Our 2017 Plan provides for the grant of incentive stock options to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance stock awards, performance cash awards and other forms of stock awards to employees, directors and consultants, including employees and consultants of our affiliates.

Authorized Shares. The maximum number of shares of our Class A common stock that may be issued under our 2017 Plan is 17,259,462. In addition, the number of shares of our Class A common stock reserved for issuance under our 2017 Plan may be increased by the board of directors as of the first day of each fiscal year, starting in 2018 and ending in 2027, by a number of shares of Class A common stock that does not exceed 5.0%

of the total number of shares of all classes of our common stock outstanding on the last day of the preceding fiscal year. The maximum number of shares of our Class A common stock that may be issued on the exercise of incentive stock options under our 2017 Plan is 51,778,386.

Shares subject to stock awards granted under our 2017 Plan that expire or terminate without being issued, or that are paid out in cash rather than in shares, do not reduce the number of shares available for issuance under our 2017 Plan. Additionally, shares become available for future grant under our 2017 Plan if they were issued under stock awards under our 2017 Plan if we repurchase them or they are forfeited due to failure to vest. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2017 Plan. Our board of directors may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified stock awards and (2) determine the number of shares subject to such stock awards. Under our 2017 Plan, our board of directors has the authority to determine and amend the terms of awards and underlying agreements, including but not limited to:

- recipients;
- the exercise, purchase or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable on exercise or settlement of the award.

Under the 2017 Plan, the board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

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

Non-Employee Director Limitation. The maximum number of shares of Class A common stock subject to awards granted under the 2017 Plan or otherwise during any one calendar year to any Independent Director, taken together with any cash fees paid by us to the non-employee director during that year for service on the Board will not exceed $750,000 in total value (calculating the value of the awards based on the grant date fair value for financial reporting purposes).

Stock Options. Incentive stock options and nonstatutory stock options are granted under stock option award agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2017 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our Class A common stock on the date of grant. Options granted under the 2017 Plan vest at the rate specified in the stock option award agreement as determined by the plan administrator.

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

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

Stock Appreciation Rights. Stock appreciation rights are granted under stock appreciation right award agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our Class A common stock on the date of grant. A stock appreciation right granted under the 2017 Plan vests at the rate specified in the stock appreciation right award agreement as determined by the plan administrator.

Performance Awards. The 2017 Plan permits the grant of performance-based stock and cash awards that may qualify as performance-based compensation that is not subject to the $1,000,000 limitation on the income tax deductibility imposed by Section 162(m) of the Code. Our compensation committee may structure awards so that the stock or cash will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period.

The performance goals that may be selected include one or more of the following: (i) earnings (including earnings per share and net earnings); (ii) earnings before interest, taxes and depreciation; (iii) earnings before interest, taxes, depreciation and amortization; (iv) earnings before interest, taxes, depreciation, amortization and legal settlements; (v) earnings before interest, taxes, depreciation, amortization, legal settlements and other income (expense); (vi) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense) and stock-based compensation; (vii) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), stock-based compensation and changes in deferred revenue; (viii) total stockholder return; (ix) return on equity or average stockholders' equity; (x) return on assets, investment, or capital employed; (xi) stock price; (xii) margin (including gross margin); (xiii) income (before or after taxes); (xiv) operating income; (xv) operating income after taxes; (xvi) pre-tax profit; (xvii) operating cash flow; (xviii) sales or revenue targets; (xix) increases in revenue or product revenue; (xx) expenses and cost reduction goals; (xxi) improvement in or attainment of working capital levels; (xxii) economic value added (or an equivalent metric); (xxiii) market share; (xxiv) cash flow; (xxv) cash flow per share; (xxvi) share price performance; (xxvii) debt reduction; (xxviii) implementation or completion of projects or processes; (xxix) stockholders' equity; (xxx) capital expenditures; (xxxi) debt levels; (xxxii) operating profit or net operating profit; (xxxiii) workforce diversity; (xxxiv) growth of net income or operating income; (xxxv) billings; (xxxvi) bookings; (xxxvii) employee retention; (xxxviii) user satisfaction, including customer satisfaction or net promoter score measures; (xxxix) the number of users, including unique users; (xl) budget management; (xli) partner satisfaction; (xlii) entry into or completion of strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); (xliii) active clients; (xliv) keep rate; (xlv) average order value; (xlvi) client signups; (xlvii) client retention; (xlviii) conversion metrics; (xlix) client order metrics; (xlx) inventory metrics; and (xlxi) to the extent that an award is not intended to comply with Section 162(m) of the Code, other measures of performance selected by the board of directors or compensation committee.

The performance goals may be based on company-wide performance or performance of one or more business units, divisions, affiliates or business segments, and may be either absolute or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the board or committee (as applicable) (i) in the award agreement at the time the award is granted or (ii) in another document setting forth the performance goals at the time the performance goals are established, the board or committee (as applicable) will appropriately make adjustments in the method of calculating the attainment of performance goals for a performance period as follows: (1) to exclude restructuring

or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by us achieved performance objectives at targeted levels during the balance of a performance period following the divestiture; (8) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles and (12) to exclude the effect of any other unusual, non-recurring gain or loss or other extraordinary item. In addition, the board or committee (as applicable) retains the discretion to reduce or eliminate the compensation or economic benefit due on attainment of performance goals and to define the manner of calculating the performance criteria it selects to use for such performance period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the award agreement or the written terms of a performance cash award.

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

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of securities reserved for issuance under the 2017 Plan, (2) the class and maximum number of securities by which the share reserve may increase automatically each year, (3) the class and maximum number of securities that may be issued on the exercise of incentive stock options, (4) the class and maximum number of securities subject to stock awards that can be granted in a calendar year (as established under the 2017 Plan under Section 162(m) of the Code) and (5) the class and number of securities and exercise price, strike price or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. Our 2017 Plan provides that in the event of certain specified significant corporate transactions, including but not limited to: (1) a sale or disposition of all or substantially all of our and our subsidiaries' assets, (2) the sale or disposition of more than 50% of our outstanding securities, (3) a merger or consolidation where we do not survive the transaction and (4) a merger or consolidation where we do survive the transaction but the shares of our Class A common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the administrator may take one or more of the following actions with respect to such stock awards:

- arrange for the assumption, continuation or substitution of a stock award by a successor or acquiring corporation;
- arrange for the assignment of any reacquisition or repurchase rights held by us to a successor or acquiring corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination upon or before the transaction;
- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us;
- cancel or arrange for the cancellation of the stock award before the transaction in exchange for a cash payment, or no payment, as determined by our board of directors; or

- make a payment, in the form determined by our board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the stock awards before the transaction over any exercise price payable by the participant in connection with the exercise.

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

In the event of a change in control, stock awards granted under the 2017 Plan will not receive automatic acceleration of vesting and exercisability, although this treatment may be provided for in an award agreement. Under the 2017 Plan, a change in control generally is defined to include, unless defined otherwise in another agreement between us and a participant applicable to his or her awards, (1) the acquisition by any person or entity of more than 50% of the combined voting power of our then outstanding stock securities, (2) a merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity), (3) a sale, lease, exclusive license or other disposition of all or substantially all of our and our subsidiaries' assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders (4) approval by our stockholders or board of directors of our complete dissolution or liquidation and (5) an unapproved change in the majority of the board of directors.

Transferability. A participant may not transfer stock awards under our 2017 Plan other than by will, the laws of descent and distribution, or as otherwise provided under our 2017 Plan.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend or terminate our 2017 Plan, provided that generally such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No incentive stock options may be granted after the tenth anniversary of the date our board of directors adopted our 2017 Plan. No stock awards may be granted under our 2017 Plan while it is suspended or after it is terminated.

2011 Equity Incentive Plan

Our board of directors adopted, and our stockholders approved, our 2011 Plan in February 2011. Our 2011 Plan was amended most recently in July 2017. Our 2011 Plan allows for the grant of incentive stock options to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, stock appreciation rights, restricted stock awards and restricted stock units to employees, directors and consultants, including employees and consultants of our affiliates.

The 2017 Plan became effective on the date of its adoption by our board of directors, but no stock award may be granted prior to the execution and delivery of the underwriting agreement related to this offering. As a result, we do not expect to grant any additional awards under the 2011 Plan following that date. Any awards granted under the 2011 Plan will remain subject to the terms of our 2011 Plan and applicable award agreements.

Authorized Shares. The maximum number of shares of our Class B common stock that may be issued (including those reserved for issued options and those already issued upon exercise of options) under our 2011 Plan is 23,223,374. The maximum number of shares of Class B common stock that may be issued on the exercise of incentive stock options under our 2011 Plan is 46,446,748 shares. Shares subject to stock awards granted under our 2011 Plan that expire, terminate without being exercised in full, are forfeited due to failure to vest or are settled in cash do not reduce the number of shares available for issuance under our 2011 Plan. Additionally, shares used to pay the exercise price of a stock option or to satisfy the tax withholding obligations related to a stock award become available for future grant under our 2011 Plan, although such shares may not be subsequently issued pursuant to the exercise of an incentive stock option. The shares issuable under the 2011 Plan are shares of authorized but unissued or reacquired Class B common stock, including shares repurchased on the open market or otherwise.

Plan Administration. Our board of directors or a duly authorized committee of our board of directors administers our 2011 Plan and the stock awards granted under it. Our board of directors may also delegate to one or more of our officers the authority to (1) designate certain employees to receive specified stock awards and (2) determine the number of shares subject to such stock awards. Under our 2011 Plan, the board of directors has the authority to determine and amend (subject to the consent of the award holder in the case of an amendment that impairs his or her rights) the terms of awards and underlying agreements, including but not limited to:

- recipients;
- the exercise, purchase or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable on exercise or settlement of the award.

Under the 2011 Plan, the board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

- the reduction of the exercise price of any outstanding option or stock appreciation right;
- the cancellation of any outstanding option or stock appreciation right and the grant in substitution therefore of certain other awards, cash or other consideration; or
- any other action that is treated as a repricing under generally accepted accounting principles.

Corporate Transactions. Our 2011 Plan provides that in the event of certain specified significant corporate transactions, generally including the consummation of: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of at least 90% of our outstanding securities, (3) a merger or consolidation where we do not survive the transaction and (4) a merger or consolidation where we do survive the transaction but the shares of common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the administrator may take one or more of the following actions with respect to such stock awards: (1) arrange for the assumption, continuation or substitution of a stock award by a successor corporation, (2) arrange for the assignment of any reacquisition or repurchase rights held by us to a successor corporation, (3) accelerate the vesting, in whole or in part, of the stock award and provide for its termination upon or before the transaction, (4) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us, (5) cancel or arrange for the cancellation of an unvested or unexercised stock award before the transaction in exchange for a cash payment, if any, determined by the board of directors or (6) make a payment, in the form determined by the board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the stock award before the transaction over any exercise price payable by the participant in connection with the exercise. The plan administrator is not obligated to treat all stock awards, even those that are of the same type, or all participants, in the same manner.

In the event of a change in control, awards granted under the 2011 Plan will not receive automatic acceleration of vesting and exercisability, although the board of directors may provide for this treatment in an award agreement. Under the 2011 Plan, a change in control is defined generally to include (1) certain acquisitions by any person of more than 50% of the combined voting power of our then outstanding stock, (2) a merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity), (3) our stockholders approve or our board of directors approves a plan of complete dissolution or liquidation or a complete dissolution or liquidation otherwise occurs except for a liquidation into a parent corporation, (4) a sale, lease, exclusive license or other disposition of all or substantially all of the assets to an entity that did not previously hold more than 50% of the voting power of our stock in substantially the same proportions before such transaction and (5) the majority of the board of directors ceasing to consist of individuals

who were directors as of the effectiveness of the 2011 Plan or directors appointed or elected thereafter with the board of directors' approval.

Transferability. Under our 2011 Plan, the board of directors may provide for limitations on the transferability of awards, in its sole discretion. Option awards are generally not transferable other than by will or the laws of descent and distribution, except as otherwise provided under our 2011 Plan.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend or terminate our 2011 Plan, although certain material amendments require the approval of our stockholders, and amendments that would impair the rights of any participant require the consent of that participant.

401(k) Plan

We maintain a safe harbor 401(k) plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees are able to defer eligible compensation up to certain Code limits, which are updated annually. We have the ability to make matching and discretionary contributions to the 401(k) plan. Currently, we do not make matching contributions or discretionary contributions to the 401(k) plan. The 401(k) plan is intended to be qualified under Section 401(a) of the Code, with the related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan are deductible by us when made, and contributions and earnings on those amounts are not generally taxable to the employees until withdrawn or distributed from the 401(k) plan.

Limitations of Liability and Indemnification Matters

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

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

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

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

judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these amended and restated certificate of incorporation and amended and restated bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain customary directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for directors, executive officers or persons controlling us, 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.

Rule 10b5-1 Sales Plans

Our directors and 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 Class A common stock or Class B common stock on a periodic basis. Under a Rule 10b5-1 plan, a broker executes trades under parameters established by the director or officer when entering into the plan, without further direction from them. The director or officer may amend a Rule 10b5-1 plan in some circumstances and may terminate a plan at any time. Our directors and executive officers may also buy or sell additional shares outside of a Rule 10b5-1 plan when they do not possess of material nonpublic information, subject to compliance with the terms of our insider trading policy.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements for our directors and executive officers, which are described elsewhere in this prospectus, below we describe transactions since August 3, 2014 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, or person sharing the household with, the foregoing persons, had or will have a direct or indirect material interest.

Employee Stock Sales

In December 2016, we repurchased 526,620 shares of our common stock from employees, including shares underlying then-unexercised vested options, at a purchase price of $22.61 per share for total cash consideration of $11,883,000, of which 44,228 shares of common stock were repurchased from Katrina Lake, our Founder, Chief Executive Officer and a member of our board of directors, for an aggregate purchase price of $999,995.

In January 2017, entities affiliated with Baseline Ventures purchased 85,000 shares of preferred stock from Julie Bornstein, an executive officer, at an aggregate purchase price of $1,921,850.

Employment of an Immediate Family Member

Chelsea Lake, the sister of Katrina Lake, our Founder, Chief Executive Officer and a member of our board of directors, is an employee on our Women's merchandising team. During 2017, Chelsea Lake served principally as a Buyer and had total cash compensation of $129,021. In July 2017, Chelsea Lake was promoted to Buying Director and in that role earns an annual base salary of $165,000. Chelsea Lake's cash compensation was determined based on external market compensation data for similar positions and internal pay equity when compared to the compensation paid to employees with similar experience serving in similar positions who were not related to our Founder, Chief Executive Officer and a member of our board of directors. In September 2017, Chelsea Lake received an option to purchase up to 2,010 shares of our Class B common stock at an exercise price of $23.43 per share. The grant date fair value of the stock option, computed in accordance with ASC Topic 718, was $21,447. This stock option award vests over a period of 24 months with 1/24th of the shares vesting each month starting on August 1, 2019. Chelsea Lake has received and continues to be eligible for equity awards on the same general terms and conditions as applicable to employees in similar positions who are not related to our Founder, Chief Executive Officer and a member of our board of directors.

Indemnification Agreements

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will contain provisions limiting the liability of directors, and our amended and restated bylaws that will be in effect on the completion of this offering will provide that we will indemnify each of our directors and officers to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect on the completion of this offering will also provide our board of directors with discretion to indemnify our employees and other agents when determined appropriate by the board. In addition, we have entered into an indemnification agreement with each of our directors and executive officers, which requires us to indemnify them. For more information regarding these agreements, see the section titled "Executive Compensation—Limitations on Liability and Indemnification Matters."

Policies and Procedures for Transactions with Related Persons

In September 2017, we adopted a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the approval or ratification of our audit committee or other independent body of our board of directors. Any request for us to enter into a transaction with an executive officer, director, nominee for election as a director, beneficial owner of more than 5% of any class of our common stock or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $120,000 and such person would have a direct or indirect interest, must be presented to our audit committee or other independent body of our board for review, consideration and approval. In approving or rejecting any such proposal, our audit committee or other independent body of our board is to consider the relevant facts of the transaction, including the risks, costs and benefits to us and whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our shares as of September 30, 2017 by:

- each named executive officer;
- each of our directors;
- our directors and executive officers as a group;
- each person or entity known by us to own beneficially more than 5% of our Class A common stock and Class B common stock (by number or by voting power); and
- the selling stockholder.

We have determined beneficial ownership in accordance with the rules and regulations of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Except as indicated by the footnotes below, we believe, based on information furnished to us, that the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership before the offering is based on no shares of Class A common stock and 87,498,724 shares of Class B common stock outstanding as of September 30, 2017, assuming (i) the automatic conversion of all outstanding shares of preferred stock into shares of Class B common stock and (ii) the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants. Applicable percentage ownership after the offering is based on (i) 10,000,000 shares of Class A common stock and (ii) 86,498,724 shares of Class B common stock outstanding immediately after the completion of this offering, assuming no exercise by the underwriters of their option to purchase additional shares of Class A common stock from us. In computing the number of shares beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding all shares subject to options held by the person that are currently exercisable, or exercisable or would vest based on service-based vesting conditions within 60 days of September 30, 2017. However, except as described above, we did not deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, the address for each beneficial owner listed in the table below is c/o Stitch Fix, Inc., 1 Montgomery Street, Suite 1500, San Francisco, California 94104.

	Beneficial Ownership Before the Offering						Beneficial Ownership After the Offering				
	Class A Common Stock		Class B Common Stock		% of Total Voting Power Before the Offering	Number of Shares Being Offered	Class A Common Stock		Class B Common Stock		% of Total Voting Power After the Offering(1)
Name of Beneficial Owner	Shares	%	Shares	%			Shares	%	Shares	%	
5% Stockholders:											
Entities affiliated with Baseline Ventures(2)	—	*	24,622,309	28.1	28.1		—	*	24,622,309	25.5	28.1
Entities affiliated with Benchmark Capital Partners(3)	—	*	22,422,235	25.6	25.6		—	*	22,422,235	23.2	25.6
Lightspeed Venture Partners VIII, L.P.(4)	—	*	10,338,170	11.8	11.8		—	*	10,338,170	10.7	11.8
Directors and Named Executive Officers:											
Katrina Lake(5)	—	*	14,491,822	16.6	16.6	1,000,000	—	*	13,491,822	14.0	15.4
Paul Yee(6)	—	*	351,444	*	*		—	*	351,444	*	*
Julie Bornstein(7)	—	*	737,232	*	*		—	*	737,232	*	*
Scott Darling(8)	—	*	164,274	*	*		—	*	164,274	*	*
Steven Anderson(2)	—	*	24,622,309	28.1	28.1		—	*	24,622,309	25.5	28.1
J. William Gurley(3)	—	*	22,422,235	25.6	25.6		—	*	22,422,235	23.2	25.6
Marka Hansen(9)	—	*	276,000	*	*		—	*	276,000	*	*
Sharon McCollam(10)	—	*	13,200	*	*		—	*	13,200	*	*
All directors and executive officers as a group (8 persons)(11)	—	*	64,003,452	73.1	73.1		—	*	63,003,452	65.3	72.0

* Represents beneficial ownership of less than 1%.

(1) Percentage of total voting power represents voting power with respect to all shares of our Class A and Class B common stock, as a single class. The holders of our Class B common stock are entitled to ten votes per share, and holders of our Class A common stock are entitled to one vote per share. See the section titled “Description of Capital Stock—Class A Common Stock and Class B Common Stock” for additional information about the voting rights of our Class A and Class B common stock.

(2) Consists of (i) 16,157,915 shares of Class B common stock held by Baseline Ventures 2009 LLC, (ii) 7,921,083 shares of Class B common stock held by Baseline Increased Exposure Fund, LLC, (iii) 277,911 shares of Class B common stock held by Baseline Cable Car, LLC and (iv) 265,400 shares of Class B common stock held by Baseline Encore, L.P. Mr. Anderson, the sole managing member of Baseline Ventures 2009, LLC, Baseline Increased Exposure Fund, LLC, Baseline Cable Car, LLC and Baseline Encore Associates, LLC and the general partner of Baseline Encore, L.P., has the sole power to vote these shares. The address for the Baseline entities is P.O. Box 1617, Ross, CA 94957.

(3) Consists of (i) 19,395,570 shares of Class B common stock held by Benchmark Capital Partners VII, L.P. (“Benchmark VII”) and (ii) 3,026,665 shares of Class B common stock held by Benchmark Capital Partners VI, L.P. (“Benchmark VI”). Benchmark Capital Management Co. VII, L.L.C., the general partner of Benchmark VII, has the sole power to vote the shares held by Benchmark VII, and Matthew R. Cohler, Bruce W. Dunlevie, Peter H. Fenton, J. William Gurley, Kevin R. Harvey, Mitch Lasky and Steven M. Spurlock, the managing members of Benchmark Capital Management Co. VII, L.L.C., have shared power to vote these shares. Benchmark Capital Management Co. VI, L.L.C., the general partner of Benchmark VI, has the sole power to vote the shares held by Benchmark VI, and Alexandre Balkanski, Matthew R. Cohler, Bruce W. Dunlevie, Peter H. Fenton, J. William Gurley, Kevin R. Harvey, Mitch Lasky and Steven M. Spurlock, the managing members of Benchmark Capital Management Co. VI, L.L.C., have shared power to vote these shares. The address for the Benchmark entities is 2965 Woodside Road, Woodside, CA 94062.

(4) The shares of Class B common stock are held by Lightspeed Venture Partners VIII, L.P. Lightspeed Ultimate General Partner VIII, Ltd. is the general partner of Lightspeed General Partner VIII, L.P, which is the general partner of Lightspeed Venture Partners VIII, L.P. As such, Lightspeed Ultimate General Partner VIII, Ltd. possesses power to vote the shares owned by Lightspeed Venture Partners VIII, L.P. and may be deemed to have indirect beneficial ownership of the shares held by Lightspeed Venture Partners VIII, L.P. Barry Eggers, Ravi Mhatre, Peter Nieh and Christopher J. Schaepe are the directors of Lightspeed Ultimate General Partner VIII, Ltd. and possess power to vote the shares owned by Lightspeed Venture Partners VIII, L.P. and may be deemed to have indirect beneficial ownership of the shares held by Lightspeed Venture Partners VIII, L.P. The address for Lightspeed is 2200 Sand Hill Road, Menlo Park, CA 94025.

(5) Consists of (i) 11,436,050 shares of Class B common stock held by the Katrina M. Lake Revocable Trust dated May 23, 2016, of which Ms. Lake is the trustee, of which 500,000 shares are being sold in this offering, (ii) 2,000,000 shares of Class B common stock held by the Katrina M. Lake 2017 Grantor Retained Annuity Trust — I dated April 24, 2017, of which Ms. Lake is the trustee and (iii) 1,055,772 shares of Class B common stock held by the John C. Clifford and Katrina M. Lake Revocable Trust dated May 23, 2016, of which Ms. Lake and John C. Clifford are trustees, of which 500,000 shares are being sold in this offering. 389,584 of the shares of Class B common stock are subject to a right of repurchase.

(6) Consists of (i) 18,000 shares of Class B common stock, all of which are subject to a right of repurchase, and (ii) 333,444 shares of Class B common stock exercisable pursuant to outstanding options within 60 days of September 30, 2017.

(7) Consists of (i) 640,339 shares of Class B common stock and (ii) 96,893 shares of Class B common stock exercisable pursuant to outstanding options within 60 days of September 30, 2017. Ms. Bornstein ceased serving as an executive officer in July 2017, and shares held by Ms. Bornstein are not included in the total for all directors and executive officers as a group.

(8) Consists of (i) 55,000 shares of Class B common stock, all of which are subject to a right of repurchase, and (ii) 109,274 shares of Class B common stock exercisable pursuant to outstanding options within 60 days of September 30, 2017.

(9) Consists of 276,000 shares of Class B common stock exercisable pursuant to outstanding options within 60 days of September 30, 2017.

(10) Consists of 13,200 shares of Class B common stock exercisable pursuant to outstanding options within 60 days of September 30, 2017.

(11) Consists of (i) 62,907,730 shares of Class B common stock held by our current directors and executive officers and (ii) 1,095,722 shares of Class B common stock issuable under outstanding stock options exercisable within 60 days of September 30, 2017.

DESCRIPTION OF CAPITAL STOCK

General

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws that will be in effect on the completion of this offering. Copies of these documents have been filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect on the completion of this offering.

On the completion of this offering, our amended and restated certificate of incorporation will provide for two classes of common stock: Class A common stock and Class B common stock. In addition, our amended and restated certificate of incorporation that will be in effect on the completion of this offering will authorize shares of undesignated preferred stock, the rights, preferences and privileges of which may be designated from time to time by our board of directors.

On the completion of this offering, our authorized capital stock will consist of 2,120,000,000 shares, all with a par value of $0.00002 per share, of which:

- 2,000,000,000 shares are designated Class A common stock;
- 100,000,000 shares are designated Class B common stock; and
- 20,000,000 shares are designated preferred stock.

As of July 29, 2017, we had outstanding:

- no shares of Class A common stock; and
- 87,411,815 shares of Class B common stock, which assumes the conversion of 59,511,055 outstanding shares of preferred stock into shares of Class B common stock and the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants in connection with this offering.

Our outstanding capital stock was held by 247 stockholders of record as of July 29, 2017. Our board of directors is authorized, without stockholder approval except as required by the listing standards of Nasdaq, to issue additional shares of our capital stock.

Class A Common Stock and Class B Common Stock

Voting Rights

The Class A common stock is entitled to one vote per share on any matter that is submitted to a vote of our stockholders. Holders of our Class B common stock are entitled to ten votes per share on any matter submitted to our stockholders. Holders of shares of Class B common stock and Class A common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders.

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will not provide for cumulative voting for the election of directors.

Economic Rights

Except as otherwise will be expressly provided in our amended and restated certificate of incorporation that will be in effect on the completion of this offering or required by applicable law, all shares of Class A common stock and Class B common stock will have the same rights and privileges and rank equally, share ratably and be identical in all respects for all matters, including those described below.

Dividends and Distributions. Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of Class A common stock and Class B common stock will be entitled to share equally, identically and ratably, on a per share basis, with respect to any dividend or distribution of cash or property paid or distributed by the company, unless different treatment of the shares of the affected class is approved by the affirmative vote of the holders of a majority of the outstanding shares of such affected class, voting separately as a class. See the section titled "Dividend Policy" for additional information.

Liquidation Rights. On our liquidation, dissolution or winding-up, the holders of Class A common stock and Class B common stock will be entitled to share equally, identically and ratably in all assets remaining after the payment of any liabilities, liquidation preferences and accrued or declared but unpaid dividends, if any, with respect to any outstanding preferred stock, unless a different treatment is approved by the affirmative vote of the holders of a majority of the outstanding shares of such affected class, voting separately as a class.

Change of Control Transactions. The holders of Class A common stock and Class B common stock will be treated equally and identically with respect to shares of Class A common stock or Class B common stock owned by them, unless different treatment of the shares of each class is approved by the affirmative vote of the holders of a majority of the outstanding shares of the class treated differently, voting separately as a class, on (a) the closing of the sale, transfer or other disposition of all or substantially all of our assets, (b) the consummation of a merger, reorganization, consolidation or share transfer which results in our voting securities outstanding immediately before the transaction (or the voting securities issued with respect to our voting securities outstanding immediately before the transaction) representing less than a majority of the combined voting power of the voting securities of the company or the surviving or acquiring entity or (c) the closing of the transfer (whether by merger, consolidation or otherwise), in one transaction or a series of related transactions, to a person or group of affiliated persons of securities of the company if, after closing, the transferee person or group would hold 50% or more of the outstanding voting power of the company (or the surviving or acquiring entity). However, consideration to be paid or received by a holder of common stock in connection with any such assets sale, merger, reorganization, consolidation or share transfer under any employment, consulting, severance or other arrangement will be disregarded for the purposes of determining whether holders of common stock are treated equally and identically.

Subdivisions and Combinations. If we subdivide or combine in any manner outstanding shares of Class A common stock or Class B common stock, the outstanding shares of the other classes will be subdivided or combined in the same manner.

No Preemptive or Similar Rights

Our Class A common stock and Class B common stock are not entitled to preemptive rights, and are not subject to conversion, redemption or sinking fund provisions, except for the conversion provisions with respect to the Class B common stock described below.

Conversion

Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. After the completion of this offering, on any transfer of shares of Class B common stock, whether or not for value, each such transferred share will automatically convert into one share of Class A common stock, except for certain transfers described in our amended and restated certificate of incorporation that will be in effect on the completion of this offering, including transfers for tax and estate planning purposes, so long as the transferring holder continues to hold sole voting and dispositive power with respect to the shares transferred.

Any holder's shares of Class B common stock will convert automatically into Class A common stock, on a one-to-one basis, upon the following: (i) sale or transfer of such share of Class B common stock; (ii) the death of

the Class B common stockholder; and (iii) on the final conversion date, defined as the earlier of (a) the first trading day on or after the date on which the outstanding shares of Class B common stock represent less than 10% of the then outstanding Class A and Class B common stock; (b) the tenth anniversary of this offering; or (c) the date specified by vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a single class.

Once transferred and converted into Class A common stock, the Class B common may not be reissued.

Fully Paid and Non-Assessable

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

Preferred Stock

As of July 29, 2017, there were 59,511,055 shares of our preferred stock outstanding. In connection with this offering, each outstanding share of our preferred stock will convert into one share of our Class B common stock.

On the completion of this offering and under our amended and restated certificate of incorporation that will be in effect on the completion of this offering, our board of directors may, without further action by our stockholders, fix the rights, preferences, privileges and restrictions of up to an aggregate of 20,000,000 shares of preferred stock in one or more series and authorize their issuance. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of our Class A common stock or Class B common stock. Any issuance of our preferred stock could adversely affect the voting power of holders of our Class B common stock, and the likelihood that such holders would receive dividend payments and payments on liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change of control or other corporate action. On the completion of this offering, no shares of preferred stock will be outstanding. We have no present plan to issue any shares of preferred stock.

Options

As of July 29, 2017, we had outstanding options to purchase 10,218,912 shares of our common stock, with a weighted-average exercise price of approximately $7.12 per share, under our 2011 Plan.

Warrants

As of July 29, 2017, warrants to purchase an aggregate of 1,066,225 shares of our preferred stock at a weighted-average exercise price of $0.1923 per share were outstanding. The warrants will be automatically exercised in connection with this offering for no consideration. For more information, see Note 6 to our consolidated financial statements included elsewhere in this prospectus.

Registration Rights

Stockholder Registration Rights

We are party to an investor rights agreement that provides that certain holders of our preferred stock, including certain holders of at least 5% of our capital stock and entities affiliated with certain of our directors,

have certain registration rights, as set forth below. This investor rights agreement was entered into in April 2014. In addition, certain holders of our preferred stock have registration rights under the purchase agreement under which they originally purchased their preferred stock. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts and commissions, of the shares registered by the demand, piggyback and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback and Form S-3 registration rights described below will expire five years after the effective date of the registration statement, of which this prospectus is a part, or with respect to any particular stockholder, such time after the effective date of the registration statement that such stockholder (a) holds less than 1% of our outstanding common stock (including shares issuable on conversion of outstanding preferred stock) and (b) can sell all of its shares under Rule 144 of the Securities Act during any 90-day period.

Demand Registration Rights

The holders of an aggregate of 60,577,280 shares of our Class B common stock (including 1,066,225 shares of Class B common stock issuable upon the automatic exercise of outstanding preferred stock warrants in connection with this offering) will be entitled to certain demand registration rights. At any time beginning 180 days after the completion of this offering, the holders of a majority of these shares may, on not more than one occasion, request that we register all or a portion of their shares. Such request for registration must cover shares with an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $15.0 million.

Piggyback Registration Rights

In connection with this offering, the holders of an aggregate of 60,577,280 shares of our Class B common stock (including 1,066,225 shares of Class B common stock issuable upon the automatic exercise of outstanding preferred stock warrants in connection with this offering) were entitled to, and the necessary percentage of holders waived, their rights to notice of this offering and to include their shares of registrable securities in this offering. After this offering, in the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain piggyback registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to a demand registration or a registration statement on Forms S-4 or S-8, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, subject to limitations that the underwriters may impose on the number of shares included in the offering.

Form S-3 Registration Rights

The holders of an aggregate of 60,577,280 shares of Class B common stock (including 1,066,225 shares of Class B common stock issuable upon the automatic exercise of outstanding preferred stock warrants in connection with this offering) will be entitled to certain Form S-3 registration rights. The holders of at least 30% of these shares can make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the reasonably anticipated aggregate gross proceeds of the shares offered would equal or exceed $10 million. We will not be required to effect more than two registrations on Form S-3 within any 12-month period.

Anti-Takeover Provisions

Certificate of Incorporation and Bylaws to be in Effect on the Completion of this Offering

Because our stockholders do not have cumulative voting rights, stockholders holding a majority of the voting power of our shares of common stock will be able to elect all of our directors. Our amended and restated certificate of incorporation and amended and restated bylaws to be effective on the completion of this offering will provide for stockholder actions at a duly called meeting of stockholders or, before the date on which all shares of common stock convert into a single class, by written consent. A special meeting of stockholders may be called by a majority of our board of directors, the chair of our board of directors, our chief executive officer or our lead independent director. Our amended and restated bylaws to be effective on the completion of this offering will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors.

Our amended and restated certificate of incorporation to be effective on the completion of this offering will further provide for a dual-class common stock structure, which provides our current investors, officers and employees with control over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets.

In accordance with our amended and restated certificate of incorporation to be effective on the completion of this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms.

The foregoing provisions will make it more difficult for another party to obtain control of us by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change our control.

These provisions, including the dual-class structure of our common stock, are intended to preserve our existing control structure after completion of this offering, facilitate our continued product innovation and the risk-taking that it requires, permit us to continue to prioritize our long-term goals rather than short-term results, enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of us. These provisions are also designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in our control or management. As a consequence, these provisions may also inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Section 203 of the Delaware General Corporation Law

When we have a class of voting stock that is either listed on a national securities exchange or held of record by more than 2,000 stockholders, we will be subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, subject to certain exceptions.

Choice of Forum

Our amended and restated certificate of incorporation to be effective on the completion of this offering will provide that the Court of Chancery of the State of Delaware be the exclusive forum for: (i) any derivative action

or proceeding brought on our behalf; (ii) any action asserting a breach of fiduciary duty; (iii) any action asserting a claim against us arising under the Delaware General Corporation Law; (iv) any action regarding our amended and restated certificate of incorporation or our amended and restated bylaws; or (v) any action asserting a claim against us that is governed by the internal affairs doctrine. Our amended and restated certificate of incorporation to be effective on the completion of this offering will further provide that the federal district courts of the United States of America be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Limitations of Liability and Indemnification

See the section titled “Executive Compensation—Limitations on Liability and Indemnification Matters.”

Exchange Listing

Our Class A common stock is currently not listed on any securities exchange. We have applied to have our Class A common stock approved for listing on the Nasdaq Global Select Market under the symbol “SFIX”.

Transfer Agent and Registrar

On the completion of this offering, the transfer agent and registrar for our Class A common stock and Class B common stock will be American Stock Transfer & Trust Company, LLC.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock. Future sales of substantial amounts of our Class A common stock, including shares issued on the exercise of outstanding options, in the public market after this offering, or the possibility of these sales or issuances occurring, could adversely affect the prevailing market price for our Class A common stock or impair our ability to raise equity capital.

Based on our shares outstanding as of July 29, 2017, on the completion of this offering, a total of 10,000,000 shares of Class A common stock and 86,411,815 shares of Class B common stock will be outstanding, assuming the automatic conversion of all of our outstanding shares of preferred stock into an aggregate of 59,511,055 shares of Class B common stock and the issuance of 1,066,225 shares of Class B common stock upon the automatic exercise of outstanding preferred stock warrants. Of these shares, all of the Class A common stock sold in this offering by us or the selling stockholder, plus any shares sold by us or the selling stockholder on exercise of the underwriters' option to purchase additional Class A common stock, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless these shares are held by "affiliates," as that term is defined in Rule 144 under the Securities Act.

The remaining shares of Class A common stock and Class B common stock will be, and shares of Class A common stock or Class B common stock subject to stock options will be on issuance, "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. Restricted securities may also be sold outside of the United States to non-U.S. persons in accordance with Rule 904 of Regulation S.

In addition, all of our executive officers, directors and holders of substantially all of our common stock and securities exercisable for or convertible into our Class A common stock and Class B common stock have agreed, or will agree, with the underwriters, subject to specific exceptions, not to sell any of our stock for at least 180 days following the date of this prospectus, subject to early release in certain circumstances as described below. As a result of these agreements and the provisions of our investor rights agreement described above under the section titled "Description of Capital Stock—Registration Rights," subject to the provisions of Rule 144 or Rule 701, shares will be available for sale in the public market as follows:

- beginning on the date of this prospectus, the 10,000,000 shares of Class A common stock sold in this offering will be immediately available for sale in the public market;
- beginning 90 days after the date of this prospectus, 30,244,032 additional shares of Class A common stock and Class B common stock may become eligible for sale in the public market upon the satisfaction of certain conditions as set forth in the section titled "—Lock-Up Arrangements," of which 25,510,679 shares would be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below;
- beginning 181 days after the date of this prospectus, 56,167,783 additional shares of Class A common stock and Class B common stock (or 86,411,815 shares of Class A common stock and Class B common stock if the conditions identified in the prior bullet are not satisfied) will become eligible for sale in the public market, of which 47,376,060 shares will be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below; and
- the remainder of the shares of Class A common stock and Class B common stock will be eligible for sale in the public market from time to time thereafter, subject in some cases to the volume and other restrictions of Rule 144, as described below.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, an eligible stockholder is entitled to sell such shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. To be an eligible stockholder under Rule 144, such stockholder must not be deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and must have beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144, subject to the expiration of the lock-up agreements described below.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell shares on expiration of the lock-up agreements described below. Beginning 90 days after the date of this prospectus, within any three-month period, such stockholders may sell a number of shares that does not exceed the greater of:

- 1% of the number of Class A common stock then outstanding, which will equal approximately 100,000 shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares of Class A common stock from us; or
- the average weekly trading volume of our Class A common stock on the Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

Rule 701 generally allows a stockholder who was issued shares under a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days, to sell these shares in reliance on Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required by that rule to wait until 90 days after the date of this prospectus before selling those shares under Rule 701, subject to the expiration of the lock-up agreements described below.

Form S-8 Registration Statements

We intend to file one or more registration statements on Form S-8 under the Securities Act with the SEC to register the offer and sale of shares of our Class A common stock and Class B common stock that are issuable under our 2011 Plan and 2017 Plan. These registration statements will become effective immediately on filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements described below, and Rule 144 limitations applicable to affiliates.

Lock-up Arrangements

We, and all of our directors, executive officers and the holders of substantially all of our common stock and securities exercisable for or convertible into our Class A common stock and Class B common stock outstanding immediately on the completion of this offering, have agreed with the underwriters that, until 180 days after the date of this prospectus, we and they will not, without the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any of our shares of common stock, any options or warrants to purchase any of our shares of common stock or any securities convertible into or exchangeable for or that represent the right to receive shares of our common stock; provided that such restricted period will end with respect to 35% of the shares subject to each lock-up agreement if at any time beginning 90 days after the date of this prospectus (i) we have filed at least one quarterly report on Form 10-Q or annual report on Form 10-K and (ii) the last reported closing price of our Class A common stock is at least 25% greater than the initial public offering price of our Class A common stock for 10 out of any 15 consecutive trading days, including the last day, ending on or after the 90th day after the date of this prospectus; provided, further that if such restricted period ends during a trading black-out period, the restricted period will end one business day following the date that we announce our earnings results for the previous quarter. These agreements are described in the section titled “Underwriting.” Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC may, in their sole discretion, release any of the securities subject to these lock-up agreements at any time.

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with all of our security holders, including our IRA and our standard form of option agreement, that contain market stand-off provisions imposing restrictions on the ability of such security holders to offer, sell or transfer our equity securities for a period of 180 days following the date of this prospectus, which we intend to waive to the extent of the early expiration of the lock-up agreements.

Registration Rights

Under our IRA and on the completion of this offering, the holders of 60,577,280 shares of our Class B common stock (including 1,066,225 shares of Class B common stock issuable upon the automatic exercise of outstanding preferred stock warrants) or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of their shares under the Securities Act. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately on the effectiveness of the registration. See the section titled “Description of Capital Stock—Registration Rights” for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR CLASS A COMMON STOCK

The following is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the ownership and disposition of our Class A common stock issued pursuant to this offering. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax on net investment income, and does not address any estate or gift tax consequences or any tax consequences arising under any state, local or foreign tax laws, or any other U.S. federal tax laws. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the Internal Revenue Service, or IRS, all as in effect as of the date of this prospectus. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This discussion is limited to non-U.S. holders who purchase our Class A common stock pursuant to this offering and who hold our Class A common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a particular holder in light of such holder's particular circumstances. This discussion also does not consider any specific facts or circumstances that may be relevant to holders subject to special rules under the U.S. federal income tax laws, including:

- certain former citizens or long-term residents of the United States;
- partnerships or other pass-through entities (and investors therein);
- "controlled foreign corporations";
- "passive foreign investment companies";
- corporations that accumulate earnings to avoid U.S. federal income tax;
- banks, financial institutions, investment funds, insurance companies, brokers, dealers or traders in securities;
- tax-exempt organizations and governmental organizations;
- tax-qualified retirement plans;
- persons subject to the alternative minimum tax;
- persons who hold or receive our Class A common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons that own, or have owned, actually or constructively, more than 5% of our Class A common stock;
- persons who have elected to mark securities to market; and
- persons holding our Class A common stock as part of a hedging or conversion transaction or straddle, or a constructive sale, or other risk reduction strategy or integrated investment.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds our Class A common stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partnerships holding our Class A common stock and the partners in such partnerships are urged to consult their tax advisors about the particular U.S. federal income tax consequences to them of holding and disposing of our common stock.

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

Definition of Non-U.S. Holder

For purposes of this discussion, a non-U.S. holder is any beneficial owner of our Class A common stock that is not a "U.S. person" or a partnership (including any entity or arrangement treated as a partnership) for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organized 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 tax regardless of its source; or
- a trust (1) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Distributions on Our Class A Common Stock

As described under the section titled "Dividend Policy," we have not paid and do not anticipate paying dividends. However, if we make cash or other property distributions on our Class A common stock, such distributions 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. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and will first be applied against and reduce a holder's tax basis in our Class A common stock, but not below zero. Any excess will be treated as gain realized on the sale or other disposition of our Class A common stock and will be treated as described under the section titled "—Gain On Disposition of our Class A Common Stock" below.

Subject to the discussion below regarding effectively connected income, backup withholding and FATCA, dividends paid to a non-U.S. holder of our Class A common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish us or our withholding agent a valid IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form) including a taxpayer identification number and certifying such holder's qualification for the reduced rate. This certification must be provided to us or our withholding agent before the payment of dividends and must be updated periodically. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our withholding agent, either directly or through other intermediaries.

Non-U.S. holders that do not provide the required certification on a timely basis, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

If a non-U.S. holder holds our Class A common stock in connection with the conduct of a trade or business in the United States, and dividends paid on our Class A common stock are effectively connected with such holder's U.S. trade or business (and are attributable to such holder's permanent establishment in the United States if required by an applicable tax treaty), the non-U.S. holder will be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. holder must generally furnish a valid IRS Form W-8ECI (or applicable successor form) to the applicable withholding agent.

However, any such effectively connected dividends paid on our Class A common stock generally will be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Gain on Disposition of Our Class A Common Stock

Subject to the discussion below regarding backup withholding and FATCA, a non-U.S. holder generally will not be subject to U.S. federal income tax on any gain realized on the sale or other disposition of our Class A 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 required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States;
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition, and certain other requirements are met; or
- our Class A common stock constitutes a "United States real property interest" by reason of our status as a United States real property holding corporation, or USRPHC, for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period for our Class A common stock, and our Class A common stock is not regularly traded on an established securities market during the calendar year in which the sale or other disposition occurs.

Determining whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our foreign real property interests. We believe that we are not currently and do not anticipate becoming a USRPHC for U.S. federal income tax purposes, although there can be no assurance we will not in the future become a USRPHC.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Gain described in the second bullet point above will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by certain U.S.-source capital losses (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Annual reports are required to be filed with the IRS and provided to each non-U.S. holder indicating the amount of dividends on our Class A common stock paid to such holder and the amount of any tax withheld with respect to those dividends. These information reporting requirements apply even if no withholding was required because the dividends were effectively connected with the holder's conduct of a U.S. trade or business, or withholding was reduced or eliminated by an applicable income tax treaty. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. Backup withholding, currently at a 28% rate, generally will not apply to payments to a non-U.S. holder of dividends on or the gross proceeds of a disposition of our Class A common stock provided the non-U.S. holder furnishes the required certification for its non-U.S. status, such as by providing a valid IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, or certain other requirements are met. Backup withholding may apply if the payor has actual knowledge, or reason to know, that the holder is a U.S. person who is not an exempt recipient.

Backup withholding is not an additional tax. If any amount is withheld under the backup withholding rules, the non-U.S. holder should consult with a U.S. tax advisor regarding the possibility of and procedure for obtaining a refund or a credit against the non-U.S. holder's U.S. federal income tax liability, if any.

Withholding on Foreign Entities

Sections 1471 through 1474 of the Code (commonly referred to as FATCA) impose a U.S. federal withholding tax of 30% on certain payments made to a "foreign financial institution" (as specially defined under these rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or an exemption applies. FATCA also generally will impose a U.S. federal withholding tax of 30% on certain payments made to a non-financial foreign entity unless such entity provides the withholding agent a certification identifying certain direct and indirect U.S. owners of the entity or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. FATCA currently applies to dividends paid on our Class A common stock. FATCA will also apply to gross proceeds from sales or other dispositions of our Class A common stock after December 31, 2018.

Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on their investment in our Class A common stock.

UNDERWRITING

We and the underwriters named below will enter into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter will severally agree to purchase the number of shares indicated in the following table. Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC are the representatives of the underwriters.

Underwriters	Number of Shares
Goldman Sachs & Co. LLC	
J.P. Morgan Securities LLC	
Barclays Capital Inc.	
RBC Capital Markets, LLC	
Piper Jaffray & Co.	
Stifel, Nicolaus & Company, Incorporated	
William Blair & Company, L.L.C.	
Total	10,000,000

The underwriters will be committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

The underwriters will have an option to buy up to an additional 1,500,000 shares from us to cover sales by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholder. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase 1,500,000 additional shares of our Class A common stock.

Paid by Us	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Paid by the Selling Stockholder	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. After the initial offering of the shares, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We and our officers, directors and holders of substantially all of our common stock and securities convertible into or exchangeable for shares of our common stock have entered into or will enter into lock-up agreements with the underwriters of this offering under which we and they have agreed that, subject to certain exceptions, we and they will not dispose of any shares of common stock, any options or warrants to purchase any of our shares of common stock or any securities convertible into or exchangeable for or that represent the right to receive shares of our common stock during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus; provided that such restricted period will end with respect to 35%

of the shares subject to each lock-up agreement if at any time beginning 90 days after the date of this prospectus (i) we have filed at least one quarterly report on Form 10-Q or annual report on Form 10-K and (ii) the last reported closing price of our Class A common stock is at least 25% greater than the initial public offering price of our Class A common stock for 10 out of any 15 consecutive trading days, including the last day, ending on or after the 90th day after the date of this prospectus; provided, further that if such restricted period ends during a trading black-out period, the restricted period will end one business day following the date that we announce our earnings results for the previous quarter. The consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC is required to release any of the securities subject to these lock-up agreements. In addition, our executive officers, directors and holders of all of our common stock and securities convertible into or exchangeable for shares of our common stock have entered into market standoff agreements with us under which they have agreed that, subject to certain exceptions, without our consent, they will not dispose of or hedge any shares or any securities convertible into or exchangeable for shares of our common stock during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus. We will agree that, without the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, we will not release any of the securities subject to these market standoff agreements; provided, however, that we intend to release securities to the extent of the early expiration of the lock-up agreements. See “Shares Available for Future Sale” for a discussion of certain transfer restrictions.

Prior to the offering, there has been no public market for the shares. The initial public offering price will be negotiated among the representatives and us. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses. Neither we nor the underwriters can assure investors that an active trading market will develop for our Class A common stock or that the shares will trade in the public market at or above the initial public offering price.

We have applied to list our Class A common stock on the Nasdaq Global Select Market under the symbol “SFIX”.

In connection with the offering, the underwriters may purchase and sell shares of Class A common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A “covered short position” is a short position that is not greater than the amount of additional shares for which the underwriters’ option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to cover the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option described above. “Naked” short sales are any short sales that create a short position greater than the amount of additional shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of Class A common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price

of our stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on Nasdaq, in the over-the-counter market or otherwise.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $4,000,000. We will agree to reimburse the underwriters for expenses related to any applicable state securities filings and to the Financial Industry Regulatory Authority incurred by them in connection with this offering in an amount up to $30,000. The underwriters will agree to reimburse us, or will pay and not seek reimbursement from us, for certain expenses incurred by us in connection with this offering.

We will agree to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates may in the future provide a variety of these services to us and to persons and entities with relationships with us, for which they will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of ours (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relative Member State”) an offer to the public 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 our common stock may be made at any time under the following exemptions under the Prospectus Directive:

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

provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any placement agent of a prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the underwriters and the Company that it is a “qualified investor” within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

In the case of any shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a nondiscretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

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

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

United Kingdom

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

Canada

The securities may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The shares may not be offered or sold in Hong Kong 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 (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), or the Companies (Winding Up and Miscellaneous Provisions) Ordinance, or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the Securities and Futures Ordinance, or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, 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 securities 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" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Singapore

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 (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, 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, in each case subject to conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) 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, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation's securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore, or Regulation 32.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA or (6) as specified in Regulation 32.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The securities may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

LEGAL MATTERS

Cooley LLP, San Francisco, California, which has acted as our counsel in connection with this offering, will pass on certain legal matters with respect to U.S. federal law in connection with this offering. Wilson Sonsini Goodrich & Rosati, P.C., Palo Alto, California, has acted as counsel to the underwriters in connection with this offering.

EXPERTS

The consolidated financial statements as of July 30, 2016 and July 29, 2017 and for the years ended July 30, 2016 and July 29, 2017 included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such consolidated financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of Class A common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our Class A common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. You may obtain copies of this information by mail from the Public Reference Section of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. You may obtain information on the operation of the public reference rooms by calling the SEC at 1-800-SEC-0330. The SEC also maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

On the completion of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available for inspection and copying at the public reference room and website of the SEC referred to above.

We also maintain a website at www.stitchfix.com. Information contained in, or accessible through, our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is only as an inactive textual reference.

STITCH FIX, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Stitch Fix, Inc.:

We have audited the accompanying consolidated balance sheets of Stitch Fix, Inc. (the “Company”) and its subsidiaries as of July 30, 2016 and July 29, 2017, and the related consolidated statements of operations and comprehensive income (loss), convertible preferred stock and stockholders’ equity, and cash flows for the years ended July 30, 2016 and July 29, 2017. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its 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 consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provided a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Stitch Fix, Inc. and its subsidiaries as of July 30, 2016 and July 29, 2017, and the results of their operations and their cash flows for the years ended July 30, 2016 and July 29, 2017 in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

San Francisco, California

October 18, 2017

STITCH FIX, INC.

Consolidated Balance Sheets

(In thousands, except share and per share amounts)

	As of July 30, 2016	As of July 29, 2017	Pro Forma as of July 29, 2017 (unaudited)
Assets			
Current assets:			
Cash	$ 91,488	$ 110,608	$
Restricted cash	1,391	250	
Inventory, net	44,808	67,592	
Prepaid expenses and other current assets	10,585	19,312	
Total current assets	148,272	197,762	
Property and equipment, net	19,151	26,733	
Deferred tax assets	13,201	19,991	
Restricted cash, net of current portion	8,613	9,100	
Other long-term assets	2,363	3,619	
Total assets	$191,600	$ 257,205	
Liabilities, Convertible Preferred Stock and Stockholders' Equity			
Current liabilities:			
Accounts payable	$ 36,588	$ 44,238	
Accrued liabilities	29,973	46,363	
Preferred stock warrant liability	7,798	26,679	—
Gift card liability	3,197	5,190	
Deferred revenue	4,431	7,150	
Other current liabilities	3,086	4,298	
Total current liabilities	85,073	133,918	
Deferred rent, net of current portion	9,541	11,781	
Other long-term liabilities	4,817	7,423	
Total liabilities	99,431	153,122	
Commitments and contingencies (Note 7)			
Convertible preferred stock, $0.00002 par value – 60,577,280 shares authorized as of July 30, 2016 and July 29, 2017; 59,511,055 shares issued and outstanding as of July 30, 2016 and July 29, 2017; no shares issued and outstanding, pro forma (unaudited); aggregate liquidation preference of $42,389 as of July 30, 2016 and July 29, 2017	42,222	42,222	—
Stockholders' equity:			
Common stock, $0.00002 par value – 96,000,000 and 100,000,000 shares authorized as of July 30, 2016 and July 29, 2017, respectively; 25,873,434 and 26,834,535 shares issued and outstanding as of July 30, 2016 and July 29, 2017, respectively; 87,411,815 shares issued and outstanding, pro forma (unaudited)	—	1	2
Additional paid-in capital	10,938	27,002	95,902
Retained earnings	39,009	34,858	34,858
Total stockholders' equity	49,947	61,861	$130,762
Total liabilities, convertible preferred stock and stockholders' equity	$191,600	$ 257,205	

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

STITCH FIX, INC.

Consolidated Statements of Operations and Comprehensive Income (Loss)

(In thousands, except share and per share amounts)

	2016	2017
Revenue, net	$ 730,313	$ 977,139
Cost of goods sold	407,064	542,718
Gross profit	323,249	434,421
Selling, general and administrative expenses	259,021	402,781
Operating income	64,228	31,640
Remeasurement of preferred stock warrant liability	3,019	18,881
Other income, net	(13)	(42)
Income before income taxes	61,222	12,801
Provision for income taxes	28,041	13,395
Net income (loss) and comprehensive income (loss)	$ 33,181	$ (594)
Net income (loss) attributable to common stockholders:		
Basic	$ 8,211	$ (594)
Diluted	$ 9,496	$ (594)
Earnings (loss) per share attributable to common stockholders:		
Basic	$ 0.36	$ (0.02)
Diluted	$ 0.34	$ (0.02)
Shares used to compute earnings (loss) per share attributable to common stockholders:		
Basic	22,729,890	24,973,931
Diluted	27,882,844	24,973,931
Pro forma earnings per share attributable to common stockholders (unaudited):		
Basic		$ 0.21
Diluted		$ 0.20
Shares used in computing pro forma earnings per share attributable to common stockholders (unaudited):		
Basic		85,551,211
Diluted		90,908,541

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

STITCH FIX, INC.

Consolidated Statements of Convertible Preferred Stock and Stockholders' Equity

(In thousands, except share amounts)

	Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance as of August 1, 2015	59,511,055	$42,222	24,933,448	$ —	$ 2,711	$ 5,828	$ 8,539
Compensation expense related to a stock sale by an employee	—	—	—	—	4,810	—	4,810
Issuance of common stock upon exercise of stock options, net of amount related to early exercised options of $85	—	—	939,986	—	351	—	351
Vesting of early exercised options	—	—	—	—	1,095	—	1,095
Stock-based compensation expense	—	—	—	—	1,908	—	1,908
Excess tax benefit related to stock-based compensation	—	—	—	—	63	—	63
Net income	—	—	—	—	—	33,181	33,181
Balance as of July 30, 2016	59,511,055	$42,222	25,873,434	$ —	$ 10,938	$39,009	$ 49,947
Compensation expense related to certain stock sales by current and former employees	—	—	—	—	9,699	—	9,699
Issuance of common stock upon exercise of stock options, net of amount related to early exercised options of $642	—	—	1,462,434	—	1,704	—	1,704
Vesting of early exercised options	—	—	—	1	890	—	891
Repurchase of common stock	—	—	(501,333)	—	—	(3,557)	(3,557)
Stock-based compensation expense	—	—	—	—	3,709	—	3,709
Excess tax benefit related to stock-based compensation	—	—	—	—	62	—	62
Net loss	—	—	—	—	—	(594)	(594)
Balance as of July 29, 2017	59,511,055	$42,222	26,834,535	$ 1	$ 27,002	$34,858	$ 61,861

The accompanying notes are an integral part of the consolidated financial statements

STITCH FIX, INC.

Consolidated Statements of Cash Flows

(In thousands)

	2016	2017
Cash Flows from Operating Activities		
Net income (loss)	$ 33,181	$ (594)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Deferred income taxes	(5,869)	(6,728)
Remeasurement of preferred stock warrant liability	3,019	18,881
Inventory reserve	5,941	3,591
Compensation expense related to certain stock sales by current and former employees	4,810	9,699
Stock-based compensation expense	1,850	3,545
Excess tax benefit related to stock-based compensation expense	(63)	(62)
Depreciation and amortization	3,544	7,655
Changes in operating assets and liabilities:		
Inventory	(26,509)	(26,375)
Prepaid expenses and other assets	(9,504)	(7,596)
Accounts payable	10,192	7,841
Accrued liabilities	10,904	17,748
Deferred revenue	1,574	2,719
Gift card liability	1,530	1,993
Other liabilities	10,516	6,307
Net cash provided by operating activities	45,116	38,624
Cash Flows from Investing Activities		
Purchases of property and equipment	(15,238)	(17,165)
Proceeds from sale of property and equipment	—	35
Net cash used in investing activities	(15,238)	(17,130)
Cash Flows from Financing Activities		
Proceeds from the exercise of stock options	436	2,346
Excess tax benefit related to stock-based compensation expense	63	62
Repurchase of common stock	—	(3,557)
Payment of deferred offering costs	—	(1,879)
Net cash (used in) provided by financing activities	499	(3,028)
Net increase in cash and restricted cash	30,377	18,466
Cash and restricted cash at beginning of period	71,115	101,492
Cash and restricted cash at end of period	$101,492	$119,958
Components of cash and restricted cash		
Cash	$ 91,488	$110,608
Restricted cash – current portion	1,391	250
Restricted cash – long-term portion	8,613	9,100
Total cash and restricted cash	$101,492	$119,958
Supplemental Disclosure		
Cash paid for income taxes	$ 39,387	$ 28,023
Supplemental Disclosure of Non-Cash Investing and Financing Activities		
Purchases of property and equipment included in accounts payable and accrued liabilities	$ 2,177	$ 111
Capitalized stock-based compensation	58	164
Leasehold improvements paid by landlord	249	—
Vesting of early exercised options	1,095	891
Deferred offering costs included in accrued liabilities	—	508

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

STITCH FIX, INC.

Notes to Consolidated Financial Statements

1. Description of Business

Stitch Fix, Inc. ("we," "our," "us" or "the Company") delivers one-to-one personalization to our clients through the combination of data science and human judgment. Our stylists hand select items from a broad selection of merchandise. Stylists pair their own judgment with our analysis of client and merchandise data to provide a personalized shipment of apparel, shoes and accessories suited to each client's needs. We call each of these unique shipments a Fix. After receiving a Fix, our clients purchase the items they want to keep and return the other items.

We were founded in 2011 by Katrina Lake, Founder and Chief Executive Officer, and Erin Morrison Flynn, Co-Founder, with the mission to inspire our clients to look, feel and be their best selves. Ms. Flynn left the Company in 2012. We were incorporated in Delaware and have operations in the United States.

2. Significant Accounting Policies

Basis of Presentation

The consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The consolidated financial statements include the accounts of Stitch Fix, Inc. and our wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Our fiscal year is a 52-week or 53-week period ending on the Saturday closest to July 31. The fiscal years ended July 30, 2016 ("2016") and July 29, 2017 ("2017") consisted of 52 weeks.

Segment Information

We have one operating segment and one reportable segment as our chief operating decision maker, who is our Chief Executive Officer, reviews financial information on a consolidated basis for purposes of allocating resources and evaluating financial performance. All long-lived assets are located in the United States.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in our consolidated financial statements and accompanying footnotes. Significant estimates and assumptions are used for inventory, stock-based compensation expense, common stock valuation, remeasurement of preferred stock warrant liability, revenue recognition and income taxes. Actual results could differ from those estimates and such differences may be material to the consolidated financial statements.

Unaudited Pro Forma Balance Sheet Information

The accompanying unaudited pro forma balance sheet information as of July 29, 2017 assumes conversion of the outstanding shares of our convertible preferred stock and the exercise of the convertible preferred stock warrants into shares of common stock in connection with our initial public offering ("IPO"). The unaudited pro forma stockholders' equity does not assume any proceeds from the IPO.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

Cash

Cash consists of bank deposits and amounts in transit from banks for client credit card and debit card transactions that will process in less than seven days.

Restricted Cash

Restricted cash represents cash balances held in segregated accounts collateralizing letters of credit for our leased properties as of July 30, 2016 and July 29, 2017.

Inventory, net

Inventory consists of finished goods which are recorded at the lower of cost or net realizable value using the specific identification method. The cost of inventory consists of merchandise costs and in-bound freight costs. We establish a reserve for excess and slow-moving inventory we expect to write off based on historical trends. In addition, we estimate and accrue for shrinkage and damage as a percentage of revenue based on historical trends. Inventory shrinkage and damage estimates are made to reduce the inventory value for lost, stolen or damaged items.

The inventory reserve, which reduces inventory in our consolidated balance sheets, was $12,106,000 and $15,697,000 as of July 30, 2016 and July 29, 2017, respectively.

Property and Equipment, net

Property and equipment, net are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization is recorded on a straight-line basis over the estimated useful lives of the respective assets. Repair and maintenance costs are expensed as incurred.

The estimated useful lives of our assets are as follows:

Computer equipment and capitalized software	3 years
Office furniture and equipment	5 years
Leasehold improvements	Shorter of lease term or estimated useful life

We capitalize eligible costs to develop our proprietary systems, website and mobile app. Capitalization of such costs begins when the preliminary project stage is completed and it is probable that the project will be completed and the software will be used to perform the function intended**.** A subsequent addition, modification or upgrade to internal-use software is capitalized to the extent that it enhances the software's functionality or extends its useful life. Costs related to design or maintenance are expensed as incurred.

Deferred Offering Costs

Deferred offering costs, which consist of direct incremental legal, consulting, banking and accounting fees relating to the anticipated equity offering, are capitalized and will be offset against proceeds upon the consummation of the offering. In the event an anticipated offering is terminated, deferred offering costs will be expensed. As of July 30, 2016, there were no capitalized deferred offering costs in the consolidated balance sheet. As of July 29, 2017 , there were $2,387,000 million of capitalized deferred offering costs in prepaid expenses and other current assets on the consolidated balance sheet.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

Impairment of Long-Lived Assets

We review our long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets held and used is measured by comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated from the use of the asset and its eventual disposition. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount exceeds the fair value of the impaired assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value less cost to sell. We have not recorded an impairment of long-lived assets since inception.

Preferred Stock Warrant Liability

We record our preferred stock warrants as current liabilities in the consolidated balance sheets at their estimated fair value because the warrants are exercisable at any time by the holders for cash at a purchase price per share equal to the lowest price per share at which we have sold shares of a specific series of our preferred stock or a number of shares of equivalent value as determined by a specified calculation. At initial recognition, we recorded these warrants at their estimated fair value. The liability associated with these warrants is subject to remeasurement at each balance sheet date, with changes in fair value recorded as remeasurement of preferred stock warrant liability in the consolidated statements of operations. We will continue to remeasure these warrants until the earlier of the expiration or exercise of the warrants. In connection with the IPO, our warrants will be automatically exercised for no consideration.

Revenue Recognition

We generate revenue from the sale of merchandise in a Fix. Clients create an online account on our website or mobile app, complete a style profile and order a Fix to be delivered on a specified date.

Each Fix represents an offer made by us to the client to purchase merchandise. The client is charged a nonrefundable $20 upfront styling fee before the Fix is shipped. If the offer to purchase merchandise is accepted, we charge the client the order amount for the accepted merchandise, net of the upfront styling fee. Acceptance occurs when the client checks out the merchandise on our website or mobile app. We offer a 25% discount to clients that purchase all of the items in the Fix.

Our revenue arrangements consist of one unit of account, which is the sale of merchandise. The upfront styling fee is not a separate deliverable as there is no stand-alone value related to the styling activity. The upfront styling fee is included in deferred revenue until all revenue recognition criteria are met.

We recognize revenue when the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed or determinable; and (4) collectability is reasonably assured. These criteria are met when the client accepts or rejects the offer to purchase merchandise. Upon acceptance, the total amount of the order, including the upfront styling fee, is recognized as revenue. If none of the items within the Fix are accepted, the upfront styling fee is recognized as revenue at that time. If a client would like to exchange an item, we recognize revenue at the time the client receives the new item, as that is when all revenue recognition criteria are met.

We deduct discounts, sales tax and estimated refunds to arrive at net revenue. Sales tax collected from clients is not considered revenue and is included in accrued liabilities until remitted to the taxing authorities. Discounts are recorded as a reduction to revenue when the order is accepted. We record a refund reserve

based on our historical refund patterns. Our refund reserve which was included in accrued liabilities in the consolidated balance sheets was $1,031,000 and $1,616,000 as of July 30, 2016 and July 29, 2017, respectfully.

Deferred revenue related to upfront styling fees and exchanges totaled $4,431,000 and $7,150,000 as of July 30, 2016 and July 29, 2017, respectively. Deferred shipping costs related to Fixes shipped at period end but not checked out were $1,040,000 and $1,290,000 as of July 30, 2016 and July 29, 2017, respectively, and are included within prepaid expenses and other current assets in the consolidated balance sheets.

We sell gift cards to clients and establish a liability based upon the face value of such gift cards. We reduce the liability and recognize revenue upon the redemption of the gift card. If a gift card is not redeemed, we will recognize revenue when the likelihood of its redemption becomes remote. We have not recognized any revenue related to unredeemed gift cards as we do not have sufficient historical data available to estimate when the likelihood of redemption becomes remote.

Cost of Goods Sold

Cost of goods sold consists of the costs of merchandise, expenses for shipping to and from clients and inbound freight, inventory write-offs and changes in our inventory reserve, payment processing fees and packaging material costs.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of compensation and benefits costs, including stock-based compensation expense, for our employees including our stylists, fulfillment center operations, data analytics, merchandising, engineering, client experience, marketing and corporate personnel. Selling, general and administrative expenses also include marketing and advertising, third-party logistics costs, facility costs for our fulfillment centers and offices, professional services fees, information technology and depreciation and amortization.

Advertising Expenses

Costs associated with the production of advertising, such as writing, copy, printing and other production costs are expensed as incurred. Costs associated with communicating advertising on television and radio are expensed the first time the advertisement is run. Online advertising costs are expensed as incurred. Advertising costs totaled $25,034,000, and $70,529,000 for 2016 and 2017, respectively, and were included within selling, general and administrative expenses in the consolidated statements of operations.

Marketing Programs

We have a client referral program under which we issue credits for future purchases to clients when the referral results in a new client who has ordered a Fix. We record a liability at the time of issuing the credit and reduce the liability upon application of the credit to a client’s purchase. Our liability for client referral credits amounted to $1,922,000 and $2,320,000 as of July 30, 2016 and July 29, 2017, respectively. We also have an affiliate program under which we make cash payments to lifestyle or fashion bloggers or others who refer clients in high volumes. Amounts related to both of these programs are recognized within selling, general and administrative expenses in the consolidated statements of operations.

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Notes to Consolidated Financial Statements

Leases

We recognize rent expense over the term of the lease, starting when the property is made available for use to us by the landlord. When a lease contains a predetermined fixed rent escalation, we recognize the related rent expense on a straight-line basis and record the difference between the recognized rent expense and the amounts paid under the lease as deferred rent included in other current liabilities and deferred rent, net of current portion, on the consolidated balance sheets. We also receive tenant allowances upon entering into certain leases, which are recorded as a liability and amortized using the straight-line method as a reduction to rent expense over the term of the lease.

Income Taxes

We account for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which they are expected to be realized or settled.

We believe that it is more likely than not that forecasted income, potential income from tax planning strategies, together with future reversals of existing taxable temporary differences and results of recent operations, will be sufficient to fully recover the deferred tax assets. In the event that we determine all or part of the net deferred tax assets are not realizable in the future, we would record a valuation allowance.

We recognize tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. We recognize interest and penalties related to unrecognized tax benefits, if any, as income tax expense.

Stock-Based Compensation Expense

We measure stock-based compensation expense associated with option awards made to employees and members of our board of directors based on the estimated fair values of the awards at grant date using the Black-Scholes option-pricing model. For options with service conditions only, stock-based compensation expense is recognized, net of forfeitures, over the requisite service period using the straight-line method such that an expense is only recognized for those awards that we expect to vest. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

We have granted certain option awards which contain both service and performance conditions. The service condition will be satisfied ratably over the 24 month period following the fourth anniversary of the grant date. The performance condition will be satisfied upon the occurrence of an IPO within 12 months of the grant date. Expense related to awards which contain both service and performance conditions is recognized using the accelerated attribution method. No expense will be recorded related to these awards until the performance condition becomes probable of occurring which is upon consumation of the IPO.

For stock options granted to non-employees, we determined that the estimated fair value of the stock options is more readily measurable than the fair value of the services received. The fair value of stock

options granted to non-employees is calculated at each grant date and re-measured at each reporting date using the Black-Scholes option-pricing model and the resulting change in value, if any, is recognized in our consolidated statements of operations for the periods in which the related services are rendered.

Comprehensive Income (Loss)

Comprehensive income (loss) represents net income (loss) for the period plus the results of certain other changes to stockholders' equity. Our net income (loss) was equal to our comprehensive income (loss) for 2016 and 2017.

Unaudited Pro Forma Earnings Per Share Attributable to Common Stockholders

The unaudited pro forma basic and diluted earnings per share attributable to common stockholders assume the automatic conversion of the convertible preferred stock and warrants into shares of common stock using the if-converted method upon the completion of this IPO as though the conversion and exercise had occurred as of the beginning of the period.

Concentration of Credit Risks

The majority of our cash is held by three financial institutions within the United States. Our cash balances held by these institutions may exceed federally insured limits. The associated risk of concentration for cash is mitigated by banking with credit-worthy institutions. No client accounted for greater than 10% of total revenue, net for 2016 or 2017.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, or ASU 2014-09, which amended the existing FASB Accounting Standards Codification. ASU 2014-09 establishes a principle for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services and also provides guidance on the recognition of costs related to obtaining and fulfilling customer contracts. We expect to adopt this standard in our first quarter of 2019. We are in the process of evaluating the impact this standard will have on our consolidated financial statements. As part of our process, we are still assessing the adoption methodology, which allows the amendment to be applied either retrospectively to each prior period presented or with the cumulative effect recognized as of the date of initial application.

In July 2015, the FASB issued ASU No. 2015-11, *Inventory: Simplifying the Measurement of Inventory (Topic 330)*. The new guidance replaces the current inventory measurement requirement of lower of cost or market with the lower of cost or net realizable value. We early adopted this standard beginning in 2017, which had no impact on our consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, or ASU 2016-02, which requires lessees to record most leases on their balance sheets but recognize the expenses on their income statements in a manner similar to current practice. ASU 2016-02 states that a lessee would recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. We expect to adopt this standard in our first quarter of 2020. We are currently evaluating the impact that this standard will have on our consolidated financial statements but we expect that it will result in a substantial increase in our long-term assets and liabilities.

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In March 2016, the FASB issued ASU No. 2016-09, *Compensation – Stock Compensation: Improvements to Employee Share-Based Payment Accounting (Topic 718)*, which simplifies the accounting and reporting of share-based payment transactions, including adjustments to how excess tax benefits and payments for tax withholdings should be classified and provides the election to eliminate the estimate for forfeitures. We expect to adopt this standard in our first quarter of 2018. We do not expect the adoption of this standard to have a material impact on our consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes: Intra-Entity Transfers of Assets Other Than Inventory (Topic 740)*, which amends existing guidance on the recognition of current and deferred income tax impacts for intra-entity asset transfers other than inventory. This amendment should be applied on a modified retrospective basis. We expect to adopt this standard in 2019 and are currently evaluating the impact that it will have on our consolidated financial statements.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows: Restricted Cash (Topic 230)* , or ASU 2016-18. ASU 2016-18 requires that the statement of cash flows explains the change during the period in the total cash, cash equivalents and restricted cash. We early adopted this standard beginning in 2017 and have retroactively adjusted the consolidated statements of cash flows for all periods presented.

3. Fair Value Measurements

We disclose and recognize the fair value of our assets and liabilities using a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2 – Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities; and

Level 3 – Unobservable inputs that are significant to the measurement of the fair value of the assets or liabilities that are supported by little or no market data.

Our financial instruments consist of cash, accounts payable, accrued liabilities and the preferred stock warrant liability. At July 30, 2016 and July 29, 2017, the carrying values of cash, accounts payable and accrued liabilities approximated fair value due to their short-term maturities.

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The following table sets forth our financial instruments that were measured at fair value on a recurring basis based on the fair value hierarchy (in thousands):

	July 30, 2016			
	Level 1	Level 2	Level 3	Total
Financial Liabilities:				
Preferred stock warrant liability	$ —	$ —	$ 7,798	$ 7,798
Total	$ —	$ —	$ 7,798	$ 7,798

	July 29, 2017			
	Level 1	Level 2	Level 3	Total
Financial Liabilities:				
Preferred stock warrant liability	$ —	$ —	$26,679	$26,679
Total	$ —	$ —	$26,679	$26,679

There were no transfers of financial assets or liabilities into or out of Level 1, Level 2 or Level 3 for 2016 and 2017. The key assumptions used in the Black-Scholes option-pricing model for the valuation of the preferred stock warrant liability upon remeasurement were as follows:

	July 30, 2016	July 29, 2017
Expected term (in years)	3.0	2.0
Fair value of underlying shares	$ 7.49	$25.09
Volatility	38.2%	43.8%
Risk-free interest rate	0.8%	1.3%
Dividend yield	— %	— %

Generally, increases or decreases in the fair value of the underlying convertible preferred stock would result in a directionally similar impact in the fair value measurement of the associated warrant liability.

The following table sets forth a summary of the changes in the fair value of the preferred stock warrant liability (in thousands):

	2016	2017
Beginning balance	$4,779	$ 7,798
Change in fair value	3,019	18,881
Ending balance	$7,798	$26,679

STITCH FIX, INC.

Notes to Consolidated Financial Statements

4. Property and Equipment, net

Property and equipment, net consisted of the following (in thousands):

	July 30, 2016	July 29, 2017
Computer equipment	$ 3,440	$ 5,086
Office furniture and equipment	2,341	4,514
Leasehold improvements	6,974	14,693
Capitalized software	6,443	11,481
Construction in progress	4,199	1,618
Total property and equipment	23,397	37,392
Less: accumulated depreciation and amortization	(4,246)	(10,659)
Property and equipment, net	$19,151	$ 26,733

Depreciation and amortization expense for 2016 and 2017 was $3,544,000 and $7,655,000, respectively.

5. Accrued Liabilities

Accrued liabilities consisted of the following (in thousands):

	July 30, 2016	July 29, 2017
Compensation and benefits	$ 7,673	$ 9,632
Inventory purchases	6,302	11,186
Advertising	2,831	9,995
Sales taxes	2,646	3,702
Shipping and freight	4,517	3,390
Property and equipment	1,656	—
Other	4,348	8,458
Total accrued liabilities	$29,973	$46,363

6. Preferred Stock Warrant Liability

In 2012 and 2013, in connection with financing arrangements, we issued warrants to purchase shares of our convertible preferred stock. For one of the financing arrangements, we issued warrants to purchase 375,230 shares of Series Seed convertible preferred stock at an exercise price of $0.1066 per share and 66,265 shares of Series A convertible preferred stock at an exercise price of $0.22636 per share. For the second financing arrangement, we issued warrants for the purchase of, at the warrantholder's option, either (a) 624,730 shares of Series A-1 convertible preferred stock at an exercise price of $0.2401 per share or (b) 308,315 shares of Series B convertible preferred stock at an exercise price of $0.486516 per share. The warrants are exercisable and expire ten years from the date of issuance. The warrants will be automatically exercised in connection with the IPO or upon a change of control event. A change in control event is defined as any sale, license, or other disposition of all or substantially all of our assets, or any reorganization, consolidation, merger or other transaction involving us. The warrants remained outstanding as of July 30, 2016 and July 29, 2017.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

7. Commitments and Contingencies

Leases

We have entered into various lease arrangements for our corporate offices and fulfillment centers. Such leases generally have original lease terms between five and eight years. We had security deposits totaling $1,549,000 and $1,315,000 as of July 30, 2016 and July 29, 2017, respectively. We have letters of credit totaling $10,004,000 and $9,350,000 as of July 30, 2016 and July 29, 2017, respectively, which are collateralized by time deposits.

A schedule of the future minimum rental commitments under our non-cancellable operating lease agreements as of July 29, 2017 is as follows (in thousands):

	Amounts
2018	$15,643
2019	16,495
2020	16,683
2021	15,972
2022	13,984
Thereafter	14,441
Total	$93,218

Total rent expense classified within selling, general and administrative expenses in the consolidated statements of operations totaled $11,055,000 and $16,562,000 for 2016 and 2017, respectively.

Contingencies

We record a loss contingency when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. We also disclose material contingencies when we believe a loss is not probable but reasonably possible. Accounting for contingencies requires us to use judgment related to both the likelihood of a loss and the estimate of the amount or range of loss. Although we cannot predict with assurance the outcome of any litigation or tax matters, we do not believe there are currently any such actions that, if resolved unfavorably, would have a material impact on our operating results, financial position and cash flows.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to vendors, directors, officers and other parties with respect to certain matters. We have not incurred any material costs as a result of such indemnifications and have not accrued any liabilities related to such obligations in our consolidated financial statements.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

8. Convertible Preferred Stock

Convertible preferred stock consisted of the following as of July 30, 2016 and July 29, 2017 (in thousands, except share data):

	Shares Authorized	Shares Outstanding	Net Carrying Value	Liquidation Preference
Series Seed	7,457,785	7,082,555	$ 754	$ 754
Series A	11,715,050	11,648,785	2,602	2,637
Series A-1	9,571,715	8,946,985	2,147	2,147
Series B	24,358,445	24,358,445	11,756	11,851
Series C	7,474,285	7,474,285	24,963	25,000
Total	60,577,280	59,511,055	$ 42,222	$ 42,389

Significant provisions of the convertible preferred stock are as follows:

Dividends – The holders of convertible preferred stock are entitled to receive, on a pari passu basis, non-cumulative dividends prior and in preference to any declaration or payment of any dividends to the holders of common stock, when and if declared by the board of directors, at annual rates equal to 6% of original issue price per share for Series Seed, Series A, Series A-1, Series B and Series C convertible preferred stock, as adjusted for stock splits, stock dividends, reclassifications or the like. Holders of convertible preferred stock are also entitled to participate in dividends on the common stock on an as-converted basis. No dividends have been declared by the board of directors or paid since inception.

Conversion – At the option of the holder, each share of convertible preferred stock is convertible into fully paid and non-assessable shares of common stock. As of July 30, 2016 and July 29, 2017, each share of convertible preferred stock was convertible into one share of common stock, subject to adjustment for stock splits, stock dividends and the like. The conversion price of each series of convertible preferred stock is subject to weighted-average adjustment if we issue additional shares of common stock after the applicable original issue date of such series of convertible preferred stock without consideration or for consideration per share less than the conversion price for such series of convertible preferred stock, subject to customary exceptions. Each share of preferred stock automatically converts into the number of shares of common stock into which such shares are convertible at the then applicable conversion ratio upon (i) the closing of the sale of shares of common stock in a public offering resulting in gross proceeds of at least $30,000,000 and the listing of our common stock on the Nasdaq Global Select Market, or (ii) the consent of the holders of a majority of the outstanding convertible preferred stock, voting as a single class on an as-converted basis.

Liquidation – In the event of any voluntary or involuntary liquidation, dissolution or winding up of Stitch Fix, Inc. (a “liquidation event”), holders of convertible preferred stock are entitled to receive, prior and in preference to holders of common stock, an amount equal to the greater of (i) the applicable original issue price for each series of convertible preferred stock ($0.1066, $0.22636, $0.2401, $0.486516 and $3.344798 per share for Series Seed, Series A, Series A-1, Series B and Series C, respectively, as adjusted for stock splits, stock dividends and the like), plus any declared and unpaid dividends and (ii) the amount per share that would have been payable if all shares of convertible preferred stock were converted into common stock subject to the applicable conversion rights. If upon occurrence of such an event, the assets and funds to be distributed among the holders of convertible preferred stock are insufficient to permit the payment to such holders, our entire assets and funds legally available for distribution will be distributed

ratably among the holders. Upon completion of the distribution to the holders of the convertible preferred stock, all remaining legally available assets will be distributed ratably to the holders of common stock. A liquidation event will be deemed to have occurred (unless waived by the holders of the majority of the outstanding shares of convertible preferred stock) upon (i) a consolidation, reorganization or merger of the Company, other than any consolidation, reorganization or merger in which the Company's stockholders of record as of immediately prior to such transaction will continue to hold a majority of the voting power of the surviving company of such transaction, (ii) a transfer of shares of the Company representing a majority of the voting power of the Company, other than for equity financing purposes or (iii) a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

Voting – Each share of convertible preferred stock is entitled to the number of votes equal to the number of shares of common stock into which such share could be converted on the record date for the vote or consent of the stockholders, except as otherwise required by law or other provisions of the Certificate of Incorporation and generally have voting rights and powers equal to the voting rights and powers of the common stockholders. For so long as at least 3,250,000 shares of Series B convertible preferred stock, as adjusted for stock splits, stock dividends and the like, remain outstanding, the holders of Series B convertible preferred stock, voting as a separate class, are entitled to elect one member of the board of directors. For so long as at least 950,000 shares of Series Seed convertible preferred stock, as adjusted for stock splits, stock dividends and the like, remain outstanding, the holders of Series Seed convertible preferred stock, voting as a separate class, are entitled to elect one member of the board of directors. The holders of Common Stock, voting as a separate class, are entitled to elect two members of the board of directors. The holders of convertible preferred stock and common stock, voting as a single class on an as-converted basis, are entitled to elect all remaining members of the board of directors.

Protective Provisions – For so long as at least 2,000,000 shares of convertible preferred stock, as adjusted for stock splits, stock dividends and the like, remain outstanding, the holders of convertible preferred stock have certain protective provisions whereby the Company cannot, without the written consent or affirmative vote of the holders of the majority of outstanding shares of convertible preferred stock, voting together as a single class on an as-converted basis (i) authorize or designate any new class or series of stock or any other securities convertible into equity securities of the Company ranking on a parity with or senior to the convertible preferred stock in respect to redemption rights, liquidation preference, voting or dividend rights, or increase the authorized or designated number of any such class or series; (ii) redeem or repurchase stock, pay or declare dividends or make other distributions in respect of stock, subject to certain exceptions; (iii) consummate a transaction that would be a liquidation event, or other merger or consolidation or enter into any agreement by the Company or its stockholders regarding a liquidation event or other merger or consolidation; (iv) amend, alter or repeal any provision of the Certificate of Incorporation of the Company or the Amended and Restated Bylaws of the Company; (v) increase or decrease the authorized number of members of the board of directors; (vi) increase or decrease the authorized number of shares of common stock or convertible preferred stock or any series thereof; (vii) consummate or enter into any transaction with the Company's executive officers or their affiliates, subject to certain exceptions; or (viii) create, permit the creation of or hold capital stock in any direct or indirect subsidiary that is not wholly owned by the Company.

The holders of Series A, Series B and Series C convertible preferred stock each have additional protective provisions whereby, we cannot, so long as 1,221,780 shares, 2,435,835 shares and 747,430 shares, respectively, as adjusted for stock splits, stock dividends and the like, remain outstanding, without the written consent or voting approval of the holders of a majority of the then outstanding shares of the respective series of convertible preferred stock, take any action that: (i) amends, alters or repeals any

powers, preferences or rights of such series of convertible preferred stock, so as to affect them adversely and in a manner disproportionate to other series of preferred stock; or (ii) increases or decreases the authorized number of shares of such series of convertible preferred stock.

Other – We classify our convertible preferred stock outside of stockholders' equity because the shares contain certain liquidation features that are not solely within our control. During 2016 and 2017, we did not adjust the carrying value of the convertible preferred stock to the deemed liquidation value of such shares as a qualifying liquidation event was not probable. Subsequent adjustments to increase the carrying values to the ultimate redemption values will be made only when it becomes probable that such a liquidation event will occur.

9. Stockholders' Equity

Common Stock

We had reserved shares of common stock, on an as-converted basis, for future issuance as follows:

	July 30, 2016	July 29, 2017
Convertible preferred stock outstanding	59,511,055	59,511,055
Options issued and outstanding	7,744,323	10,218,912
Shares available for future stock option grants	3,101,370	2,023,424
Convertible preferred stock warrants	1,066,225	1,066,225
Total	71,422,973	72,819,616

Equity Incentive Plan

In 2011, we adopted the 2011 Equity Incentive Plan (the "Plan"). The Plan provides for the granting of stock-based awards to employees, including directors and non-employees under terms and provisions established by the board of directors. The number of shares authorized for issuance under the Plan was 20,364,297 as of July 30, 2016 and 23,223,374 as of July 29, 2017, of which 3,101,370 and 2,023,424 were available for grant, respectively.

STITCH FIX, INC.

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Under the Plan, we may grant incentive stock options or nonqualified stock options as well as restricted stock units, restricted stock and stock appreciation rights. As of July 30, 2016 and July 29, 2017, we have only issued incentive and nonqualified stock options under the Plan. Employee stock options generally vest 25% on the first anniversary of the grant date with the remaining vesting ratably over the next three years. Options generally expire after 10 years. Stock option activity under the Plan is as follows:

		Options Outstanding			
	Shares Available for Grant	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (years)	Aggregate Intrinsic Value
Balance – August 1, 2015	1,923,798	7,345,774	$ 0.87	8.90	$ 14,071,000
Authorized	2,516,107	—	—		
Granted	(2,020,725)	2,020,725	$ 3.83		
Exercised	—	(939,986)	$ 0.46		
Cancelled	682,190	(682,190)	$ 1.38		
Balance – July 30, 2016	3,101,370	7,744,323	$ 1.64	8.41	$ 25,567,000
Authorized	2,859,077	—	—		
Granted	(5,061,944)	5,061,944	$ 12.86		
Exercised	—	(1,462,434)	$ 1.60		
Cancelled	1,124,921	(1,124,921)	$ 2.34		
Balance – July 29, 2017	2,023,424	10,218,912	$ 7.12	8.53	$166,670,455
Options vested and exercisable – July 30, 2016		2,157,623	$ 0.53	7.44	$ 9,526,000
Options vested and expected to vest – July 30, 2016		6,995,156	$ 1.57	8.35	$ 23,563,000
Options vested and exercisable – July 29, 2017		2,599,565	$ 1.12	6.84	$ 57,996,295
Options vested and expected to vest – July 29, 2017		8,692,560	$ 6.24	8.36	$149,392,696

The total grant date fair value of options that vested during 2016 and 2017 was $1,458,000 and $2,562,000, respectively. The aggregate intrinsic value of options exercised during 2016 and 2017 was $3,465,000 and $17,407,000, respectively.

Stock-Based Compensation Expense

Stock-based compensation expense for options granted to employees was $1,555,000 and $3,358,000 for 2016 and 2017, respectively. Stock-based compensation expense for options granted to non-employees was $295,000 and $187,000 for 2016 and 2017, respectively. Stock-based compensation expense is included in selling, general and administrative expenses in our consolidated statements of operations.

The weighted-average grant date fair value of options granted during 2016 and 2017 was $1.99 per share and $9.11 per share, respectively. As of July 30, 2016 and July 29, 2017, the total unrecognized compensation expense related to unvested options, net of estimated forfeitures, was $5,669,000 and

STITCH FIX, INC.

Notes to Consolidated Financial Statements

$34,532,000, respectively, which we expect to recognize over an estimated weighted average period of 3.1 years and 4.0 years, respectively.

In determining the fair value of the stock-based awards, we use the Black-Scholes option-pricing model and assumptions discussed below. Each of these inputs is subjective and generally requires significant judgment.

Fair value of Common Stock – The fair value of the shares of common stock underlying our stock options has been determined by the board of directors. As there is no public market for our common stock, the board of directors has determined the fair value of the common stock on the stock option grant date by considering a number of objective and subjective factors, including third-party valuations of our common stock, sales of our common stock, operating and financial performance, the lack of marketability of our common stock and general macro-economic conditions.

Expected Term – The expected term represents the period that our stock options are expected to be outstanding and is determined using the simplified method (based on the mid-point between the vesting date and the end of the contractual term).

Expected Volatility – Because we are privately held and do not have an active trading market for our common stock, the expected volatility was estimated based on the average volatility for publicly-traded companies that we consider to be comparable, over a period equal to the expected term of the stock option grants.

Risk-Free Interest Rate – The risk-free interest rate is based on the U.S. Treasury zero coupon notes in effect at the time of grant for periods corresponding with the expected term of the option.

Expected Dividend – We have not paid dividends on our common stock and do not anticipate paying dividends on our common stock; therefore, we use an expected dividend yield of zero.

The fair value of stock options granted to employees was estimated at the grant date using the Black-Scholes option-pricing model with the following assumptions:

	2016	2017
Expected term (in years)	5.4 – 6.9	5.1 – 7.7
Volatility	44.3 – 47.9%	42.6 – 46.0%
Risk-free interest rate	1.1 – 1.9%	1.3 – 2.3%
Dividend yield	— %	— %

In July 2017, options to purchase an aggregate of 1,097,463 shares of common stock which had both a service-based condition and a liquidity event-related performance condition were granted to certain members of our executive management team. Such options vest ratably over the 24 month period following the fourth anniversary of the grant date, subject to an IPO occurring within 12 months of the grant date and the optionholder's continuous service through each vesting date. The aggregate grant-date fair value of such option awards was $14.0 million. As of July 29, 2017, achievement of the performance condition was not deemed probable and accordingly, no expense was recognized related to these option awards.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

Early Exercise of Employee Options

We allow certain employees to exercise options granted under the Plan prior to vesting in exchange for shares of restricted common stock subject to a right of repurchase that lapses according to the original option vesting schedule. The proceeds from the exercise of options are recorded in other current liabilities and other long-term liabilities in our consolidated balance sheets at the time the options are exercised and reclassified to common stock and additional paid-in capital as our repurchase right lapses. Upon termination of employment, any unvested shares are subject to repurchase by us at the original purchase price.

We issued 42,500 and 111,557 shares of common stock during 2016 and 2017, respectively, upon exercise of unvested stock options. As of July 30, 2016 and July 29, 2017, 1,699,147 shares and 702,144 shares, respectively, held by employees were subject to repurchase at an aggregate price of $1,483,000 and $1,235,000, respectively.

Sales of Our Stock

In April 2016, an employee sold an aggregate of 268,095 shares of our common stock for a total of $6,000,000 to an existing investor. The purchase price was in excess of the fair value of such shares. As a result, during 2016, we recorded the excess of the purchase price above fair value of $4,810,000 as compensation expense with a corresponding credit to additional paid-in capital.

In November 2016, we initiated a cash tender offer which was completed in December 2016 for the purchase of our common stock, including shares underlying then-unexercised vested options, at a purchase price of $22.61 per share. To be eligible to participate in the tender offer, employees must have received equity grants with vesting start dates on or before October 31, 2014. Such employees could elect to sell up to 10% of their total vested holdings. The total number of tendered shares was 526,620 for total cash consideration of $11,883,000. The purchase price per share in the tender offer was in excess of the fair value of our common stock at the time of the transaction. As a result, during 2017, we recorded the excess of the purchase price above fair value of $8,326,000 as compensation expense.

In January 2017, two of our former employees sold 554,799 shares of our common stock for a total of $12,544,000 to existing investors. In addition, an employee sold 85,000 shares of our Series C convertible preferred stock for a total purchase price of $1,922,000 to an existing investor. The purchase price was in excess of the fair value of such shares. During 2017, we recorded $12,957,000 as compensation expense related to these transactions.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

10. Income Taxes

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

	July 30, 2016	July 29, 2017
Current:		
Federal	$29,204	$17,027
State	4,706	3,096
Total current	33,910	20,123
Deferred:		
Federal	(5,458)	(6,009)
State	(411)	(719)
Total deferred	(5,869)	(6,728)
Provision for income taxes	$28,041	$13,395

The components of net deferred tax assets are as follows (in thousands):

	July 30, 2016	July 29, 2017
Deferred tax assets:		
Inventory reserve and UNICAP	$ 9,262	$13,378
Deferred rent	3,736	4,858
Accruals and reserves	3,054	6,215
Other	905	1,099
Gross deferred tax assets	16,957	25,550
Deferred tax liabilities:		
Depreciation and amortization	(3,522)	(5,407)
Other	(234)	(152)
Gross deferred tax liabilities	(3,756)	(5,559)
Net deferred tax assets	$13,201	$19,991

As of July 29, 2017, we had a federal net operating loss carryforward of $327,000. If not utilized, this loss will begin to expire in 2033. This net operating loss carryforward is subject to an annual limitation under Internal Revenue Code §382, but is expected to be fully realized in the future.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

The reconciliation of our effective tax rate to the statutory federal rate is as follows (in thousands, except percentages):

	2016		2017	
Tax at federal statutory rate	$21,428	35.0%	$ 4,481	35.0%
State taxes, net of federal effect	2,386	3.9	1,270	9.9
Remeasurement of preferred stock warrant liability	1,057	1.7	6,608	51.6
Nondeductible compensation	1,683	2.8	—	—
Other	1,487	2.4	1,036	8.1
Effective tax rate	$28,041	45.8%	$13,395	104.6%

Uncertain Tax Positions

A reconciliation of our unrecognized tax benefits is as follows (in thousands):

	July 30, 2016	July 29, 2017
Balance at the beginning of year	$ 481	$ 846
Settlement with tax authorities	—	—
Lapse of statute of limitations	—	—
Increase related to prior period tax positions	—	—
Decrease related to prior period tax positions	—	(36)
Increase related to current year tax positions	365	242
Balance at the end of year	$ 846	$1,052

The amount of unrecognized tax benefits relating to our tax positions is subject to change based on future events including, but not limited to, the settlements of ongoing audits and/or the expiration of applicable statutes of limitations. Although the outcomes and timing of such events are highly uncertain, we anticipate that the balance of the liability for unrecognized tax benefits and related deferred tax assets will not significantly change during the next twelve months. Our liability for uncertain tax positions as of July 29, 2017 includes $832,000 related to amounts that would impact our current and future tax expense.

We recognize interest and penalties related to uncertain tax positions in our provision for income taxes.

We file U.S. federal and various state and local income tax returns, including the State of California. We are subject to U.S. federal, state or local income tax examinations for all prior years.

STITCH FIX, INC.

Notes to Consolidated Financial Statements

11. Earnings (Loss) Per Share and Pro Forma Earnings Per Share Attributable to Common Stockholders

Earnings (Loss) Per Share Attributable to Common Stockholders

A reconciliation of the numerator and denominator used in the calculation of the basic and diluted earnings per share attributable to common stockholders is as follows (in thousands except share and per share amounts):

	2016	2017
Numerator:		
Net income (loss)	$ 33,181	(594)
Less: noncumulative dividends to preferred stockholders	(2,533)	—
Less: undistributed earnings to participating securities	(22,437)	—
Net income (loss) attributable to common stockholders - basic	8,211	(594)
Add: adjustments to undistributed earnings to participating securities	1,285	—
Net income (loss) attributable to common stockholders - diluted	$ 9,496	(594)
Denominator:		
Weighted-average shares of common stock - basic	22,729,890	24,973,931
Effect of dilutive stock options	5,152,954	—
Weighted-average shares of common stock - diluted	27,882,844	24,973,931
Earnings (loss) per share attributable to common stockholders:		
Basic	$ 0.36	(0.02)
Diluted	$ 0.34	(0.02)

The following common stock equivalents were excluded from the computation of diluted earnings (loss) per share for the periods presented because including them would have been antidilutive:

	2016	2017
Convertible preferred stock	59,511,055	59,511,055
Stock options to purchase common stock	105,993	5,675,447
Preferred stock warrants	1,066,225	1,066,225
Total	60,683,273	66,252,727

STITCH FIX, INC.

Notes to Consolidated Financial Statements

Unaudited Pro Forma Earnings Per Share Attributable to Common Stockholders

The following table sets forth the computation of our unaudited pro forma basic and diluted earnings per share attributable to common stockholders (in thousands, except share and per share amounts) assuming the automatic conversion of the convertible preferred stock and the automatic exercise of the preferred stock warrants upon consummation of an IPO as if such event had occurred as of the beginning of the respective period:

	2017 (unaudited)
Numerator:	
Net loss	$ (594)
Add: change in fair value of preferred stock warrant liability	18,881
Less: undistributed earnings to participating securities	(249)
Net income used in calculating pro forma earnings per share attributable to common stockholders - basic	$ 18,038
Add: adjustments to undistributed earnings to participating securities	14
Net income used in calculating pro forma earnings per share attributable to common stockholders - diluted	$ 18,052
Weighted-average shares used to calculate earnings per share attributable to common stockholders, basic and diluted	24,973,931
Pro forma adjustment to reflect assumed exercise of preferred stock warrants	1,066,225
Pro forma adjustment to reflect assumed conversion of all outstanding shares of convertible preferred stock	59,511,055
Weighted-average shares used to calculate pro forma earnings per share attributable to common stockholders - basic	85,551,211
Effect of dilutive stock options	5,357,330
Weighted-average shares used to calculate pro forma earnings per share attributable to common stockholders - diluted	90,908,541
Pro forma earnings per share attributable to common stockholders:	
Basic	$ 0.21
Diluted	$ 0.20

12. Subsequent Events

Subsequent events have been evaluated through October 18, 2017, which is the date the 2017 consolidated financial statements were available to be issued.

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"I am a busy mom and business owner, so I don't always have time to shop. Stitch Fix gives me peace of mind knowing that I always have fun new pieces coming without having to spend any valuable time doing it myself! I can always feel confident that the items I'm getting are of great quality, which is super important to me."

Stephanie G.
Age: 32 Location: Bend, OR

"What has surprised me is the fact that there is actually *cute* fashion out there for the curvy girl! If you go into some of the plus size departments, everything is very matronly or cut like a circus tent. Stitch Fix's pieces for the curvy girl have been stylish, fitted and I almost always receive compliments on everything I wear from Stitch Fix."

Hillary B.
Age: 46 Location: Dublin, CA

"It surprised me that most of the clothes fit me well. Especially the pants. I have a hard time finding pants that fit well. Stitch Fix has somehow taken into account that my body type is unique and I deserve a unique fit. I appreciate that a ton."

Kelvin D.
Age: 30 Location: Columbia, SC

Kelvin is a content partner who receives product credit for posts about Stitch Fix.

"Stitch Fix helped me become more strategic with my business and gave me the insight to create a 26-inch inseam for their petite clients. We developed the product exclusively for them and today, it's a top-selling style for PAIGE & Stitch Fix. Stitch Fix's business model and rich customer data allows us to curate the perfect buy, leading to the best success rate possible."

Paige Adams-Gellar
Founder & Creative Director, PAIGE

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Unless otherwise indicated, all references to "Stitch Fix," the "company," "we," "our," "us" or similar terms refer to Stitch Fix, Inc. and its subsidiaries.

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth all expenses to be paid by us, other than underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the SEC registration fee, the FINRA filing fee and the Nasdaq Global Select Market listing fee.

SEC registration fee	$ 28,635
FINRA filing fee	35,000
Nasdaq Global Select Market listing fee	150,000
Printing and engraving expenses	450,000
Legal fees and expenses	1,250,000
Accounting fees and expenses	1,900,000
Custodian transfer agent and registrar fees	15,000
Miscellaneous	171,365
Total	$ 4,000,000

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act. Our amended and restated certificate of incorporation that will be in effect on the completion of this offering permits indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws that will be in effect on the completion of this offering provide that we will indemnify our directors and officers and permit us to indemnify our employees and other agents, in each case to the maximum extent permitted by the Delaware General Corporation Law.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee or agent of Stitch Fix, Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Stitch Fix, Inc. At present, there is no pending litigation or proceeding involving a director or officer of Stitch Fix, Inc. regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Securities Exchange Act of 1934, as amended, that might be incurred by any director or officer in his capacity as such.

The underwriters are obligated, under certain circumstances, under the underwriting agreement to be filed as Exhibit 1.1 hereto, to indemnify us and our officers and directors against liabilities under the Securities Act.

Item 15. Recent Sales of Unregistered Securities.

The following sets forth information regarding all unregistered securities sold since November 1, 2014 through November 3, 2017 (after giving effect to a 1-for-5 stock split effected in December 2014):

(1) From November 1, 2014 through November 3, 2017, we granted to our directors, employees, consultants and other service providers options to purchase 13,672,572 shares of our Class B common stock with per share exercise prices ranging from $0.904 to $23.43 under our 2011 Plan.

(2) From November 1, 2014 through November 3, 2017, we issued to our directors, employees, consultants and other service providers an aggregate of 5,686,814 shares of our Class B common stock at per share purchase prices ranging from $0.044 to $16.98 pursuant to exercises of options granted under our 2011 Plan.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise specified above, we believe these transactions were exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act (and 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 under benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

The following exhibits are filed as part of this Registration Statement.

Exhibit Number	Description
1.1	Form of Underwriting Agreement.
3.1*	Amended and Restated Certificate of Incorporation of Stitch Fix, Inc., as amended, as currently in effect.
3.2*	Form of Amended and Restated Certificate of Incorporation of Stitch Fix, Inc., to be in effect on the completion of the offering.
3.3*	Amended and Restated Bylaws of Stitch Fix, Inc., as currently in effect.
3.4*	Form of Amended and Restated Bylaws of Stitch Fix, Inc., to be in effect on the completion of the offering.
4.1	Form of Class A Common Stock Certificate.
5.1	Opinion of Cooley LLP.
10.1*	Amended and Restated Investor Rights Agreement, dated April 10, 2014.
10.2+*	Stitch Fix, Inc. 2011 Equity Incentive Plan, as amended.

Exhibit Number	Description
10.3+*	Forms of grant notice, stock option agreement, notice of exercise and early exercise stock purchase agreement under the Stitch Fix, Inc. 2011 Equity Incentive Plan.
10.4+	Stitch Fix, Inc. 2017 Incentive Plan.
10.5+	Forms of grant notice, stock option agreement and notice of exercise under the Stitch Fix, Inc. 2017 Incentive Plan.
10.6+	Forms of restricted stock unit grant notice and award agreement under the Stitch Fix, Inc. 2017 Incentive Plan.
10.7+*	Form of Indemnity Agreement entered into by and between Stitch Fix, Inc. and each director and executive officer.
10.8+*	Offer Letter, by and between Stitch Fix, Inc. and Katrina Lake, dated September 5, 2017.
10.9+*	Amended and Restated Offer Letter, by and between Stitch Fix, Inc. and Paul Yee, dated September 5, 2017.
10.10+*	Offer Letter, by and between Stitch Fix, Inc. and Julie Bornstein, dated February 27, 2015.
10.11+*	Amended and Restated Offer Letter, by and between Stitch Fix, Inc. and Scott Darling, dated September 5, 2017.
10.12*	Office Lease, by and between Stitch Fix, Inc. and Post-Montgomery Associates, dated as of November 10, 2015, as amended.
10.13+*	Confidential Separation Agreement and General Release of all Claims, by and between Stitch Fix, Inc. and Julie Bornstein, dated as of July 21, 2017.
10.14#	Logistics Services Agreement, by and between Stitch Fix, Inc. and Ozburn-Hessey Logistics, LLC, dated as of April 24, 2014.
10.15+	Stitch Fix, Inc. Independent Director Compensation Policy.
10.16+*	Amended and Restated Offer Letter, by and between Stitch Fix, Inc. and Mike Smith, dated September 25, 2017.
21.1*	List of Subsidiaries of Stitch Fix, Inc.
23.1	Consent of Deloitte & Touche LLP, independent registered public accounting firm.
23.2	Consent of Cooley LLP (included in Exhibit 5.1).
24.1*	Power of Attorney (included on page II-5).

* Previously filed.
\+ Indicates management contract or compensatory plan.
\# Confidential treatment has been requested for portions of this exhibit. These portions have been omitted from the registration statement and submitted separately to the SEC.

(b) Financial Statement Schedules.

All financial statement schedules are omitted because the information required to be set forth therein is not applicable or is shown in the consolidated financial statements or the notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant under the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance on Rule 430A and contained in a form of prospectus filed by the registrant under Rule 424(b)(1) or (4) or 497(h) under the Securities Act will be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus will be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time will 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 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Francisco, State of California, on November 6, 2017.

STITCH FIX, INC.

By: /s/ Katrina Lake
Name: Katrina Lake
Title: Founder, Chief Executive Officer and Director

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Katrina Lake Katrina Lake	Founder, Chief Executive Officer and Director (Principal Executive Officer)	November 6, 2017
/s/ Paul Yee Paul Yee	Chief Financial Officer (Principal Financial and Accounting Officer)	November 6, 2017
* Steven Anderson	Director	November 6, 2017
* J. William Gurley	Director	November 6, 2017
* Marka Hansen	Director	November 6, 2017
* Sharon McCollam	Director	November 6, 2017

*By: /s/ Katrina Lake
Katrina Lake
Attorney-in-Fact

Exhibit 1.1

Stitch Fix, Inc.

Class A Common Stock, par value $0.00002 per share

Underwriting Agreement

[●], 2017

Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC

As representatives of the several Underwriters
named in Schedule I hereto,

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

Stitch Fix, Inc., a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated in this agreement (this "Agreement"), to issue and sell to the several Underwriters named in Schedule I hereto (the "Underwriters"), for whom Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC are acting as representatives (the "Representatives"), an aggregate of [●] shares and, at the election of the Underwriters, up to [●] additional shares of Class A Common Stock, par value $0.00002 ("Stock") of the Company and the stockholders of the Company named in Schedule II hereto (the "Selling Stockholders") propose, subject to the terms and conditions stated herein, to sell to the Underwriters an aggregate of [●] shares and, at the election of the Underwriters, up to [●] additional shares of Stock. The aggregate of [●] shares to be sold by the Company and the Selling Stockholders is herein called the "Firm Shares" and the aggregate of [●] additional shares to be sold by the Company and the Selling Stockholders is herein called the "Optional Shares". The Firm Shares and the Optional Shares that the Underwriters elect to purchase pursuant to Section 2 hereof are herein collectively called the "Shares".

1. (a) The Company represents and warrants to, and agrees with, each of the Underwriters that:

(i) A registration statement on Form S–1 (File No. 333-[●]) (the "Initial Registration Statement") in respect of the Shares has been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you and, excluding exhibits thereto, to you for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the

Securities Act of 1933, as amended (the "Act"), which became effective upon filing, no other document with respect to the Initial Registration Statement has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or, to the Company's knowledge, threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a "Preliminary Prospectus"; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the "Registration Statement"; the Preliminary Prospectus relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(a)(iii) hereof) is hereinafter called the "Pricing Prospectus"; such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the "Prospectus"; any "issuer free writing prospectus" as defined in Rule 433 under the Act relating to the Shares is hereinafter called an "Issuer Free Writing Prospectus"); any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act is hereinafter called a "Section 5(d) Communication"; any Section 5(d) Communication that is a written communication within the meaning of Rule 405 under the Act is hereinafter called a "Section 5(d) Writing"; and any "bona fide electronic road show" as defined in Rule 433(h)(5) under the Act that has been made available without restriction to any person is hereinafter called a "broadly available road show";

(ii) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein or by a Selling Stockholder expressly for use in the preparation of the answers therein to Items 7 and 11(m) of Form S-1; provided that it is agreed that the only such information furnished by any Selling Stockholder to the Company consists of (A) the legal name, address and the number of shares of Stock and Class B common stock, par value $0.00002 per share, of the Company owned by such Selling Stockholder before and after the offering, and (B) the other information with respect to such Selling Stockholder (excluding percentages) which appears in the table (and corresponding footnotes) under the caption "Principal and Selling Stockholders" in the Registration Statement, Preliminary Prospectus or Prospectus (with respect to each Selling Stockholder, the "Selling Stockholder Information");

(iii) For the purposes of this Agreement, the "Applicable Time" is [●] [a/p].m. (Eastern time) on [ ], 20[ ]. The Pricing Prospectus, as supplemented by the information listed on Schedule III(c) hereto, taken together (collectively, the "Pricing Disclosure Package"), as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus listed on Schedule III(a) hereto, each broadly available road show and each Section 5(d) Writing listed on Schedule III(b) hereto does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each such Issuer Free Writing Prospectus, each broadly available road show and each Section 5(d) Writing, each as supplemented by and taken together with the Pricing Disclosure Package, as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions made in an Issuer Free Writing Prospectus or Section 5(d) Writing listed on Schedule III(b) hereto in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein or by a Selling Stockholder expressly for use in the preparation of the answers therein to Items 7 and 11(m) of Form S-1;

(iv) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration Statement and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein or by a Selling Stockholder expressly for use in the preparation of the answers therein to Items 7 and 11(m) of Form S-1;

(v) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included in the Pricing Prospectus and the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus; and, since the respective dates as of which information is given in the Registration Statement, the Pricing Prospectus and the Prospectus, there has not been any change in the capital stock (other than as a result of (A) the exercise of stock options or the award of stock options in the ordinary course of business pursuant to the Company's equity incentive plans, (B) the repurchase of shares of capital stock upon termination of the holder's employment or service with the Company pursuant to agreements providing for an option to repurchase or a right of first refusal on behalf of the Company or (C) the exercise of warrants outstanding on the date hereof, in each case as such equity incentive plans, outstanding equity incentives and agreements are described in the Pricing Prospectus or filed as exhibits to the Registration Statement) or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse

change, in or affecting the business, general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole or the ability of the Company to perform its obligations under, or consummate the transactions contemplated by, this Agreement (a "Material Adverse Effect"), otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus;

(vi) The Company and its subsidiaries have good and marketable title in fee simple to all real property owned by them. The Company and its subsidiaries have good and marketable title to all personal property owned by them (other than with respect to Intellectual Property (as defined below), which is addressed exclusively in subsection [ ] below), free and clear of all liens, encumbrances and defects except such as are described in the Pricing Prospectus and the Prospectus or such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; and any real property and buildings held under lease by the Company and its subsidiaries are held by them under, to the Company's knowledge, valid, subsisting and enforceable leases (subject to the effects of (A) bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization, moratorium or other similar laws relating to or affecting the rights or remedies of creditors generally; (B) the application of general principles of equity (including without limitation, concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether enforcement is considered in proceedings at law or in equity); and (C) applicable law and public policy with respect to rights to indemnity and contribution) with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries;

(vii) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Prospectus and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; and each subsidiary of the Company has been duly incorporated or formed and is validly existing as a corporation or other business organization in good standing under the laws of its jurisdiction of incorporation or formation, and has been duly qualified as a foreign corporation or other business organization for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction;

(viii) The Company has an authorized capitalization as set forth in the Pricing Prospectus and the Prospectus and all of the issued shares of capital stock of the Company, including the Shares to be sold by the Selling Stockholders, have been duly and validly authorized and issued and are fully paid and non-assessable and conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and all of the issued shares of capital stock and equity interests of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors' qualifying shares) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims;

(ix) The Shares to be issued and sold by the Company to the Underwriters hereunder have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable and will conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus;

(x) The issue and sale of the Shares to be sold by the Company and the execution, delivery and compliance by the Company with this Agreement and the consummation of the transactions herein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (A) any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (B) the Certificate of Incorporation or Bylaws or similar organizational documents of the Company or any of its subsidiaries, or (C) any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except in the case of clauses (A) and (C), for such breaches, violations or defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue of the Shares to be sold by the Company and the sale of the Shares or the consummation by the Company of the transactions contemplated by this Agreement, except for the registration under the Act of the Shares, the approval by the Financial Industry Regulatory Authority ("FINRA") of the underwriting terms and arrangements, the approval for listing on the [ ] (the "Exchange") and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters;

(xi) Neither the Company nor any of its subsidiaries is (A) in violation of its Certificate of Incorporation or Bylaws or similar organizational documents, (B) in violation of any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (C) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (B) for such violations that would not reasonably be expected to have a Material Adverse Effect;

(xii) The statements set forth in the Pricing Prospectus and the Prospectus under the caption "Description of Capital Stock", insofar as they purport to constitute a summary of the terms of the Stock and under the caption "Material United States Federal Income Tax Consequences to Non-U.S. Holders of our Class A Common Stock", insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair;

(xiii) Other than as set forth in the Pricing Prospectus and the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries or, to the Company's knowledge, any officer or director of the Company is a party or of which any property or assets of the Company or any of its subsidiaries or, to the Company's knowledge,

any officer or director of the Company is the subject which, if determined adversely to the Company or any of its subsidiaries (or such officer or director), would individually or in the aggregate result in or cause a Material Adverse Effect; and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(xiv) Neither the Company nor any of its subsidiaries is or, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof, as described in the Pricing Prospectus and the Prospectus, will be an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended and the rules and regulations thereunder;

(xv) At the time of filing the Initial Registration Statement the Company was not and the Company is not an "ineligible issuer," as defined in Rule 405 under the Act;

(xvi) Deloitte & Touche LLP, which has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder;

(xvii) The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that complies with the requirements of the Exchange Act applicable to the Company and has been designed by the Company's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company's internal control over financial reporting is designed to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Other than as set forth in the Pricing Prospectus and the Prospectus, the Company is not aware of any material weaknesses in its internal control over financial reporting (it being understood that this subsection shall not require the Company to comply with Section 404 of the Sarbanes Oxley Act of 2002 as of an earlier date than it would otherwise be required to so comply under applicable law);

(xviii) Since the date of the latest audited financial statements included in the Pricing Prospectus and the Prospectus, there has been no change in the Company's internal control over financial reporting that has materially and adversely affected, or is reasonably likely to materially and adversely affect, the Company's internal control over financial reporting;

(xix) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act applicable to the Company; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective;

(xx) This Agreement has been duly authorized, executed and delivered by the Company;

(xxi) None of the Company, any of its subsidiaries nor any director or officer thereof, nor, to the Company's knowledge, any, agent, employee, affiliate or other person acting on behalf of the Company or any of its subsidiaries has: (i) used corporate funds to make any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) offered, promised, authorized, or made any direct or indirect unlawful payment from corporate funds to any foreign or domestic government official, employee, or agent, including those acting on behalf of any government instrumentality such as government-owned or controlled entities, or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended; (iv) violated or is in violation of any provision of the Bribery Act 2010 of the United Kingdom or similarly applicable anti-corruption or anti-bribery laws ((iii) and (iv) hereinafter the "Anti-Bribery and Anti-Corruption Laws"); and (v) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment. The Company has instituted, maintains and enforces policies and procedures reasonably designed to ensure compliance with the Anti-Bribery and Anti-Corruption Laws;

(xxii) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with the requirements of applicable anti-money laundering laws, including, but not limited to, the Bank Secrecy Act of 1970, as amended by the USA PATRIOT ACT of 2001, and the rules and regulations promulgated thereunder, and the anti-money laundering laws of the various jurisdictions in which the Company and its subsidiaries conduct business (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(xxiii) None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. Government, including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC"), or other relevant sanctions authority (collectively, "Sanctions"), and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person, or in any country or territory, that, at the time of such funding, is the subject or the target of Sanctions or (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions;

(xxiv) (A) There are no persons with registration rights or other similar rights to have any securities registered pursuant to the Registration Statement or otherwise registered by the Company under the Act except as have been validly waived or complied with and (B) the holders of outstanding shares of the Company's capital stock are not entitled to preemptive or other rights to subscribe for the Shares that have not been complied with or otherwise effectively waived;

(xxv) The Company and its subsidiaries own or possess, or can acquire on commercially reasonable terms, adequate rights to use all patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names, domain names, or other intellectual property rights (collectively, "Intellectual Property") necessary to carry on the business now operated by them (the "Company Intellectual Property"). Other than as set forth in the Pricing Prospectus and the Prospectus, neither the Company nor any of its subsidiaries has received any written notice of any infringement of, or conflict with, asserted rights of others with respect to any Intellectual Property which, individually or in the aggregate, if the subject of an unfavorable decision, would reasonably be expected to have a Material Adverse Effect. To the Company's knowledge, there is no infringement by third parties of any Company Intellectual Property. The Company and its subsidiaries have taken all steps necessary to secure interests in the Company Intellectual Property from their employees, consultants, agents and contractors. The Company and its subsidiaries have taken reasonable steps in accordance with standard industry practice to maintain the confidentiality of all material trade secrets and other confidential information owned, used or held for use by the Company or any of its subsidiaries that the Company in its reasonable business judgment wishes to maintain as trade secrets. The Company and its subsidiaries have used all software and other materials distributed under a "free," "open source," or similar licensing model (including but not limited to the GNU General Public License, GNU Lesser General Public License and GNU Affero General Public License) ("Open Source Materials") in compliance with all license terms applicable to such Open Source Materials, except where the failure to comply would not reasonably be expected to have a Material Adverse Effect. None of the Company's proprietary software or other proprietary technology (such software and technology, "Company Proprietary Software") incorporates or uses Open Source Materials in a manner that requires or has required (i) the Company or any of its subsidiaries to permit reverse-engineering of any Company Proprietary Software of the Company or any of its subsidiaries, or (ii) any Company Proprietary Software of the Company or any of its subsidiaries to be (A) disclosed or distributed in source code form, (B) licensed for the purpose of making derivative works, or (C) redistributable at no charge or minimal charge;

(xxvi) The Company and its subsidiaries (A) have operated their respective businesses in a manner compliant with all privacy and data protection laws and regulations applicable to the Company's and its subsidiaries' receipt, collection, handling, processing, sharing, transfer, usage, disclosure or storage of all user data and all other information, including personally identifiable information, financial data, IP addresses, device identifiers and website usage activity ("Personal and Device Data") by or for the Company and its subsidiaries ("Privacy Legal Obligations"), and (B) have implemented, maintained, and complied with, and are in compliance with policies and procedures designed to ensure compliance with Privacy Legal Obligations and the privacy, integrity, security and confidentiality of all Personal and Device Data handled, processed, collected, shared, transferred, used, disclosed and/or stored by the Company or its subsidiaries in connection with the Company's and its subsidiaries' operation of their respective businesses. To the Company's knowledge, neither the Company nor any of its subsidiaries has experienced any security incident that has compromised the privacy and/or security of any Personal and Device Data;

(xxvii) Any statistical, industry-related and market-related data included in the Pricing Prospectus and the Prospectus are based on or derived from sources that the Company believes, after reasonable inquiry, to be reliable and accurate;

(xxviii) The Company and its subsidiaries taken as a whole are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged; the Company has not to its knowledge been refused any insurance coverage applied for; and the Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business;

(xxix) The Company and each of its subsidiaries have filed all material federal, state, local and foreign income and franchise tax returns required to be filed through the date hereof, subject to permitted extensions, and have paid all taxes due thereon, except for cases in which the failure to file or pay would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No material tax deficiency has been determined adversely to the Company or any of its subsidiaries and the Company does not have any knowledge of any tax deficiencies;

(xxx) The financial statements included in the Registration Statement, the Pricing Prospectus and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its subsidiaries at the dates indicated therein, and the statement of operations, stockholders' equity and cash flows of the Company and its subsidiaries for the periods specified; said financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved. The supporting schedules, if any, present fairly in all material respects and in accordance with GAAP the information required to be stated therein. The selected financial data and the summary financial information included in the Registration Statement, the Pricing Prospectus and the Prospectus present fairly in all material respects the information shown therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included in the Registration Statement, the Pricing Prospectus or the Prospectus under the Act or the rules and regulations promulgated thereunder. All disclosures contained in the Registration Statement, the Pricing Prospectus and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Act, to the extent applicable;

(xxxi) The Company and its subsidiaries have no off-balance sheet arrangements (as defined in Regulation S-K Item 303(a)(4)(ii)) that may have a material current or future effect on the Company's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources;

(xxxii) The Company has not sold or issued any shares of Stock during the six-month period preceding the date of the Prospectus, including any sales pursuant to Rule 144A or Regulation D of the Act, other than (i) shares issued pursuant to employee benefit plans, stock option plans or other employee compensation plans or pursuant to outstanding options, rights or warrants, or (ii) as disclosed in the Registration Statement, the Pricing Prospectus and the Prospectus;

(xxxiii) Except in all cases where such violation, claim, request, notice, proceeding, investigation or material capital expenditure would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any applicable statute, law, rule, regulation, ordinance, code, rule of common law or order of or with any governmental agency or body or any court, domestic or foreign, relating to the use, management, disposal or release of hazardous or toxic substances or wastes or relating to pollution or the protection of the environment or human health or relating to exposure to hazardous or toxic substances or wastes (collectively, "Environmental Laws"), (B) neither the Company nor any of its subsidiaries has received any written claim, written request for information or written notice of liability or investigation arising under, relating to or based upon any Environmental Laws, (C) neither the Company nor any of its subsidiaries is aware of any pending or threatened notice, claim, proceeding or investigation which might lead to liability under Environmental Laws, (D) the Company does not anticipate incurring material capital expenditures relating to compliance with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, investigation or closure of properties or compliance with Environmental Laws or any permit, license, approval, any related constraints on operating activities and any potential liabilities to third parties) and (E) neither the Company nor any of its subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended;

(xxxiv) The Company has not and, to its knowledge, no one acting on its behalf has, (i) taken and will not take, directly or indirectly, any action which is designed to or which has constituted or which would reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company or any of its subsidiaries to facilitate the sale or resale of the Shares, (ii) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares, or (iii) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company or any of its subsidiaries other than as contemplated in this Agreement; provided, however, that the Company makes no such representation or warranty with respect to the actions of any Underwriter or affiliate or agent of any Underwriter;

(xxxv) There are no relationships or related-party transactions involving the Company, any of the subsidiaries or consolidated affiliated entities, or any other person required to be described in the Registration Statement, the Pricing Prospectus and the Prospectus which have not been described as required;

(xxxvi) The Company and its subsidiaries possess all licenses, permits, certificates and other authorizations from, all governmental authorities, required or necessary to own or lease, as the case may be, and to operate their respective properties and to carry on their respective businesses as currently conducted by them or as described in the Registration Statement, the Pricing Prospectus and the Prospectus to be conducted by them ("Permits"), except where the failure to obtain such Permits would not individually or in the aggregate result in or cause a Material Adverse Effect and such Permits are in full force and effect, and neither the Company nor its subsidiaries has received any written notice of proceedings relating to the revocation or modification of any such Permit;

(xxxvii) From the time of the initial confidential submission of the Registration Statement relating to the Shares with the Commission (or, if earlier, the first date on which a Section 5(d) Communication was made) through the date hereof, the Company has been and is an "emerging growth company" as defined in Section 2(a)(19) of the Act (an "Emerging Growth Company");

(xxxviii) (A) Each Plan (as defined below) has been sponsored, maintained and contributed to in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended (the "Code"); (B) no non-exempt prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan; (C) for each Plan, no failure to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA), whether or not waived, has occurred or is reasonably expected to occur; (D) no "reportable event" (within the meaning of Section 4043(c) of ERISA, other than those events as to which notice is waived) has occurred or is reasonably expected to occur; (E) neither the Company nor any member of its "Controlled Group" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Code) has incurred, nor is reasonably expected to incur, any liability under Title IV of ERISA (other than contributions to any Plan or any Multiemployer Plan (as defined below) or premiums to the Pension Benefit Guaranty Corporation, in the ordinary course and without default) in respect of a Plan or a Multiemployer Plan; and (F) there is no pending audit or investigation by the U.S. Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental agency or any foreign regulatory agency with respect to any Plan. Each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion letter from the U.S. Internal Revenue Service or has time remaining to do so and, to the knowledge of the Company, nothing has occurred, whether by action or by failure to act, which would reasonably be expected to cause the loss of such qualification. None of the following events has occurred or is reasonably likely to occur: (x) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its subsidiaries in the current fiscal year of the Company and its subsidiaries compared to the amount of such contributions made in the Company and its subsidiaries' most recently completed fiscal year; or (y) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit obligations" (within the meaning of FASB Accounting Standards Codification Topic 715) compared to the amount of such obligations in the Company and its subsidiaries' most recently completed fiscal year. For purposes of this paragraph, (x) the term "Plan" means an employee benefit plan, within the meaning of Section 3(3) of ERISA, subject to Title IV of ERISA, but excluding any Multiemployer Plan, for which the Company or any member of its "Controlled Group" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414(b), (c), (m) or (o) of the Code) has any liability and (y) the term "Multiemployer Plan" means a multiemployer plan within the meaning of Section 4001(a)(3) of ERISA;

(xxxix) No material labor dispute with or disturbance by the employees of the Company or any of its subsidiaries exists or, to the Company's knowledge, is threatened and neither the Company nor any of its subsidiaries is or at any time has been a party to any collective bargaining agreement or other labor agreement with respect to employees of the Company or its subsidiaries and there are no pending or threatened activities or proceedings by any labor union or similar entity to organize any employees of the Company or its subsidiaries;

(xl) Except as described in the Pricing Prospectus and the Prospectus, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering;

(xli) There are no debt securities or preferred stock of, or guaranteed by, the Company that are rated by a "nationally recognized statistical rating organization," as such term is defined in Section 3(a)(62) of the Exchange Act;

(xlii) No forward-looking statement (within the meaning of Section 27A of the Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Prospectus or the Prospectus has been made or reaffirmed by the Company without a reasonable basis or has been disclosed by the Company other than in good faith; and

(xliii) The Company has taken all necessary actions to ensure that, upon the effectiveness of the Registration Statement (or earlier, if required by applicable provisions), it will be in compliance with all provisions of the Sarbanes-Oxley Act of 2002 and all rules and regulations promulgated thereunder or implementing the provisions thereof (the "Sarbanes-Oxley Act") that are then in effect and with which the Company is required to comply as of the effectiveness of the Registration Statement, and is actively taking steps to ensure that it will be in compliance with other provisions of the Sarbanes-Oxley Act that will become applicable to the Company after the effectiveness of the Registration Statement.

(b) Each of the Selling Stockholders, severally and not jointly, represents and warrants to, and agrees with, each of the Underwriters and the Company that:

(i) All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement and the Power of Attorney and the Custody Agreement hereinafter referred to, and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained, except for the registration under the Act of the Shares, the approval by FINRA of the underwriting terms and arrangements, such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters, and except for such consents, approvals, authorizations, orders, registrations or qualifications as would not reasonably be expected to impair the consummation of such Selling Stockholder's obligations hereunder and under the Power of Attorney and Custody Agreement; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Power-of-Attorney and the Custody Agreement and, if applicable, subject to the exercise of stock options for which such Selling Stockholder has the right to exercise, to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder;

(ii) The sale of the Shares to be sold by such Selling Stockholder hereunder and the execution, delivery and compliance by such Selling Stockholder with this Agreement, the Power of Attorney and the Custody Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any statute, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property or assets of such Selling Stockholder is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation or Bylaws or similar organizational documents of such Selling Stockholder if such Selling Stockholder is a corporation, the partnership agreement of such Selling Stockholder if such Selling Stockholder is a partnership

or any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over such Selling Stockholder or any of its subsidiaries or any property or assets of such Selling Stockholder; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental body or agency is required for the performance by such Selling Stockholder of its obligations under this Agreement, the Power of Attorney and the Custody Agreement and the consummation by such Selling Stockholder of the transactions contemplated by this Agreement, the Power of Attorney and the Custody Agreement in connection with the Shares to be sold by such Selling Stockholder hereunder, except the registration under the Act of the Shares, the approval by FINRA of the underwriting terms and arrangements and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters;

(iii) Such Selling Stockholder has (except in the case of Shares underlying stock options), and immediately prior to each Time of Delivery (as defined in Section 4 hereof) such Selling Stockholder will have, good and valid title to the Shares to be sold by such Selling Stockholder hereunder at such Time of Delivery, free and clear of all liens, encumbrances, equities or claims, except for any liens, encumbrances, equities or claims under the Custody Agreement; and, upon delivery of such Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or claims, will pass to the several Underwriters;

(iv) On or prior to the date of the Pricing Prospectus, such Selling Stockholder has executed and delivered to the Underwriters an agreement substantially in the form of Annex III hereto;

(v) Such Selling Stockholder has not taken and will not take, directly or indirectly, any action that is designed to or that has constituted or might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company or any of its subsidiaries to facilitate the sale or resale of the Shares;

(vi) To the extent that any statements or omissions made in the Registration Statement, any Preliminary Prospectus, the Prospectus or any amendment or supplement thereto are made in reliance upon and in conformity with written information furnished to the Company by such Selling Stockholder pursuant to Items 7 and 11(m) of Form S–1 expressly for use therein, such Registration Statement and Preliminary Prospectus did, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will, when they become effective or are filed with the Commission, as the case may be, not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading;

(vii) In order to document the Underwriters' compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated, such Selling Stockholder will deliver to you prior to or at the First Time of Delivery a properly completed and executed United States Treasury Department Form W-9 (or other applicable form or statement specified by Treasury Department regulations in lieu thereof);

(viii) Certificates in negotiable form representing all of the Shares to be sold by such Selling Stockholder hereunder have been placed in custody under a Custody Agreement, in

the form heretofore furnished to you (the "Custody Agreement"), duly executed and delivered by such Selling Stockholder to [Name of Custodian], as custodian (the "Custodian"), and such Selling Stockholder has duly executed and delivered a Power of Attorney, in the form heretofore furnished to you (the "Power of Attorney"), appointing the persons indicated in Schedule II hereto, and each of them, as such Selling Stockholder's attorneys-in-fact (the "Attorneys-in-Fact") with authority to execute and deliver this Agreement on behalf of such Selling Stockholder, to determine the purchase price to be paid by the Underwriters to the Selling Stockholders as provided in Section 2 hereof, to authorize the delivery of the Shares to be sold by such Selling Stockholder hereunder and otherwise to act on behalf of such Selling Stockholder in connection with the transactions contemplated by this Agreement and the Custody Agreement;

(ix) The Shares represented by the certificates held in custody for such Selling Stockholder under the Custody Agreement are subject to the interests of the Underwriters hereunder; the arrangements made by such Selling Stockholder for such custody, and the appointment by such Selling Stockholder of the Attorneys-in-Fact by the Power of Attorney, are to that extent irrevocable; the obligations of the Selling Stockholders hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder or, in the case of an estate or trust, by the death or incapacity of any executor or trustee or the termination of such estate or trust, or in the case of a partnership or corporation, by the dissolution of such partnership or corporation, or by the occurrence of any other event; if any individual Selling Stockholder or any such executor or trustee should die or become incapacitated, or if any such estate or trust should be terminated, or if any such partnership or corporation should be dissolved, or if any other such event should occur, before the delivery of the Shares to be sold by such Selling Stockholder hereunder, certificates representing the Shares to be sold by such Selling Stockholder hereunder shall be delivered by or on behalf of the Selling Stockholders in accordance with the terms and conditions of this Agreement and of the Custody Agreements; and actions taken by the Attorneys-in-Fact pursuant to the Powers of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the Custodian, the Attorneys-in-Fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event;

(x) Such Selling Stockholder is not prompted by any material non-public information concerning the Company or any of its subsidiaries that is not disclosed in the Pricing Prospectus to sell its Shares pursuant to this Agreement; and

(xi) Such Selling Stockholder will not use, directly or indirectly, the proceeds of the offering in any manner that will result in a violation by any person of Sanctions.

2. Subject to the terms and conditions herein set forth, (a) the Company and each of the Selling Stockholders agree, severally and not jointly, to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and each of the Selling Stockholders, at a purchase price per share of $[●], the number of Firm Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the aggregate number of Firm Shares to be sold by the Company and each of the Selling Stockholders as set forth opposite their respective names in Schedule II hereto by a fraction, the numerator of which is the aggregate number of Firm Shares to be purchased by such Underwriters as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the aggregate number of Firm

Shares to be purchased by all of the Underwriters from the Company and all of the Selling Stockholders hereunder and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Company and the Selling Stockholders, as and to the extent indicated in Schedule II hereto agree, severally and not jointly, to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and each of the Selling Stockholders at the purchase price per share set forth in clause (a) of this Section 2, that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by you so as to eliminate fractional shares) determined by multiplying such number of Optional Shares by a fraction, the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder.

The Company and the Selling Stockholders, as and to the extent indicated in Schedule II hereto, hereby grant, severally and not jointly, to the Underwriters the right to purchase at their election up to [●] Optional Shares, at the purchase price per share set forth in the paragraph above, for the sole purpose of covering sales of shares in excess of the number of Firm Shares, provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares. Any such election to purchase Optional Shares shall be made in proportion to the maximum number of Optional Shares to be sold by the Company and all Selling Stockholders as set forth in Schedule II hereto. Any such election to purchase Optional Shares may be exercised only by written notice from the Representatives to the Company and the Attorneys-in-Fact, given within a period of 30 calendar days after the date of this Agreement and setting forth the aggregate number of Optional Shares to be purchased and the date on which such Optional Shares are to be delivered, as determined by the Representatives but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless the Representatives and the Company and the Attorneys-in-Fact otherwise agree in writing, earlier than two or later than ten business days after the date of such notice.

3. Upon the authorization by the Representatives of the release of the Firm Shares, the several Underwriters propose to offer the Firm Shares for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder, in definitive form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company and the Selling Stockholders shall be delivered by or on behalf of the Company and the Selling Stockholders to the Representatives, through the facilities of the Depository Trust Company ("DTC"), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the accounts specified by the Company and the Custodian to the Representatives at least forty-eight hours in advance. The Company and the Selling Stockholders will cause the certificates representing the Shares to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the "Designated Office"). The time and date of such delivery and payment shall be, with respect to the Firm Shares, [●] a.m., New York City time, on [●], 2017 or such other time and date as the Representatives, the Company and the Attorneys-in-Fact may agree upon in writing, and, with respect to the Optional Shares, [●] a.m., New York City time, on the date specified by the Representatives in each written notice given by the Representatives of the Underwriters' election to purchase such Optional Shares, or such other time and date as the

Representatives, the Company and the Attorneys-in-Fact may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the "First Time of Delivery", each such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery".

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 8 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 8(j) hereof will be delivered at the offices of Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, California 94304 (the "Closing Location"), and the Shares will be delivered at the Designated Office, all at such Time of Delivery. A meeting will be held at the Closing Location at [●] p.m., New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all materials required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus relating to the Shares or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction or subject itself to taxation for doing business in any jurisdiction;

(c) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a)

under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter and to any dealer (whose name and address the Underwriters shall furnish to the Company in connection with such request) in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case any Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable (which may be satisfied by filing with the Commission's Electronic Data Gathering, Analysis and Retrieval System), but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) (i) During the period beginning from the date hereof and continuing to and including the date 180 days after the date of the Prospectus (the "Company Lock-Up Period"), not to (A) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with or confidentially submit to the Commission a registration statement under the Act relating to, any securities of the Company that are substantially similar to the Shares, including but not limited to any options or warrants to purchase shares of Stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such substantially similar securities, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing or (B) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Stock or such other securities, without the prior written consent of the Representatives; *provided*, *however*, that the foregoing restrictions shall not apply to (i) the Shares to be sold hereunder, (ii) the issuance by the Company of shares of Class A Common Stock or Class B Common Stock upon the exercise of an option pursuant to the Company's stock plans existing on the date of this Agreement or warrant outstanding as of the date of this Agreement, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of the date of this Agreement, (iii) the issuance by the Company of Class A Common Stock or securities convertible into, exchangeable for or that represent the right to receive shares of Class A Common Stock, in each case pursuant to the Company's stock plans existing on the date of this Agreement and disclosed in the Pricing Prospectus, (iv) the issuance by the Company of Class A Common Stock or securities convertible into, exchangeable for or that represent the right to receive shares of Class A Common Stock in connection with an acquisition by the Company or any of its subsidiaries of the securities, business, technology, property, personnel or

other assets of another person or entity or pursuant to an employee benefit plan assumed by the Company in connection with such acquisition, and the issuance of any such securities pursuant to any such agreement, (v) the issuance by the Company of Class A Common Stock or securities convertible into, exchangeable for or that represent the right to receive shares of Class A Common Stock in connection with the Company's joint ventures, commercial relationships and other strategic transactions, or (vi) the filing of a registration statement on Form S-8 relating to the securities granted or to be granted pursuant to the Company's stock plans that are described in the Pricing Prospectus or any assumed employee benefit plan contemplated by clause (iv); provided that, in the case of clauses (iv) and (v), the aggregate number of shares of Class A Common Stock (or as-converted Class A Common Stock in the case of securities convertible into Class A Common Stock or the right to receive shares of Class A Common Stock) that the Company may sell or issue or agree to sell or issue pursuant to clauses (iv) and (v) shall not exceed 10% of the total number of shares of Common Stock outstanding immediately following the offering of the Shares contemplated by this Agreement; and provided further that in the case of clauses (ii) through (vi), the Company shall cause each recipient of such securities to executed and deliver to the Representatives, on or prior to the issuance of such securities, a lock-up agreement as described in Section 8(h) hereof;

(ii) If the Representatives, in their sole discretion, agree to release or waive the restrictions in lock-up letters pursuant to Section 8(h) hereof, in each case for an officer or director of the Company, and provide the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Annex II hereto through a major news service at least two business days before the effective date of the release or waiver;

(f) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders ' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its stockholders consolidated summary financial information of the Company and its subsidiaries for such quarter in reasonable detail; provided that no reports, documents or other information need to be furnished pursuant to this Section 5(f) to the extent that they are available on EDGAR;

(g) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to you copies of all reports or other communications (financial or other) furnished to stockholders, and to deliver to you (i) as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed; and (ii) such additional information concerning the business and financial condition of the Company as you may from time to time reasonably request (such financial statements to be on a consolidated basis to the extent the accounts of the Company and its subsidiaries are consolidated in reports furnished to its stockholders generally or to the Commission); provided that no reports, documents or other information need to be furnished pursuant to this Section 5(g) to the extent that they are available on EDGAR;

(h) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus and the Prospectus under the caption "Use of Proceeds";

(i) To use its best efforts to list for trading, subject to official notice of issuance, the Shares on the Exchange;

(j) To file with the Commission such information on Form 10-Q or Form 10-K as may be required by Rule 463 under the Act;

(k) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 p.m., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 3a(c) of the Commission's Informal and Other Procedures (16 CFR 202.3a);

(l) Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Shares (the "License"); provided, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred; and

(m) To promptly notify you if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Shares within the meaning of the Act and (ii) completion of the 180-day restricted period referred to in Section 5(e)(i) hereof.

6. (a) The Company represents and agrees that, without the prior consent of the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a "free writing prospectus" as defined in Rule 405 under the Act; each Selling Stockholder represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; and each Underwriter represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; any such free writing prospectus the use of which has been consented to by the Company and the Representatives is listed on Schedule III(a) hereto;

(b) The Company represents and agrees that (i) it has not engaged in, or authorized any other person to engage in, any Section 5(d) Communications, other than Section 5(d) Communications with the prior consent of the Representatives with entities that are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a) under the Act; and (ii) it has not distributed, or authorized any other person to distribute, any Section 5(d) Writings, other than those distributed with the prior consent of the Representatives that are listed on Schedule III(b) hereto; and the Company reconfirms that the Underwriters have been authorized to act on its behalf in engaging in Section 5(d) Communications;

(c) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show;

(d) Each Underwriter represents and agrees that any Section 5(d) Communications undertaken by it were with entities that are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a) under the Act;

(e) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus or Section 5(d) Writing any event occurred or occurs as a result of which such Issuer Free Writing Prospectus or Section 5(d) Writing prepared or authorized by it would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to the Representatives and, if requested by the Representatives, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus, Section 5(d) Writing or other document which will correct such conflict, statement or omission; provided, however, that this covenant shall not apply to any statements or omissions in an Issuer Free Writing Prospectus or Section 5(d) Writing made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein or by a Selling Stockholder expressly for use in the preparation of the answers therein to Items 7 and 11(m) of Form S-1.

7. The Company and each of the Selling Stockholders covenant and agree with one another and with the several Underwriters that (a) the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Shares under the Act and all other expenses incurred in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) all expenses incurred in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable and document fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey; (iv) all fees and expenses in connection with listing the Shares on the Exchange; (v) the filing fees incident to, and the reasonable and document fees and disbursements of counsel for the Underwriters in connection with, any required review by FINRA of the terms of the sale of the Shares; (vi) the cost of preparing stock certificates; if applicable; (vii) the cost and charges of any transfer agent or registrar; (viii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Shares, including without limitation, expenses associated with the production of road show slides, graphics and videos, fees and expenses of any consultants engaged in connection with the road show presentations, and travel and lodging expenses of the representatives and officers of the Company and any such consultants; (ix) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section; (x) any fees and expenses of counsel for the Selling Stockholders, and (xi) the Selling Stockholders' fees and expenses of the Attorneys-in-Fact and the Custodian; and (b) such Selling Stockholder will pay or cause to be paid all costs and expenses incident to the performance of such Selling Stockholder's obligations hereunder which are not otherwise specifically provided for in this Section, including all expenses and taxes incident to the sale and delivery of the Shares to be sold by such Selling Stockholders; provided, however, that the amount payable by the Company pursuant to subsection

(a)(iii) and the reasonable fees and disbursements of counsel to the Underwriters described in subsection (a)(v) of this Section 7 shall not exceed $30,000 in the aggregate. It is understood, however, that the Company shall bear, and the Selling Stockholders shall not be required to pay or to reimburse the Company for, the cost of any other matters not directly relating to the sale and purchase of the Shares pursuant to this Agreement, and that, except as provided in this Section 7, and Sections 9 and 12 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, stock transfer taxes on resale of any of the Shares by them, and any advertising expenses connected with any offers they may make.

8. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company and the Selling Stockholders herein are, as of the date hereof and at and as of such Time of Delivery, true and correct, the condition that the Company and the Selling Stockholders shall have performed all of its and their obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; all materials required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 p.m., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no stop order suspending or preventing the use of the Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

(b) Wilson Sonsini Goodrich & Rosati, P.C., counsel for the Underwriters, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance satisfactory to you and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Cooley LLP, counsel for the Company, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance satisfactory to you;

(d) The respective counsel for each of the Selling Stockholders, as indicated in Schedule II hereto, each shall have furnished to you their written opinion with respect to each of the Selling Stockholders for whom they are acting as counsel, dated such Time of Delivery, in form and substance satisfactory to you;

(e) On the date of the Prospectus and concurrently with the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, Deloitte & Touche LLP shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance satisfactory to you, to the effect set forth in Annex I hereto (the executed copy of the letter delivered concurrently with the execution of this Agreement is attached as Annex I(a) hereto and a form of the letter to be delivered on the effective date of any post-effective amendment to the Registration Statement and as of each Time of Delivery is attached as Annex I(b) hereto);

(f) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Pricing Prospectus and the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus and the Prospectus there shall not have been any change in the capital stock (other than (A) as a result of the exercise (including any "net" or "cashless" exercises) of stock options or warrants, or the award of stock options, warrants or restricted stock units or (B) the repurchase of unvested Stock by the Company upon termination of the holder's employment with the Company, in each case under (A) and (B) pursuant to the terms of the Company's equity plans that are described in the Pricing Prospectus or Registration Statement or that are otherwise described in the Pricing Prospectus) or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in your judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(g) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the Representatives' judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(h) The Shares to be sold at such Time of Delivery shall have been duly listed, subject to official notice of issuance, on the Exchange;

(i) The Company shall have obtained and delivered to the Underwriters executed copies of an agreement from (i) each stockholder of the Company listed on Schedule II hereto, (ii) each member of the Company's board of directors, (iii) each executive officer of the Company and (iv) substantially all of the other holders of the Company's securities as you may request, substantially to the effect set forth in Annex III hereto;

(j) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement;

(k) The Company and the Selling Stockholders shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company and of the Selling Stockholders, respectively, satisfactory to you as to the accuracy of the representations and warranties of the Company and the Selling Stockholders, respectively, herein at and as of such Time of Delivery, as to the performance by the Company and the Selling Stockholders of all of their respective obligations hereunder to be performed at or prior to such Time of Delivery, as to such other matters as you may reasonably request, and the Company shall have furnished or caused to be furnished certificates as to the matters set forth in subsections (a) and (f) of this Section 8; and

(l) [The chief financial officer of the Company shall have furnished to you a certificate as to the accuracy of certain financial and other information included in the Registration Statement, the Pricing Prospectus, the Prospectus and any broadly available road show, dated such Time of Delivery, in form and substance mutually agreed between the Representatives and the Company.]

9. (a) The Company, will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any "road show" as defined under Rule 433(h) of the Act (a "road show"), any Section 5(d) Writing prepared or authorized in writing by the Company, or any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon 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, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any "road show" as defined under Rule 433(h) of the Act or any Section 5(d) Writing, in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use therein.

(b) Each of the Selling Stockholders, severally and not jointly, will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Section 5(d) Writing, or arise out of or are based upon 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, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto or any Issuer Free Writing Prospectus, or any Section 5(d) Writing, in reliance upon and in conformity with such Selling Stockholder's Selling Stockholder Information; and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that such Selling Stockholder shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus or any amendment or supplement thereto or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the

Representatives expressly for use therein. Each Selling Stockholder's liability under this subsection (b) shall not exceed the proceeds (net of any underwriting discounts and commissions but before deducting expenses) received by such Selling Stockholder from the sale of the Shares sold by such Selling Stockholder hereunder (the "Selling Stockholder Proceeds") less any amounts that such Selling Stockholder is obligated to pay under subsection (g) below.

(c) The Company will indemnify and hold harmless each Selling Stockholder against any losses, claims, damages or liabilities, joint or several, to which such Selling Stockholder may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any "road show" as defined in Rule 433(h) under the Act, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act, or any Section 5(d) Writing prepared or authorized by the Company, or arise out of or are based upon 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, and will reimburse each Selling Stockholder for any documented legal or other expenses reasonably incurred by such Selling Stockholder in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus, the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Section 5(d) Writing, in reliance upon and in conformity with the Selling Stockholder Information.

(d) Each of the Selling Stockholders, severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities, joint or several, to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Section 5(d) Writing, or arise out of or are based upon 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, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus or any Section 5(d) Writing in reliance upon and in conformity with such Selling Stockholder's Selling Stockholder Information; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that such Selling Stockholder shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Section 5(d) Writing, in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use therein. Each Selling Stockholder's liability under this subsection (d) shall not exceed the Selling Stockholder Proceeds less any amounts that such Selling Stockholder is obligated to pay under subsection (g) below.

(e) Each Underwriter will indemnify and hold harmless the Company and each Selling Stockholder against any losses, claims, damages or liabilities to which the Company or such Selling Stockholder may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any road show, or any Section 5(d) Writing, or arise out of or are based upon 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, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any road show, any Section 5(d) Writing, in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company and each Selling Stockholder for any legal or other expenses reasonably incurred by the Company or such Selling Stockholder in connection with investigating or defending any such action or claim as such expenses are incurred.

(f) Promptly after receipt by an indemnified party under subsection (a), (b), (c), (d) or (e) of this Section 9 of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(g) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a), (b), (c), (d) or (e) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders on

the one hand and the Underwriters on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (f) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Stockholders on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company and the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault 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 Company or the Selling Stockholders on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, each of the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (g) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (g). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (g) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (g), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (g) to contribute are several in proportion to their respective underwriting obligations and not joint.

(h) The obligations of the Company and the Selling Stockholders under this Section 9 shall be in addition to any liability which the Company and the Selling Stockholders may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Act and each broker-dealer affiliate of any Underwriter; and the obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company) and the Selling Stockholders and to each person, if any, who controls the Company or any Selling Stockholder within the meaning of the Act.

10. (a) If any Underwriter shall default in its obligation to purchase the Shares that it has agreed to purchase hereunder at a Time of Delivery, you may in your discretion arrange for you or another party or other parties to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such

Shares, then the Company and the Selling Stockholders shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such terms. In the event that, within the respective prescribed periods, you notify the Company and the Selling Stockholders that you have so arranged for the purchase of such Shares, or the Company or a Selling Stockholder notifies you that it has so arranged for the purchase of such Shares, you or the Company or the Selling Stockholders shall have the right to postpone (such) Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you, the Company and the Selling Stockholders as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company and the Selling Stockholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you, the Company and the Selling Stockholders as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all of the Shares to be purchased at such Time of Delivery, or if the Company and the Selling Stockholders shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to a Second Time of Delivery, the obligations of the Underwriters to purchase and of the Company and the Selling Stockholders to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter, the Company or the Selling Stockholders, except for the expenses to be borne by the Company, the Selling Stockholders and the Underwriters as provided in Section 7 hereof and the indemnity and contribution agreements in Section 9 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

11. The respective indemnities, agreements, representations, warranties and other statements of the Company, the Selling Stockholders and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any of the Selling Stockholders, or any officer or director or controlling person of the Company, or any controlling person of any Selling Stockholder, and shall survive delivery of and payment for the Shares.

12. If this Agreement shall be terminated pursuant to Section 10 hereof, neither the Company nor the Selling Stockholder shall then be under any liability to any Underwriter except as provided in Sections 7 and 9 hereof; but, if for any other reason any Shares are not delivered by or on behalf of the Company and the Selling Stockholders as provided herein, the Company and the Selling Stockholders will reimburse the Underwriters through you for all documented out-of-pocket expenses approved in writing by you, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company and the Selling Stockholders shall then be under no further liability to any Underwriter except as provided in Sections 7 and 9 hereof.

13. In all dealings hereunder, the Representatives shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by you jointly as the Representatives, and in all dealings with any Selling Stockholder hereunder, you and the Company shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of such Selling Stockholder made or given by any or all of the Attorneys-in-Fact for such Selling Stockholder.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282, Attention: Registration Department, and J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358); Attention: Equity Syndicate Desk; if to any Selling Stockholder shall be delivered or sent by mail, telex or facsimile transmission to counsel for such Selling Stockholder at its address set forth in Schedule II hereto; if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth on the cover of the Registration Statement, Attention: Secretary; and if to any stockholder that has delivered a lock-up letter described in Section 8(i) hereof shall be delivered or sent by mail to his, her or its respective address as such stockholder provides in writing to the Company; provided, however, that any notice to an Underwriter pursuant to Section 9(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire or telex constituting such Questionnaire, which address will be supplied to the Company or the Selling Stockholders by you on request; provided further that notices under subsection 5(e) shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the Representatives at Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282, Attention: Control Room, and J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358); Attention: Equity Syndicate Desk. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

14. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and the Selling Stockholders and, to the extent provided in Sections 9 and 11 hereof, the officers and directors of the Company and each person who controls the Company, any Selling Stockholder or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

15. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

16. The Company and the Selling Stockholders acknowledge and agree that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Selling Stockholders, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company or any Selling Stockholder, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company or any Selling Stockholder with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or any Selling Stockholder on other matters) or any other obligation to the Company or any Selling Stockholder except the obligations expressly set forth in this Agreement and (iv) the Company and each Selling Stockholder has consulted its own legal and financial advisors to the extent it deemed appropriate. The Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company or any Selling Stockholder, in connection with such transaction or the process leading thereto.

17. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company, the Selling Stockholders and the Underwriters, or any of them, with respect to the subject matter hereof.

18. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

19. The Company, each Selling Stockholder and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

20. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

21. Notwithstanding anything herein to the contrary, the Company and the Selling Stockholders are authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company and the Selling Stockholders relating to that treatment and structure, without the Underwriters imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

If the foregoing is in accordance with your understanding, please sign and return to us [seven] counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement among each of the Underwriters, the Company and each of the Selling Stockholders. It is understood that your

acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company and the Selling Stockholders for examination, upon request, but without warranty on your part as to the authority of the signers thereof.

Any person executing and delivering this Agreement as Attorney-in-Fact for a Selling Stockholder represents by so doing that he has been duly appointed as Attorney-in-Fact by such Selling Stockholder pursuant to a validly existing and binding Power-of-Attorney that authorizes such Attorney-in-Fact to take such action.

Very truly yours,

Stitch Fix, Inc.

By: _____
Name:
Title:

The Selling Stockholders named in Schedule II hereto, acting severally

By: _____
Name:
Title:

As Attorney-in-Fact acting on behalf of each of the Selling Stockholders named in Schedule II to this Agreement.

Accepted as of the date hereof

Goldman Sachs & Co. LLC

By: _____
Name:
Title:

J.P. Morgan Securities LLC

By: _____
Name:
Title:

On behalf of each of the Underwriters

SCHEDULE I

Underwriter	Total Number of Firm Shares to be Purchased	Number of Optional Shares to be Purchased if Maximum Option Exercised
Goldman Sachs & Co. LLC		
J.P. Morgan Securities LLC		
Total		

SCHEDULE II

	Total Number of Firm Shares to be Sold	Number of Optional Shares to be Sold if Maximum Option Exercised
The Company.		
The Selling Stockholder(s):		
[Name of Selling Stockholder](a)		
[Name of Selling Stockholder](b)		
[Name of Selling Stockholder](c)		
[Name of Selling Stockholder](d)		
[Name of Selling Stockholder](e)		
Total		

(a) This Selling Stockholder is represented by **[Name and Address of Counsel]** and has appointed **[Names of Attorneys-in-Fact (not less than two)]**, and each of them, as the Attorneys-in-Fact for such Selling Stockholder.

(b) This Selling Stockholder is represented by **[Name and Address of Counsel]** and has appointed **[Names of Attorneys-in-Fact (not less than two)]**, and each of them, as the Attorneys-in-Fact for such Selling Stockholder.

(c) This Selling Stockholder is represented by **[Name and Address of Counsel]** and has appointed **[Names of Attorneys-in-Fact (not less than two)]**, and each of them, as the Attorneys-in-Fact for such Selling Stockholder.

(d) This Selling Stockholder is represented by **[Name and Address of Counsel]** and has appointed **[Names of Attorneys-in-Fact (not less than two)]**, and each of them, as the Attorneys-in-Fact for such Selling Stockholder.

(e) This Selling Stockholder is represented by **[Name and Address of Counsel]** and has appointed **[Names of Attorneys-in-Fact (not less than two)]**, and each of them, as the Attorneys-in-Fact for such Selling Stockholder.

SCHEDULE III

(a) Issuer Free Writing Prospectuses not included in the Pricing Disclosure Package

[Electronic roadshow dated XXXX]

(b) Section 5(d) Writing

[None]

(c) Information other than the Pricing Prospectus that comprise the Pricing Disclosure Package

The initial public offering price per share for the Shares is $[●].

The number of Shares purchased by the Underwriters is [●].

The settlement date is [●].

The underwriting discount is $ [●].

ANNEX I

FORM OF COMFORT LETTER

[Provided separately]

COPY OF COMFORT LETTER DELIVERED
PRIOR TO EXECUTION OF THIS AGREEMENT

[Provided separately]

FORM OF COMFORT LETTER TO BE DELIVERED AT EACH TIME OF DELIVERY

[Provided separately]

ANNEX II

FORM OF PRESS RELEASE

Stitch Fix, Inc.
[●], 201[ ]

Stitch Fix, Inc. (the "Company") announced today that Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, the [lead] book-running managers in the recent public sale of [●] shares of the Company's Class A common stock, is [waiving] [releasing] a lock-up restriction with respect to [●] shares of the Company's Class A common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on [●], 201[ ], and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

ANNEX III

FORM OF LOCK-UP AGREEMENT

Stitch Fix, Inc.

Lock-Up Agreement

, 2017

Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC

c/o Goldman Sachs & Co. LLC
200 West Street
New York, NY 10282-2198

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179-0001

Re: Stitch Fix, Inc. - Lock-Up Agreement

Ladies and Gentlemen:

The undersigned understands that you, as representatives (the "**Representatives**"), propose to enter into an underwriting agreement (the "**Underwriting Agreement**") on behalf of the several Underwriters named in Schedule I to such agreement (collectively, the "**Underwriters**"), with Stitch Fix, Inc., a Delaware corporation (the "**Company**"), providing for a public offering (the "**Public Offering**") of shares (the "**Shares**") of the Class A common stock of the Company, par value $0.00002 per share (the "**Class A Common Stock**" and together with the Class B common stock of the Company, $0.00002 par value per share, the "**Common Stock**"), pursuant to a Registration Statement on Form S-1 to be filed with the Securities and Exchange Commission (the "**SEC**").

In consideration of the agreement by the Underwriters to offer and sell the Shares, and of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period beginning from the date of this Lock-Up Agreement and continuing to and including the date 180 days after the date set forth on the final prospectus (the "**Public Offering Date**") used to sell the Shares (the "**Lock-Up Period**"), the undersigned will not offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any shares of Common Stock of the Company, or any options or warrants to purchase any shares of Common Stock of the Company, or any securities convertible into, exchangeable for or that represent the right to receive shares of Common Stock of the Company, whether now owned or hereinafter acquired, owned directly by the undersigned (including holding as a custodian) or with respect to which the undersigned has beneficial ownership within the rules and regulations of the SEC (collectively the "**Undersigned's Shares**") or to publicly announce the intention to engage in any of the foregoing transactions, other than any Shares sold to the Underwriters pursuant to the Underwriting Agreement or as otherwise provided herein. The foregoing restriction is expressly

agreed to preclude the undersigned from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Undersigned's Shares even if such Shares would be disposed of by someone other than the undersigned. Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of the Undersigned's Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares. If the undersigned is an officer or director of the issuer, the undersigned further agrees that the foregoing provisions shall be equally applicable to any issuer-directed Shares the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) the Representatives agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, the Representatives will notify the Company of the impending release or waiver, and (ii) the Company has agreed or will agree in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver (for the avoidance of doubt, the Early Lock-Up Expiration (as defined below) shall not be deemed a release or waiver under this Lock-up Agreement). Any release or waiver granted by the Representatives hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this Lock-Up Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

Notwithstanding the foregoing, the undersigned may:

(a) transfer the Undersigned's Shares:

(i) as a *bona fide* gift or gifts, or for *bona fide* estate planning purposes;

(ii) to any member of the undersigned's immediate family or to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned;

(iii) upon death or by will, testamentary document or intestate succession;

(iv) if the undersigned is a partnership, limited liability company or corporation, (A) to another corporation, partnership, limited liability company or other business entity that is an affiliate (within the meaning set forth in Rule 405 as promulgated by the SEC under the Securities Act of 1933, as amended, and including subsidiaries of the undersigned) of the undersigned or (B) as part of a distribution, transfer or disposition by the undersigned to its stockholders, limited partners, general partners, limited liability company members or other equityholders or to the estate of any such stockholders, limited partners, general partners, limited liability company members or other equityholders;

(v) to the Company in connection with the exercise of warrants to purchase the Company's securities or the vesting or settlement of the Company's securities, in each case on a "net" or "cashless" exercise basis to the extent permitted by the instruments representing such options or warrants (including any transfer necessary to generate such amount of cash needed for the payment of taxes due or payment of the exercise price as a result of such vesting or exercise) so long as such "net exercise" or "cashless exercise" is effected solely by the surrender of outstanding options or warrants (or the Common Stock issuable upon the exercise thereof) to the Company and the Company's cancellation of all or a portion thereof to pay the exercise price and/or withholding tax and remittance obligations, in each case pursuant to a warrant or an employee benefit plan described in the registration statement related to the Public Offering and the final prospectus used to sell the Shares, *provided* that any filings under Section 16(a) of the Securities Exchange Act of 1934, as

amended (the "**Exchange Act**"), or any other public filing or disclosure of such transfer by or on behalf of the undersigned, shall clearly indicate in the footnotes thereto that such transfer of shares or securities was solely to the Company pursuant to the circumstances described in this clause (v);

(vi) in connection with a sale of the Undersigned's Shares acquired (A) in the Public Offering (other than issuer-directed Shares acquired by an officer or director of the Company) or (B) in open market transactions after the Public Offering Date, *provided* that no filing under Section 16(a) of the Exchange Act, reporting such transfer of the Undersigned's Shares, shall be required or shall be voluntarily made during the Lock-Up Period;

(vii) by operation of law pursuant to a qualified domestic order or in connection with a divorce settlement, *provided* that any filings under Section 16(a) of the Exchange Act, or any other public filing or disclosure of such transfer by or on behalf of the undersigned, shall clearly indicate in the footnotes thereto that such transfer was by operation of law pursuant to a qualified domestic order or in connection with a divorce settlement;

(viii) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of the Company's capital stock and approved by the board of directors of the Company, and the result of which is that any "person" (as defined in Section 13(d)(3) of the Exchange Act), or group of persons, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of at least 65% of total voting power of the voting stock of the Company or the surviving entity (a "**Change of Control Transaction**"), *provided* that in the event that the Change of Control Transaction is not completed, the Undersigned's Shares shall remain subject to the provisions of this Lock-Up Agreement; or

(ix) with the prior written consent of the Representatives on behalf of the Underwriters;

provided that in the case of clause (i), (ii), (iii), (iv) or (vii) above, each transferee, donee or distributee, as the case may be, shall sign and deliver a lock-up letter substantially in the form of this Lock-Up Agreement; and

provided further that in the case of clause (i), (ii) or (iv) above, (A) such transfer shall not involve a disposition for value and (B) no filing under Section 16(a) of the Exchange Act, or any other public filing or disclosure of such transfer by or on behalf of the undersigned, reporting such transfer of the Undersigned's Shares and/or a reduction in beneficial ownership of shares of Common Stock, shall be required or shall be voluntarily made during the Lock-Up Period; or

(b) enter into a written plan meeting the requirements of Rule 10b5-1 under the Exchange Act relating to the sale of securities of the Company (a "**Rule 10b5-1 Plan**"), *provided* that the securities subject to a Rule 10b5-1 Plan may not be sold and no public filing (whether under the Exchange Act or otherwise) or other disclosure of any such action shall be required or shall be voluntarily made by any person until after the expiration of the Lock-Up Period, *provided*, *however*, that in the event of an Early Lock-Up Expiration, as provided below, 35% of the Undersigned's Shares, including any securities subject the Rule 10b5-1 Plan, will be automatically released from such restrictions and may be sold pursuant to such Rule 10b5-1 Plan, *provided* that any filings under Section 16(a) of the Exchange Act, or any other public filing or disclosure of such transfer by or on behalf of the undersigned, after the Early Lock-Up Expiration related to sales of securities under a Rule 10b5-1 Plan shall clearly indicate in the footnotes thereto that such transfer was pursuant to a Rule 10b5-1 Plan and with respect to shares that were the subject of the Early Lock-Up Expiration.

For purposes of this Lock-Up Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin. The undersigned now has, and, except as contemplated by clause (a) above, for the duration of this Lock-Up Agreement will have, good and marketable title to the Undersigned's Shares, free and clear of all liens, encumbrances, and claims whatsoever. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the Undersigned's Shares except in compliance with the foregoing restrictions. In addition,

the undersigned agrees that, without the prior written consent of the Representatives, it will not, during the Lock-Up Period, make any demand for or exercise any right with respect to, the registration of any Shares or any security convertible into or exercisable or exchangeable for any Shares.

In addition and notwithstanding the provisions of the second paragraph of this Lock-Up Agreement, if at any time beginning 90 days after the Public Offering Date (i) the Company has filed at least one quarterly report on Form 10-Q or annual report on Form 10-K and (ii) the last reported closing price of the Class A Common Stock on the exchange on which the Class A Common Stock is listed is at least 25% greater than the initial public offering price per share set forth on the cover page of the final prospectus used to sell the Shares for 10 out of any 15 consecutive trading days ending on or after the 90th day after the Public Offering Date (which 15 trading day period may begin prior to such 90th day), including the last day of such 15 trading day period, then 35% of the Undersigned's Shares that are subject to the 180-day restrictions set forth in this Lock-Up Agreement, which percentage shall be calculated based on the number of the Undersigned's Shares subject to such 180-day restrictions as of the last day of such 15 trading day period, will be automatically released from such restrictions (the "**Early Lock-Up Expiration**") immediately prior to the opening of trading on the exchange on which the Class A Common Stock is listed on the day following the end of the 15 day trading period (the "**Early Lock-Up Expiration Date**"); *provided*, *however*, that if, at the time of such Early Lock-Up Expiration Date, the Company is in a "black-out" period under its insider trading policy (or similar period when trading is not permitted by insiders under the Company's insider trading policy), the actual date of such Early Lock-Up Expiration shall be delayed (the "**Early Lock-Up Expiration Extension**") until one business day following the date that the Company next announces operating results for the previous fiscal quarter; *provided*, *further*, that, in the case of an Early Lock-Up Expiration Extension, the Company shall announce the (i) Early Lock-Up Expiration Extension on the day that it is determined that there would be an Early Lock-Up Expiration Extension through a major news service, or on a Form 8-K, and (ii) the expected Early Lock-Up Expiration Date through a major news service, or on a Form 8-K, at least two days prior to the opening of trading on the Early Lock-Up Expiration Date as it had been extended pursuant to the Early Lock-Up Expiration Extension.

In the event that either of the Representatives withdraws from or declines to participate in the Public Offering, all references to the Representatives contained in this Lock-Up Agreement shall be deemed to refer to the sole Representative that continues to participate in the Public Offering (the "**Sole Representative**"), and, in such event, any written consent, waiver or notice given or delivered in connection with this Lock-Up Agreement by the Sole Representative shall be deemed to be sufficient and effective for all purposes under this Lock-Up Agreement.

The restrictions set forth in this Lock-Up Agreement shall not apply to the conversion or reclassification of the outstanding shares of common stock or preferred stock of the Company into shares of Class B common stock of the Company in connection with the consummation of the Public Offering or the conversion of outstanding shares of Class B Common Stock of the Company into shares of Class A Common Stock in accordance with the Company's certificate of incorporation, provided that any such shares of Common Stock received upon such conversion or reclassification shall remain subject to the terms of this Lock-Up Agreement.

The undersigned hereby consents to receipt of this Lock-Up Agreement in electronic form and understands and agrees that this Lock-Up Agreement may be signed electronically. In the event that any signature is delivered by facsimile transmission, electronic mail, or otherwise by electronic transmission evidencing an intent to sign this Lock-Up Agreement, such facsimile transmission, electronic mail or other electronic transmission shall create a valid and binding obligation of the undersigned with the same force and effect as if such signature were an original. Execution and delivery of this Lock-Up Agreement by facsimile transmission, electronic mail or other electronic transmission is legal, valid and binding for all purposes.

It is understood that if (i) the Company notifies the Representatives, in writing, prior to the execution of the Underwriting Agreement, that it does not intend to proceed with the Public Offering, (ii) the Underwriting Agreement is executed but is then terminated (other than the provisions thereof which survive termination) prior to payment for and delivery of the Shares to be sold thereunder, or (iii) the Public Offering shall not have been completed by February 28, 2018, this Lock-Up Agreement shall immediately be terminated and the undersigned shall be released from all obligations under this Lock-Up Agreement.

The undersigned understands that the Company and the Underwriters are relying upon this Lock-Up Agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this Lock-Up Agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors, and assigns. The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-up Agreement. This Lock-up Agreement shall be governed by, and construed in accordance with, the laws of the state of New York.

Very truly yours,

IF AN INDIVIDUAL:

By: _____
(duly authorized signature)

Name: _____
(please print full name)

IF AN ENTITY:

_____
(please print complete name of entity)

By: _____
(duly authorized signature)

Name: _____
(please print full name)

Title: _____
(please print full title)

NUMBER

SF

SHARES

STITCH FIX

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

CUSIP 860897 10 7

SEE REVERSE FOR CERTAIN DEFINITIONS

This certifies that

is the record holder of

FULLY PAID AND NONASSESSABLE SHARES OF CLASS A COMMON STOCK, $0.00002 PAR VALUE, OF

STITCH FIX, INC.

transferable on the books of the corporation in person or by duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned by the Transfer Agent and registered by the Registrar.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

Dated:

PRESIDENT

STITCH FIX, INC. CORPORATE SEAL FEBRUARY 11, 2011 DELAWARE

SECRETARY

BY:

AUTHORIZED SIGNATURE

COUNTERSIGNED AND REGISTERED:
AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
(NEW YORK, NY)
TRANSFER AGENT AND REGISTRAR

The Corporation shall furnish without charge to each stockholder who so requests a statement of the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock of the Corporation or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN, OR DESTROYED THE CORPORATION WILL REQUIRE A BOND INDEMNITY AS A CONDITION TO THE ISSUANCE OF A REPLACEMENT CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common
TEN ENT	- as tenants by the entireties
JT TEN	- as joint tenants with right of survivorship and not as tenants in common
COM PROP	- as community property

UNIF GIFT MIN ACT - _____ (Cust) Custodian _____ (Minor)
under Uniform Gifts to Minors Act _____ (State)
UNIF TRF MIN ACT - _____ (Cust) Custodian (until age _____)
_____ (Minor) under Uniform Transfers
to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

_____
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ shares
of the capital stock represented by within Certificate, and do hereby irrevocably constitute and appoint

_____ attorney-in-fact
to transfer the said stock on the books of the within named Corporation with full power of the substitution in the premises.

Dated _____

X _____

X _____

Signature(s) Guaranteed:

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

By _____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION, (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15. GUARANTEES BY A NOTARY PUBLIC ARE NOT ACCEPTABLE. SIGNATURE GUARANTEES MUST NOT BE DATED.

Exhibit 5.1

Cooley

Jodie M. Bourdet
+1 415 693 2054
jbourdet@cooley.com

November 6, 2017

Stitch Fix, Inc.
1 Montgomery Street, Suite 1500
San Francisco, California 94104

Ladies and Gentlemen:

We have acted as counsel to Stitch Fix, Inc., a Delaware corporation (the "***Company***"), and you have requested our opinion in connection with the filing by the Company of a Registration Statement (No. 333-221014) on Form S-1 (the "***Registration Statement***") with the Securities and Exchange Commission, including a related prospectus filed with the Registration Statement (the "***Prospectus***"), covering an underwritten public offering (the "***Offering***") of up to 11,500,000 shares of the Company's Class A Common Stock, par value $0.00002 per share (the "***Shares***"), which includes (i) up to 10,500,000 Shares to be sold by the Company (including up to 1,500,000 Shares that may be sold by the Company pursuant to the exercise of an option to purchase additional Shares granted to the underwriters) (collectively, the "***Company Shares***") and (ii) 1,000,000 Shares to be sold by the selling stockholders identified in such Registration Statement (the "***Stockholder Shares***").

In connection with this opinion, we have (i) examined and relied upon (a) the Registration Statement and related Prospectus, (b) the Company's Seventh Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws, as currently in effect as of the date hereof, (c) the Company's Amended and Restated Certificate of Incorporation, filed as Exhibit 3.2 to the Registration Statement (the "***Revised Certificate of Incorporation***") and the Company's Amended and Restated Bylaws, filed as Exhibit 3.4 to the Registration Statement, each of which will be in effect upon the closing of the Offering, and (d) the originals or copies certified to our satisfaction of such records, documents, certificates, memoranda and other instruments as in our judgment are necessary or appropriate to enable us to render the opinion expressed below and (ii) assumed that Shares will be sold at a price and on terms authorized by the Board of Directors of the Company, or the Pricing Committee thereof, in accordance with Section 153 of the General Corporation Law of the State of Delaware.

We have assumed the genuineness and authenticity of all documents submitted to us as originals, and the conformity to originals of all documents submitted to us as copies. As to certain factual matters, we have relied upon a certificate of officers of the Company and have not sought to independently verify such matters. Our opinion is expressed only with respect to the General Corporation Law of the State of Delaware.

Cooley

On the basis of the foregoing, and in reliance thereon, we are of the opinion that (i) the Company Shares, when sold and issued as described in the Registration Statement and the related Prospectus, including the filing with the Secretary of State of the State of Delaware of the Revised Certificate of Incorporation, will be validly issued, fully paid and non-assessable and (ii) the Stockholder Shares have been validly issued and are fully paid and non-assessable.

We consent to the reference to our firm under the caption "Legal Matters" in the Prospectus included in the Registration Statement and to the filing of this opinion as an exhibit to the Registration Statement.

Sincerely,
COOLEY LLP

By: /s/ Jodie M. Bourdet
Jodie M. Bourdet

STITCH FIX, INC.

2017 INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: NOVEMBER 3, 2017
APPROVED BY THE STOCKHOLDERS: NOVEMBER 3, 2017
IPO DATE: , 2017

1. GENERAL.

(a) Successor to and Continuation of Prior Plan. The Plan is intended as the successor to and continuation of the Company's 2011 Equity Incentive Plan (the "***Prior Plan***"). From and after 12:01 a.m. Eastern time on the IPO Date, no additional awards will be granted under the Prior Plan. All Awards granted on or after 12:01 a.m. Eastern Time on the IPO Date will be granted under this Plan. All awards granted under the Prior Plan will remain subject to the terms of the Prior Plan.

(i) Any shares that would otherwise remain available for future grants under the Prior Plan as of 12:01 a.m. Eastern Time on the IPO Date (the "***Prior Plan's Available Reserve***") will cease to be available under the Prior Plan at such time. Instead, that number of shares of Common Stock equal to the Prior Plan's Available Reserve will be added to the Share Reserve (as further described in Section 3(a) below) and will be immediately available for grants and issuance pursuant to Stock Awards hereunder, up to the maximum number set forth in Section 3(a) below.

(ii) In addition, from and after 12:01 a.m. Eastern time on the IPO Date, any shares subject, at such time, to outstanding stock awards granted under the Prior Plan that (i) expire or terminate for any reason prior to exercise or settlement; (ii) are forfeited or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares or otherwise return to the Company; or (iii) are reacquired, withheld (or not issued) to satisfy a tax withholding obligation in connection with an award or to satisfy the purchase price or exercise price of a stock award (such shares the "***Returning Shares***") will immediately be added to the Share Reserve (as further described in Section 3(a) below) as and when such shares become Returning Shares, up to the maximum number set forth in Section 3(a) below.

(b) Eligible Award Recipients. Employees, Directors and Consultants are eligible to receive Awards.

(c) Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards, (vi) Performance Stock Awards, (vii) Performance Cash Awards, and (viii) Other Stock Awards.

(d) Purpose. The Plan, through the grant of Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate, and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine: (A) who will be granted Awards; (B) when and how each Award will be granted; (C) what type of Award will be granted; (D) the provisions of each Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Award; (E) the number of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement or in the written terms of a Performance Cash Award, in a manner and to the extent it will deem necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which an Award may be exercised or vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or termination of the Plan will not materially impair a Participant's rights under the Participant's then-outstanding Award without the Participant's written consent, except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or bringing the Plan or Awards granted under the Plan into compliance with the requirements for Incentive Stock Options or ensuring that they are exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of

Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Awards available for issuance under the Plan. Except as otherwise provided in the Plan or an Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Award without the Participant's written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of (A) Section 162(m) of the Code regarding the exclusion of performance-based compensation from the limit on corporate deductibility of compensation paid to Covered Employees, (B) Section 422 of the Code regarding "incentive stock options" or (C) Rule 16b-3.

(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided, however,* that a Participant's rights under any Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been materially impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Awards without the affected Participant's consent (A) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (B) notwithstanding any other provision of the Plan, to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws or listing requirements.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the increase or reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be construed as being to the Committee or subcommittee, as applicable). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board retains the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in accordance with Section 162(m) of the Code, who are also considered Non-Employee Directors in accordance with Rule 16b-3.

(d) Delegation to an Officer. The Board may delegate to one (1) or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; *provided*, *however*, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(x)(iii) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons, to the maximum extent permitted by law.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve. Subject to Section 9(a) relating to Capitalization Adjustments, and the following sentence regarding the annual increase, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards will not exceed 17,259,462 shares (the "***Share Reserve***"), which number is the sum of (i) 5,200,000 new shares, *plus* (ii) the number of shares subject to the Prior Plan's Available Reserve, *plus* (iii) the number of shares that are Returning Shares, as such shares become available from time to time.

In addition, the Share Reserve may be increased by the Board as of the first day of each fiscal year (the "***Fiscal Date***"), for a period of not more than ten years, commencing on the Fiscal Date that falls in the year following the year in which the IPO Date occurs and ending on (and including) the Fiscal Date falling in 2027, by a number of shares of Common Stock determined by the Board in an amount not to exceed 5% of the total number of shares of Capital Stock outstanding on final day of the preceding fiscal year.

For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may be issued in connection with a merger or acquisition as permitted by NASDAQ Listing Rule 5635(c) or, if applicable, NYSE Listed Company Manual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for issuance under the Plan.

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or terminates for any reason prior to exercise or settlement; (ii) is forfeited or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares or otherwise return to the Company; (iii) is settled in cash (*i.e.*, the Participant receives cash rather than stock); or (iv) is reacquired, withheld (or not issued) to satisfy a tax withholding obligation in connection with an award or to satisfy the purchase price or exercise price of a Stock Award, such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be 51,778,386 shares of Common Stock.

(d) Limitation on Grants to Non-Employee Directors. The maximum number of shares of Common Stock subject to Stock Awards granted under the Plan or otherwise during any one calendar year to any Non-Employee Director, taken together with any cash fees paid by the Company to such Non-Employee Director during such calendar year for service on the Board, will not exceed $750,000 in total value (calculating the value of any such Stock Awards based on the grant date fair value of such Stock Awards for financial reporting purposes).

(e) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided*, *however*, that Stock Awards may not be granted to Employees, Directors and Consultants who

are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405 of the Securities Act, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in consultation with its legal counsel, has determined that such Stock Awards comply with the requirements of Section 409A of the Code to avoid the consequences specified in Section 409A(a)(1) of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant. If a purported grant of an Incentive Stock Option to a Ten Percent Stockholder does not meet these requirements, the grant will be of a Nonstatutory Stock Option.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however*, that each Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten years from the date of its grant or such shorter period specified in the Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the

following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the Common Stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided*, *however*, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations; or

(v) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii)

below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations Section 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, on the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date that is three months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate. The Company has no obligation to notify a Participant of the expiration of an Option or SAR other than via providing the Participant with a copy of the Plan and individual award notice and agreement at the time of grant of such Option or SAR.

(h) Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. In addition, unless otherwise provided in a Participant's Award Agreement, if the sale of any Common Stock received on exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a period of months (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Award Agreement for exercisability after the termination of the Participant's Continuous Service for a reason other than death, then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of such Option or SAR as set forth in the Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Award Agreement or other individual written agreement between the Company and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Award Agreement in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock may be (x) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past or future services to the Company or an Affiliate, or (C) any other form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service. If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Common Stock subject to the Restricted Stock Award will be subject to the same vesting and forfeiture restrictions as apply to the Common Stock subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon settlement of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock

covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(c) Performance Awards.

(i) Performance Stock Awards. A Performance Stock Award is a Stock Award (covering a number of shares not in excess of that set forth in Section 3(d) above) that is payable (including that may be granted, may vest or may be exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may, but need not, require the Participant's completion of a specified period of Continuous Service. The length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, if not required for compliance with Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent permitted by applicable law and the applicable Award Agreement, the Board (or Committee, as the case may be) may determine that cash may be used in payment of Performance Stock Awards.

(ii) Performance Cash Awards. A Performance Cash Award is a cash award (for a dollar value not in excess of that set forth in Section 3(d) above) that is payable contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of Continuous Service. At the time of grant of a Performance Cash Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, if not required for compliance with Section 162(m) of the Code, the Board), in its sole discretion. The Board (or Committee, as the case may be) may specify the form of payment of Performance Cash Awards, which may be cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as the Board (or Committee, as the case may be) may specify, to be paid in whole or in part in cash or other property.

(iii) Board Discretion. The Board (or Committee, as the case may be) retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for a Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Stock Award Agreement or the written terms of a Performance Cash Award.

(iv) Section 162(m) Compliance. Unless otherwise permitted in compliance with the requirements of Section 162(m) of the Code with respect to an Award intended to qualify as "performance-based compensation" thereunder, the Committee will establish the Performance Goals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after the commencement of the applicable Performance Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any event at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Prior to the payment of any compensation under an Award intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Committee will certify the extent to which any Performance Goals and any other material terms under such Award have been satisfied (other than in cases where such Performance Goals relate solely to the increase in the value of the Common Stock). Notwithstanding satisfaction of, or completion of any Performance Goals, the number of shares of Common Stock, Options, cash or other benefits granted, issued, retainable and/or vested under an Award on account of satisfaction of such Performance Goals may be reduced by the Committee on the basis of such further considerations as the Committee, in its sole discretion, will determine.

(d) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY.

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Awards.

(b) Securities Law Compliance. The Company will seek to obtain from each regulatory commission or agency, as necessary, such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise or vesting of the Stock Awards; *provided*, *however*, that this undertaking will not require the Company to register under the Securities Act or other securities or applicable laws, the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise or vesting of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent issuance of cash or Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the tax treatment or time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award.

8. MISCELLANEOUS.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the papering of the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to such Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state or foreign jurisdiction in which the Company or the Affiliate is domiciled or incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the

Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that such Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of an Award Agreement or applicable law, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Award; *provided*, *however,* that no shares of Common Stock are withheld with a value exceeding the maximum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(l) Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the

occurrence of an event constituting Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), (iv) the class(es) and maximum number of securities that may be awarded to any person pursuant to Sections 3(d), and (v) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution. Except as otherwise provided in the Stock Award Agreement, in the event of a Dissolution of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such Dissolution, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service; *provided*, *however*, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the Dissolution is completed but contingent on its completion.

(c) Transaction. The following provisions shall apply to Awards in the event of a Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Transaction, then, notwithstanding any other provision of the Plan, the Board shall take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Transaction as the Board shall determine (or, if the Board shall not determine such a date, to the date that is five days prior to the effective date of the Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero ($0) if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of Common Stock in connection with the Transaction is delayed as a result of escrows, earn outs, holdbacks or other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. An Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant.

10. PLAN TERM; EARLIER TERMINATION OR SUSPENSION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of (i) the date the Plan is adopted by the Board (the "***Adoption Date***"), or (ii) the date the Plan is approved by the stockholders of the Company. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

11. EXISTENCE OF THE PLAN; TIMING OF FIRST GRANT OR EXERCISE.

The Plan will come into existence on the Adoption Date; *provided*, *however*, that no Stock Award may be granted prior to the IPO Date. In addition, no Stock Award will be exercised (or, in the case of a Restricted Stock Award, Restricted Stock Unit Award, Performance Stock Award, or Other Stock Award, no Stock Award will be granted) and no Performance Cash Award will be settled unless and until the Plan has been approved by the stockholders of the Company, which approval will be within 12 months after the Adoption Date.

12. CHOICE OF LAW.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Affiliate***" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 of the Securities Act. The Board will have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(b) "***Award***" means a Stock Award or a Performance Cash Award.

(c) "***Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award.

(d) "***Board***" means the Board of Directors of the Company.

(e) "***Capital Stock***" means each and every class of common stock of the Company, regardless of the number of votes per share.

(f) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Adoption Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(g) "***Cause***" shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term (and if there are multiple such agreements, the most recent) and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) conviction (including a guilty plea or plea of nolo contendere) of any felony; (ii) commission or attempted commission of or participation in a fraud or act of dishonesty or misrepresentation against the Company; (iii) willful and continued failure to follow the lawful directions of the Board or the employees of the Company to whom the Participant reports, and failure to cure such failure within a reasonable time after receiving written notice from the Company of the claimed failure; (iv) deliberate harm or injury, or attempt to deliberately harm or injure, the Company; (v) willful misconduct that materially discredits or harms the Company or its reputation; (vi) material violation or breach of any written and fully executed contract or agreement between the Participant and the Company, including without limitation, material breach of any confidentiality agreement, or of any Company policy, or of any statutory duty the Participant owes to the Company; (vii) gross

negligence or willful misconduct; (viii) failure to cooperate with any investigation as requested by the Board or employees of the Company to whom the Participant reports or (ix) unauthorized use of confidential information that causes material harm to the Company. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause shall be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant shall have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(h) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, (C) on account of the acquisition of securities of the Company by any individual who is, on the IPO Date, either an executive officer or a Director (either, an "***IPO Investor***") and/or any entity in which an IPO Investor has a direct or indirect interest (whether in the form of voting rights or participation in profits or capital contributions) of more than 50% (collectively, the "***IPO Entities***") or on account of the IPO Entities continuing to hold shares that come to represent more than 50% of the combined voting power of the Company's then outstanding securities as a result of the conversion of any class of the Company's securities into another class of the Company's securities having a different number of votes per share pursuant to the conversion provisions set forth in the Company's Amended and Restated Certificate of Incorporation; or (D) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar

transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; *provided, however*, that a merger, consolidation or similar transaction will not constitute a Change in Control under this prong of the definition if the outstanding voting securities representing more than 50% of the combined voting power of the surviving Entity or its parent are owned by the IPO Entities;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; *provided, however*, that a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries will not constitute a Change in Control under this prong of the definition if the outstanding voting securities representing more than 50% of the combined voting power of the acquiring Entity or its parent are owned by the IPO Entities;

(iv) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company will otherwise occur, except for a liquidation into a parent corporation; or

(v) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board; *provided, however,* that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing definition or any other provision of the Plan, the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company and the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Awards subject to such agreement; *provided, however*, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply.

(i) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(j) "***Committee***" means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(k) "***Common Stock***" means, as of the IPO Date, the Class A common stock of the Company, having one vote per share.

(l) "***Company***" means Stitch Fix, Inc., a Delaware corporation.

(m) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

(n) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. To the extent permitted by law, the Board or (except with respect to determinations regarding the chief executive officer of the Company) the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(o) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board, in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(p) "***Covered Employee***" will have the meaning provided in Section 162(m)(3) of the Code.

(q) "***Director***" means a member of the Board.

(r) "***Disability***" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(s) "***Dissolution***" means when the Company, after having executed a certificate of dissolution with the State of Delaware (or other applicable state), has completely wound up its affairs. Conversion of the Company into a limited liability company (or any other pass-through entity) will not be considered a "Dissolution" for purposes of the Plan.

(t) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(u) "***Entity***" means a corporation, partnership, limited liability company or other analogous entity.

(v) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(w) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the IPO Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(x) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be, unless

otherwise determined by the Board, the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(y) "***Incentive Stock Option***" means an option granted pursuant to Section 5 of the Plan that is intended to be, and qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(z) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(aa) "***Non-Employee Director***" means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act ("***Regulation S-K***")), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

(bb) "***Nonstatutory Stock Option***" means any Option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(cc) "***Officer***" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(dd) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(ee) "***Option Agreement***" means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(ff) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(gg) "***Other Stock Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(d).

(hh) "***Other Stock Award Agreement***" means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(ii) "***Outside Director***" means a Director who either (i) is not a current employee of the Company or an "affiliated corporation" (within the meaning of Treasury Regulations promulgated under Section 162(m) of the Code), is not a former employee of the Company or an "affiliated corporation" who receives compensation for prior services (other than benefits under a tax-qualified retirement plan) during the taxable year, has not been an officer of the Company or an "affiliated corporation," and does not receive remuneration from the Company or an "affiliated corporation," either directly or indirectly, in any capacity other than as a Director, or (ii) is otherwise considered an "outside director" for purposes of Section 162(m) of the Code.

(jj) "***Own,***" "***Owned,***" "***Owner,***" "***Ownership***" means a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(kk) "***Participant***" means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ll) "***Performance Cash Award***" means an award of cash granted pursuant to the terms and conditions of Section 6(c)(ii).

(mm) "***Performance Criteria***" means the one or more criteria that the Board or Committee (as applicable) will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following as determined by the Board: (i) earnings (including earnings per share and net earnings); (ii) earnings before interest, taxes and depreciation; (iii) earnings before interest, taxes, depreciation and amortization; (iv) earnings before interest, taxes, depreciation, amortization and legal settlements; (v) earnings before interest, taxes, depreciation, amortization, legal settlements and other income (expense); (vi) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense) and stock-based compensation; (vii) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), stock-based compensation and changes in deferred revenue; (viii) total stockholder return; (ix) return on equity or average stockholder's equity; (x) return on assets, investment, or capital employed; (xi) stock price; (xii) margin (including gross margin); (xiii) income (before or after taxes); (xiv) operating income; (xv) operating income after taxes; (xvi) pre-tax profit; (xvii) operating cash flow; (xviii) sales or revenue targets; (xix) increases in revenue or product revenue; (xx) expenses and cost reduction goals; (xxi) improvement in or attainment of working capital levels; (xxii) economic value added (or an equivalent metric); (xxiii) market share; (xxiv) cash flow; (xxv) cash flow per share; (xxvi) share price performance; (xxvii) debt reduction; (xxviii) implementation or completion of projects or processes; (xxix) stockholders' equity; (xxx) capital expenditures; (xxxi) debt levels; (xxxii) operating profit or net operating profit; (xxxiii) workforce diversity; (xxxiv) growth of

net income or operating income; (xxxv) billings; (xxxvi) bookings; (xxxvii) employee retention; (xxxviii) user satisfaction, including CSAT or NPS measures; (xxxix) the number of users, including unique users; (xl) budget management; (xli) partner satisfaction; (xlii) entry into or completion of strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); (xliii) active clients; (xliv) keep rate; (xlv) average order value; (xlvi) client signups; (xlvii) client retention; (xlviii) conversion metrics; (xlix) client order metrics; (xlx) inventory metrics; and (xlxi) to the extent that an award is not intended to comply with Section 162(m) of the Code, other measures of performance selected by the Board or Committee.

(nn) "***Performance Goals***" means, for a Performance Period, the one or more goals established by the Board or Committee (as applicable) for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the Board (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of any items that are unusual in nature or occur infrequently as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of common stock of the Company by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles; and (12) to exclude the effect of any other unusual, non-recurring gain or loss or other extraordinary item. In addition, the Board or Committee (as applicable) retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Stock Award Agreement or the written terms of a Performance Cash Award.

(oo) "***Performance Period***" means the period of time selected by the Board or Committee (as applicable) over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to and the payment of a Stock Award or a Performance Cash Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board or Committee.

(pp) "***Performance Stock Award***" means a Stock Award granted under the terms and conditions of Section 6(c)(i).

(qq) "***Plan***" means this Stitch Fix, Inc. 2017 Incentive Plan.

(rr) "***Restricted Stock Award***" means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(ss) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(tt) "***Restricted Stock Unit Award***" means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(uu) "***Restricted Stock Unit Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(vv) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(ww) "***Securities Act***" means the Securities Act of 1933, as amended.

(xx) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(yy) "***Stock Appreciation Right Agreement***" means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(zz) "***Stock Award***" means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right, a Performance Stock Award or any Other Stock Award; provided, however, that a Stock Award shall also include any of the foregoing that may be or must be settled in cash.

(aaa) "***Stock Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(bbb) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the

happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(ccc) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

(ddd) "***Transaction***" means a Corporate Transaction or a Change in Control.

STITCH FIX, INC.

STOCK OPTION GRANT NOTICE
(2017 INCENTIVE PLAN)

Stitch Fix, Inc. (the "***Company***"), pursuant to its 2017 Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this Stock Option Grant Notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this Stock Option Grant Notice and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option[1] ☐ Nonstatutory Stock Option

Exercise Schedule: Same as Vesting Schedule

Vesting Schedule: **[** , subject to Optionholder's Continuous Service as of each such date**]**

Payment: By one or a combination of the following items (described in the Option Agreement):

☐ By cash, check, bank draft or money order payable to the Company

☐ Pursuant to a Regulation T Program if the shares are publicly traded

☐ By delivery of already-owned shares if the shares are publicly traded

☐ If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

1 If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of, if applicable, (i) equity awards previously granted and delivered to Optionholder, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment agreement, severance agreement, offer letter or other written agreement entered into between the Company and Participant specifying the terms that should govern this specific option. By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

STITCH FIX, INC.

By: _____
Signature

Title: _____

Date: _____

OPTIONHOLDER:

_____
Signature

Date: _____

ATTACHMENTS: Option Agreement, 2017 Incentive Plan and Notice of Exercise

ATTACHMENT I

STITCH FIX, INC.

OPTION AGREEMENT
(2017 INCENTIVE PLAN)
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Stitch Fix, Inc. (the "***Company***") has granted you an option under its 2017 Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Subject to the provisions contained herein, your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

(c) If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

5. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

6. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

7. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however,* that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above regarding "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* if during any part of such three (3) month period, the sale of any Common Stock received upon exercise of your option would violate the Company's insider trading policy, then your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service during which the sale of the Common Stock received upon exercise of your option would not be in violation of the Company's insider trading policy. Notwithstanding the foregoing, if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 7(d)) below;

(d) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

8. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

9. TRANSFERABILITY. Except as otherwise provided in this Section 9, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

10. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

11. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the maximum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

12. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

13. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control. In addition, your option (and any compensation paid or shares issued under your option) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

15. OTHER DOCUMENTS. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

16. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

17. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

18. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

19. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

* * *

This Option Agreement will be deemed to be signed by you upon the signing by you of the Stock Option Grant Notice to which it is attached.

ATTACHMENT II

2017 INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

STITCH FIX, INC.
1 Montgomery St, Suite 1500
San Francisco, California 94104

Date of Exercise: _____

This constitutes notice to Stitch Fix, Inc. (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$_____	$_____
Cash payment delivered herewith:	$_____	$_____
[Value of _____ Shares delivered herewith[1]:	$_____	$_____]
[Value of _____ Shares pursuant to net exercise[2]:	$_____	$_____]
[Regulation T Program (cashless exercise[3]):	$_____	$_____]

1 Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

2 The option must be a Nonstatutory Stock Option, and the Company must have established net exercise procedures at the time of exercise, in order to utilize this payment method.

3 Shares must meet the public trading requirements set forth in the option.

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Stitch Fix, Inc. 2017 Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option.

Very truly yours,

_____

Exhibit 10.6

STITCH FIX, INC.

RESTRICTED STOCK UNIT GRANT NOTICE
(2017 INCENTIVE PLAN)

Stitch Fix, Inc. (the "***Company***"), pursuant to its 2017 Incentive Plan (the "***Plan***"), hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company's Common Stock ("***Restricted Stock Units***") set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth in this notice of grant (this "***Restricted Stock Unit Grant Notice***"), and in the Plan and the Restricted Stock Unit Award Agreement (the "***Award Agreement***"), both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein shall have the meanings set forth in the Plan or the Award Agreement. In the event of any conflict between the terms in this Restricted Stock Unit Grant Notice or the Award Agreement and the Plan, the terms of the Plan shall control.

Participant:	
Date of Grant:	
Vesting Commencement Date:	
Number of Restricted Stock Units:	

Vesting Schedule: [, subject to Participant's Continuous Service through each such vesting date.]

Issuance Schedule: Subject to any Capitalization Adjustment, one share of Common Stock (or its cash equivalent, at the discretion of the Company) will be issued for each Restricted Stock Unit that vests at the time set forth in Section 6 of the Award Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of the Common Stock pursuant to the Award specified above and supersede all prior oral and written agreements on the terms of this Award, with the exception, if applicable, of (i) restricted stock unit awards or options previously granted and delivered to Participant, (ii) the written employment agreement, offer letter or other written agreement entered into between the Company and Participant specifying the terms that should govern this specific Award, and (iii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law.

By accepting this Award, Participant acknowledges having received and read the Restricted Stock Unit Grant Notice, the Award Agreement and the Plan and agrees to all of the terms and conditions set forth in these documents. Participant consents to receive Plan documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

STITCH FIX, INC.

By: _____
Signature

Title: _____

Date: _____

PARTICIPANT

_____
Signature

Date: _____

ATTACHMENTS: Award Agreement and 2017 Incentive Plan

ATTACHMENT I

STITCH FIX, INC.

2017 INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement (the "***Agreement***"), Stitch Fix, Inc. (the "***Company***") has awarded you ("***Participant***") a Restricted Stock Unit Award (the "***Award***") pursuant to the Company's 2017 Incentive Plan (the "***Plan***") for the number of Restricted Stock Units/shares indicated in the Grant Notice. Capitalized terms not explicitly defined in this Agreement or the Grant Notice shall have the same meanings given to them in the Plan. The terms of your Award, in addition to those set forth in the Grant Notice, are as follows.

1. GRANT OF THE AWARD. This Award represents the right to be issued on a future date one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 below) as indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the "***Account***") the number of Restricted Stock Units/shares of Common Stock subject to the Award. Notwithstanding the foregoing, the Company reserves the right to issue you the cash equivalent of Common Stock, in part or in full satisfaction of the delivery of Common Stock in connection with the vesting of the Restricted Stock Units, and, to the extent applicable, references in this Agreement and the Grant Notice to Common Stock issuable in connection with your Restricted Stock Units will include the potential issuance of its cash equivalent pursuant to such right. This Award was granted in consideration of your services to the Company.

2. VESTING. Subject to the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice. Vesting will cease upon the termination of your Continuous Service and the Restricted Stock Units credited to the Account that were not vested on the date of such termination will be forfeited at no cost to the Company and you will have no further right, title or interest in or to such Award or the shares of Common Stock to be issued in respect of such portion of the Award.

3. NUMBER OF SHARES. The number of Restricted Stock Units subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan. Any additional Restricted Stock Units, shares, cash or other property that becomes subject to the Award pursuant to this Section 3, if any, shall be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units and shares covered by your Award. Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock shall be created pursuant to this Section 3. Any fraction of a share will be rounded down to the nearest whole share.

4. SECURITIES LAW COMPLIANCE. You may not be issued any Common Stock under your Award unless the shares of Common Stock underlying the Restricted Stock Units are either (i) then registered under the Securities Act, or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award must also comply with other applicable laws and regulations governing the Award, and you shall not receive such Common Stock if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. TRANSFER RESTRICTIONS. Prior to the time that shares of Common Stock have been delivered to you, you may not transfer, pledge, sell or otherwise dispose of this Award or the shares issuable in respect of your Award, except as expressly provided in this Section 5. For example, you may not use shares that may be issued in respect of your Restricted Stock Units as security for a loan. The restrictions on transfer set forth herein will lapse upon delivery to you of shares in respect of your vested Restricted Stock Units.

(a) Death. Your Award is transferable by will and by the laws of descent and distribution. At your death, vesting of your Award will cease and your executor or administrator of your estate shall be entitled to receive, on behalf of your estate, any Common Stock or other consideration that vested but was not issued before your death.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your right to receive the distribution of Common Stock or other consideration hereunder, pursuant to a domestic relations order, marital settlement agreement or other divorce or separation instrument as permitted by applicable law that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this Award with the Company General Counsel prior to finalizing the domestic relations order or marital settlement agreement to verify that you may make such transfer, and if so, to help ensure the required information is contained within the domestic relations order or marital settlement agreement.

6. DATE OF ISSUANCE.

(a) The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the Withholding Obligation set forth in Section 11 of this Agreement, in the event one or more Restricted Stock Units vests, the Company shall issue to you one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 above, and subject to any different provisions in the Grant Notice). Each issuance date determined by this paragraph is referred to as an "***Original Issuance Date***".

(b) If the Original Issuance Date falls on a date that is not a business day, delivery shall instead occur on the next following business day. In addition, if:

(i) the Original Issuance Date does not occur (1) during an "open window period" applicable to you, as determined by the Company in accordance with the Company's then-effective policy on trading in Company securities, or (2) on a date when you are otherwise permitted to sell shares of Common Stock on an established stock exchange or stock market (including but not limited to under a previously established written trading plan that meets the requirements of Rule 10b5-1 under the Exchange Act and was entered into in compliance with the Company's policies (a "***10b5-1 Arrangement***")), *and*

(ii) either (1) a Withholding Obligation does not apply, or (2) the Company decides, prior to the Original Issuance Date, (A) not to satisfy the Withholding Obligation by withholding shares of Common Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award, and (B) not to permit you to enter into a "same day sale" commitment with a broker-dealer pursuant to Section 11 of this Agreement (including but not limited to a commitment under a 10b5-1 Arrangement) and (C) not to permit you to pay your Withholding Obligation in cash,

then the shares that would otherwise be issued to you on the Original Issuance Date will not be delivered on such Original Issuance Date and will instead be delivered on the first business day when you are not prohibited from selling shares of the Company's Common Stock in the open public market, but in no event later than December 31 of the calendar year in which the Original Issuance Date occurs (that is, the last day of your taxable year in which the Original Issuance Date occurs), or, if and only if permitted in a manner that complies with Treasury Regulations Section 1.409A-1(b)(4), no later than the date that is the 15th day of the third calendar month of the applicable year following the year in which the shares of Common Stock under this Award are no longer subject to a "substantial risk of forfeiture" within the meaning of Treasury Regulations Section 1.409A-1(d).

(c) The form of delivery (*e.g.*, a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

7. DIVIDENDS. You shall receive no benefit or adjustment to your Award with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment; provided, however, that this sentence will not apply with respect to any shares of Common Stock that are delivered to you in connection with your Award after such shares have been delivered to you.

8. RESTRICTIVE LEGENDS. The shares of Common Stock issued in respect of your Award shall be endorsed with appropriate legends as determined by the Company.

9. EXECUTION OF DOCUMENTS. You hereby acknowledge and agree that the manner selected by the Company by which you indicate your consent to your Grant Notice is also deemed to be your execution of your Grant Notice and of this Agreement. You further agree that such manner of indicating consent may be relied upon as your signature for establishing your execution of any documents to be executed in the future in connection with your Award.

10. AWARD NOT A SERVICE CONTRACT.

(a) Nothing in this Agreement (including, but not limited to, the vesting of your Award or the issuance of the shares in respect of your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan shall: (i) confer upon you any right to continue in the employ or service of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award pursuant to the vesting schedule provided in the Grant Notice may not be earned unless (in addition to any other conditions described in the Grant Notice and this Agreement) you continue as an employee, director or consultant at the will of the Company and affiliate, as applicable (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a "***reorganization***"). You acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated

hereunder and the vesting schedule set forth herein or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant for the term of this Agreement, for any period, or at all, and shall not interfere in any way with the Company's right to terminate your Continuous Service at any time, with or without your cause or notice, or to conduct a reorganization.

11. WITHHOLDING OBLIGATION.

(a) On each vesting date, and on or before the time you receive a distribution of the shares of Common Stock in respect of your Restricted Stock Units, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision, including in cash, for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate that arise in connection with your Award (the "***Withholding Obligation***").

(b) By accepting this Award, you acknowledge and agree that the Company or any Affiliate may, in its sole discretion, satisfy all or any portion of the Withholding Obligation relating to your Restricted Stock Units by any of the following means or by a combination of such means: (i) causing you to pay any portion of the Withholding Obligation in cash; (ii) withholding from any compensation otherwise payable to you by the Company; (iii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued pursuant to Section 6) equal to the amount of such Withholding Obligation; provided, however, that the number of such shares of Common Stock so withheld will not exceed the amount necessary to satisfy the Withholding Obligation using the maximum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income; and *provided*, further, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Board or the Company's Compensation Committee; and/or (iv) permitting or requiring you to enter into a "same day sale" commitment, if applicable, with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "***FINRA Dealer***"), pursuant to this authorization and without further consent, whereby you irrevocably elect to sell a portion of the shares to be delivered in connection with your Restricted Stock Units to satisfy the Withholding Obligation and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Obligation directly to the Company and/or its Affiliates. Unless the Withholding Obligation is satisfied, the Company shall have no obligation to deliver to you any Common Stock or any other consideration pursuant to this Award.

(c) In the event the Withholding Obligation arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Withholding Obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

12. TAX CONSEQUENCES. The Company has no duty or obligation to minimize the tax consequences to you of this Award and shall not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so. You understand that you (and not the Company) shall be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement.

13. UNSECURED OBLIGATION. Your Award is unfunded, and as a holder of a vested Award, you shall be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares or other property pursuant to this Agreement. You shall not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you pursuant to Section 6 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

14. NOTICES. Any notice or request required or permitted hereunder shall be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

15. HEADINGS. The headings of the Sections in this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement or to affect the meaning of this Agreement.

16. MISCELLANEOUS.

(a) The rights and obligations of the Company under your Award shall be transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

17. GOVERNING PLAN DOCUMENT. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and

any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for "good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

18. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating benefits under any employee benefit plan (other than the Plan) sponsored by the Company or any Affiliate except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any or all of the employee benefit plans of the Company or any Affiliate.

19. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

20. OTHER DOCUMENTS. You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

21. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that, except as otherwise expressly provided in the Plan, no such amendment materially adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the Award as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change shall be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

22. COMPLIANCE WITH SECTION 409A OF THE CODE. This Award is intended to be exempt from the application of Section 409A of the Code, including but not limited to by reason of complying with the "short-term deferral" rule set forth in Treasury Regulation Section 1.409A-1(b)(4) and any ambiguities herein shall be interpreted accordingly. Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise not exempt from, and determined to be deferred compensation subject to Section 409A of the Code, this Award shall comply with Section 409A to the extent necessary to avoid adverse personal tax consequences and any ambiguities herein shall be interpreted accordingly. If it is determined that the Award is deferred compensation subject to Section 409A and you are a "Specified Employee" (within the meaning set forth in Section 409A(a)(2)(B)(i) of the Code) as of the date of your "Separation from Service" (as defined in Section 409A), then the issuance of any shares that would otherwise be made upon the date of your Separation from Service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months

and one day after the date of the Separation from Service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of adverse taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2).

* * * * *

This Restricted Stock Unit Award Agreement shall be deemed to be signed by the Company and the Participant upon the signing by the Participant of the Restricted Stock Unit Grant Notice to which it is attached.

ATTACHMENT II

2017 INCENTIVE PLAN

[*] = CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY BRACKETS, IS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 UNDER THE SECURITIES ACT OF 1933, AS AMENDED

LOGISTICS SERVICES AGREEMENT

This Logistics Services Agreement ("Agreement") is entered into this 24th day of April, 2014, by and between Stitch Fix, Inc., having its principal place of business at 731 Market Street, Ste. 500, San Francisco, CA 94103 ("CLIENT") and Ozburn-Hessey Logistics, LLC d/b/a OHL, a Tennessee limited liability company, having its principal place of business at 7101 Executive Center Drive, Suite 333, Brentwood, Tennessee 37027 ("OHL"). OHL and CLIENT may be referred to herein each as a "Party" and collectively, as the "Parties".

WITNESSETH:

WHEREAS, CLIENT and OHL desire to enter into an agreement covering certain operations whereby OHL will provide certain logistics and storage services for CLIENT;

WHEREAS CLIENT and OHL have agreed to use the space utilized by OHL and approved by CLIENT to perform the Services, which space consists of approximately 110,000 sq. ft. within the Warehouse located at 1631 Opus Drive, Plainfield, IN 46168 ("Warehouse");

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, the Parties agree as follows:

1. TERM

This Agreement shall become effective on May 1, 2014 ("Commencement Date"), and shall continue in force and effect for a period of three (3) years and for each year thereafter by automatically renewing for successive periods of one (1) year each, unless terminated by either Party by delivery of a written termination in a Timely Manner. ''Timely Manner" means, in the case of OHL, two hundred and seventy (270) days prior to the end of the then current term or, in the case of Client, one hundred and eighty (180) days prior to the end of the then applicable term or unless earlier terminated as provided herein in Section 6 below. The initial three year term and each renewal term shall be collectively referred to as "Term".

2. SERVICES

A. OHL Services

OHL shall provide the warehouse, equipment, systems, supporting infrastructure, and personnel (collectively "**Facilities and Resources**") necessary for the performance of the logistics, fulfillment, distribution, and such other services, functions, and solutions as are outlined in Exhibit A, reasonably deemed necessary by CLIENT for its business or otherwise required under this Agreement (the "**Services**"), for handling CLIENT's Products. Notwithstanding the preceding, OHL will run its operations on behalf of CLIENT using the CLIENT's existing IT systems and processes, for which CLIENT will handle the installation and provide necessary equipment (collectively, such systems and equipment the "**Client Equipment**"). OHL shall perform all work exercising reasonable care for the operation of the Warehouse and the receipt, handling, storage, segregation, order picking, marking for shipment and shipment of CLIENT's Products will all be in accordance with this Agreement. OHL shall (i) keep and maintain, using reasonable care, all facilities and equipment used by OHL in performing its Services hereunder in a clean, proper, and safe operating condition, (ii) maintain the Warehouse in a neat and presentable condition, and (iii) train and supervise its employees in the performance of their work on CLIENT's behalf in an efficient, safe and legal manner.

CLIENT reserves the right to request for any products, goods or materials stored in the Warehouse that may cause CLIENT's Products to be tainted with unwanted odors to be removed.

B. Requests for Changes

From time-to-time, CLIENT may request changes (including additions, modifications, and deletions) to the Services and Facilities & Resources. OHL will promptly review and discuss any such request from CLIENT and notify CLIENT in writing of any adjustments to the Agreement required to implement such request. OHL will use commercially reasonable efforts to provide any change requested by CLIENT at no additional charge. To the extent that additional charges are necessary the Parties agree to follow the Rate Modification process set forth in Section 6 B below. OHL will also provide CLIENT reasonable access to OHL personnel, facilities, equipment, or resources that CLIENT may need or request. Any changes and adjustments approved in writing by the parties will be incorporated into this Agreement.

C. Continuous Improvement

OHL will periodically identify ways to improve the quality of the Services and Facilities & Resources and, without violating its non-disclosure obligations, continuously identify and apply proven techniques and tools to improve CLIENT's processes.

D. Performance Metrics

OHL will provide and perform in accordance with this Agreement and at or above the minimum key performance indicators set forth in the attached Exhibit F. Exhibit F is an integral part of this Agreement and is hereby incorporated into this Agreement by reference.

E. General Standard of Performance

All Services (other than those which have expressly defined key performance indicators in Exhibit F) must be performed with at least the same degree of accuracy, completeness, efficiency, quality, and timeliness as are provided by well-managed suppliers providing services similar to these. OHL will maintain the security of the inventory, CLIENT's equipment, and the warehouse; store the inventory and CLIENT's equipment within appropriate environmental conditions; protect the inventory and CLIENT's equipment from damage or loss in accordance with this Agreement, and otherwise maintain the Warehouse in conformance with the best standards in the industry. Furthermore, CLIENT recognizes that the Landlord of the Facility has responsibility for maintenance of the roof structure and membrane under its lease with OHL and is responsible for all maintenance and repairs of the same. OHL will be responsible for enforcing Landlord's compliance with its obligations under the lease.

F. Representations and Warranties

OHL represents and warrants that (i) it has the full and unrestricted right, power and authority to enter into this Agreement and to perform its obligations and provide the services, facilities, and resources described in this Agreement in accordance with the terms of this Agreement; (ii) the performance of its obligations hereunder do not and will not violate (a) any applicable law or regulation, (b) agreement, obligation or understanding (whether oral or written) to which it is a party, or (c) any third party's property rights; and (iii) it will provide the Services in a good and workmanlike manner.

3. INVENTORY AND STORAGE

A. Tender for Storage

(1) As set forth in Exhibit C, CLIENT warrants that, to its knowledge, it has provided all necessary documentation and proper handling instructions for all Products to be stored and handled by OHL, and that such information is accurate, complete and sufficient to allow OHL to comply with all laws, regulations and ordinances concerning the storage, handling, shipping and transporting of such Products. In the event CLIENT becomes aware of any new, additional or incomplete information not

previously provided and set forth in Exhibit C, CLIENT shall promptly provide such information in writing to OHL. CLIENT will indemnify and hold OHL harmless from all loss, cost, fine, penalty and expense (including reasonable attorneys' fees and costs) which OHL pays or incurs as a result of CLIENT failing to fully discharge this obligation. All Products for storage and handling shall be delivered to OHL properly marked and packaged for handling. CLIENT shall furnish at or prior to such delivery, a manifest showing marks, brands, or sizes to be kept and accounted for separately, and the class of storage and other services desired. In the event that any Products constitute or contain Hazardous Materials as described in Section 22, CLIENT must include in Exhibit C such classification and provide all information necessary to allow OHL to safely handle, store and ship such Products in full compliance with all federal, state and local statutes, ordinances and regulations.

(2) OHL is not a guarantor of the condition of the Products under any circumstances, including but not limited to hidden, concealed, or latent defects in the Products. Concealed shortages, damage or tampering will not be the responsibility of OHL, nor will OHL be liable for loss or damage to the extent caused by any act or omission of CLIENT, CLIENT's contractors, a public authority or the inherent vice or nature of the Products. OHL shall be liable for damages or goods caused by a breach of the agreement, negligence, willful misconduct, or shrinkage in excess of 0.2% as provided in Section 9E. OHL is responsible for goods from other tenants in same multi-tenant building that cause problems or odors with CLIENT's inventory. Notwithstanding anything contained herein to the contrary, all Products are warehoused at CLIENT's risk or loss, and OHL assumes no responsibility for leakage from packages, variations in weights, shrinkage in weights, odor, rot, taint or other inherent qualities of the merchandise, whether occurring while Products are in storage, being handled or for failure to detect or remedy the same. OHL assumes no responsibility for losses arising from sprinkler leakage, fire, smoke, or any other cause beyond the control of OHL in the exercise of its duty of care as set forth above in Section 2A. CLIENT recognizes that responsibility for items related to any sprinkler leakage, not caused by OHL, is the responsibility of the Landlord under its lease with OHL. OHL will be responsible for enforcing Landlord's compliance with its obligations under the lease.

(3) CLIENT shall not ship Products to OHL as named consignee. If Products are shipped to OHL as named consignee, CLIENT agrees to notify the carrier in writing prior to such shipment, with a copy of such notice to OHL, that OHL is a warehouseman and has no beneficial title or interest in such property. CLIENT further agrees that, if it fails to notify carrier as required by the preceding sentence, OHL shall have the right to refuse such Products and shall not be liable or responsible for any loss, injury or damage of any nature to, or related to such Products.

(4) OHL may refuse to accept any Products that, in the reasonable judgment of OHL, would cause the Products to occupy more space in the Warehouse than is then available to CLIENT pursuant to this Agreement, provided OHL has given CLIENT as much notice as is reasonably possible that the space occupied by the Products is approaching maximum capacity pursuant to this Agreement. OHL agrees to notify CLIENT before it refuses Products in order to enable a joint effort by the parties to locate and secure another suitable storage facility that will accept the Products.

B. Delivery Requirements

(1) No Products shall be delivered or transferred except upon receipt by OHL of complete written instructions, including, if applicable, full compliance with Section 23 of this Agreement. Written instructions shall include, but are not limited to, communication by Fax, EDI, Email or similar communication; provided, however that OHL shall have no liability when relying on the information contained in the communication received. Notwithstanding the foregoing, when no negotiable receipt is outstanding, Products may be delivered upon instruction by telephone in accordance with a prior written authorization, but OHL shall not be responsible for loss or error occasioned thereby.

(2) When a negotiable receipt has been issued, no Products covered by that receipt shall be delivered or transferred on the books of OHL, unless the receipt, properly endorsed, is surrendered for cancellation, or for endorsement of partial delivery thereon. If a negotiable receipt is lost

or destroyed, delivery of Products may be made only upon order of a court of competent jurisdiction or the award of an arbitration panel and the posting of security approved by the court or arbitration panel as provided by law.

4. INDEPENDENT CONTRACTOR

In the performance of the services hereunder, OHL shall act as an independent contractor and the employees of OHL and its subcontractors, if applicable, performing services hereunder shall not be deemed to be employees of CLIENT, and CLIENT shall not be responsible for their acts or omissions. OHL shall have no obligation to hire any potential employee or contractor recommended by CLIENT. If any former CLIENT employee shall be hired by OHL, such employee shall start work as a new employee and receive no credit for prior service with CLIENT. In the event CLIENT is dissatisfied with the performance of an OHL employee or subcontractor, OHL will agree to remove or transfer any OHL employee from CLIENT's account upon request.

During the Term of this Agreement and any extensions thereof, and for a period of six (6) months thereafter, neither Party shall directly or indirectly solicit for employment or actually employ, retain, contract or otherwise hire any employees of the other Party involved in the performance, provision, procurement or evaluation of the Services, unless agreed to in writing by the other Party; provided that this prohibition shall not apply to any general solicitation not directed exclusively or primarily to individuals employed by the other Party.

5. CLERICAL WORK AND RECORDS

OHL shall maintain receiving and shipping papers, inventory records, and such other records specific to the Services performed by OHL, as may be reasonably required by CLIENT. Such records may be inspected by CLIENT upon reasonable notice given to OHL, provided that CLIENT is accompanied by OHL during such inspection and such inspection occurs during regular working hours and in accordance with procedures established by OHL and CLIENT. The keeping of records and the performance of clerical work provided hereunder shall be consistent with overall procedures established by OHL and CLIENT. Copies of the records to be kept hereunder shall be furnished to CLIENT upon request. OHL reserves the right to charge CLIENT for the cost of providing such copies. CLIENT shall have the right upon 24 hrs notice to OHL to enter and inspect the Warehouse and the Products in storage. Notwithstanding the foregoing, in the event there are any issues of Product contamination potentially arising in the Warehouse, CLIENT may immediately inspect all OHL operations within the Warehouse.

6. COMPENSATION

A. Rate and Modifications

CLIENT shall pay OHL for the Services hereunder pursuant to the rates set forth in Exhibit B - Rates ("Rate"), until the first anniversary of the Commencement Date. Ninety (90) days prior to each anniversary of the Commencement Date, the Parties shall enter into good faith negotiations as to the Rate for the next year of the Agreement and shall conclude said negotiations prior to the date that is thirty (30) days before the then applicable anniversary of the Commencement Date. In the event that the Parties are not able to come to agreement on the following year's Rate, the Rate for the following year shall be adjusted according to the Consumer Price Index (CPI) Guidelines as published by the U.S. Government - reference: http://www.bls.gov/cpi/#tables. Rate adjustments made in accordance with the CPI Guidelines shall become effective on the anniversary of the Commencement Date of the Agreement.

B. Rate Modifications due to Changed Circumstances

(1) Notwithstanding anything to the contrary, at any time during the Term of this Agreement, upon the occurrence of an alteration in the scope of the Services to be performed hereunder or a material change in circumstances affecting the expectations of the Parties to this Agreement, OHL or

CLIENT may propose a change in the Rate. Any such proposal shall be made by giving written notice thirty (30) days prior to the effective date of the new Rate specified in the notice, and the proposal shall contain specific details of the reason for the proposed change. Upon mutual agreement the proposed new Rate shall become effective as of the date specified in the proposal and any such new Rate shall be effective for the remainder of the then current year of the Term following the most recent anniversary of the Commencement Date. The Rate in subsequent years of the Term shall thereafter be determined in accordance with Section 6(A) above.

(2) In the event the Parties cannot agree to a change in the Rate proposed under subsection (1) above within sixty (60) days, either Party may terminate this Agreement in accordance with the Termination provisions of Section 7 and any termination by OHL shall be deemed to be for cause.

C. Invoices and Payment Terms

OHL shall bill CLIENT weekly for all variable charges (i.e. labor and equipment), monthly in advance for all fixed or recurring charges (i.e. storage, capital equipment) and monthly in arrears for all supplies and other expenses as set forth in Exhibit B. Terms of payment shall be net 30 days from date of invoice, without deduction or hold back. OHL's invoice shall be accompanied by such records acceptable to both Parties. All invoices not paid within 30 days from date of invoice will be subject to a 1.5% late fee per month. Any invoice dispute issues will be handled in accordance with the Dispute Resolution process outlined as set forth in Section 21 of this LSA.

7. TERMINATION

A. Termination for Convenience

(1) Either Party may terminate this Agreement for its convenience in whole or in part from time to time, upon giving written notice delivered by certified or registered mail not less than one hundred eighty (180) days prior to the termination date for the CLIENT, and two hundred seventy (270) days for OHL, specified in the notice to the other Party. After receipt of the termination notice, and except as otherwise mutually agreed, OHL agrees to continue the Services under this Agreement until such termination date.

(2) In the event of a termination by CLIENT pursuant to subsection (1) above, after receipt of the termination notice, OHL shall submit to CLIENT its claim for the Termination Amount as determined pursuant to Section C below. Such claim shall be submitted promptly but in no event later than thirty (30) days from the effective date of termination, unless extensions of time are granted in writing by mutual consent.

B. Termination for Cause

(1) Either Party may terminate this Agreement upon the occurrence of an Event of Default by the other Party, as defined and specifically set forth below. Such termination shall be effective by giving written notice delivered by certified or registered mail to the other Party. Following notice to terminate and until the date of termination, the parties will work together in good faith to ensure that there is no material impact on the Services provided by OHL. Upon termination pursuant to this Section, OHL shall discontinue the Services under this Agreement on the date specified in the notice.

(2) CLIENT may terminate this Agreement for cause upon occurrence of any of the following material breaches (each referred to herein as an "Event of Default"):

a. if for any reason other than one or more of the causes specified in Section 10 of this Agreement entitled "Force Majeure", OHL shall cease executing any Services for a period of ten (10) days;

b. if OHL shall (i) fail to employ a work force sufficient to adequately perform the Services or (ii) fail to increase such force to such extent necessary to perform the Services and as reasonably requested by CLIENT and does not cure such breach within thirty (30) days of notice from CLIENT of said breach; or

c. if OHL shall become insolvent or bankrupt or make any general assignment for the benefit of its creditors or if any trustee or receiver of any substantial part of OHL's assets shall be appointed, and such action is not dismissed within thirty (30) days of such action.

d. if OHL materially breaches any provision of this Agreement, then Client may elect to terminate, in whole or in part, upon thirty (30) days written notice if OHL fails to cure the breach.

Upon any such Event of Default, CLIENT shall have the right, in addition to all other rights and remedies that it might have at law or in equity against OHL, to take over the uncompleted Services and complete the same or contract with others for the completion of the same, at which time OHL shall be relieved of all obligations under this Agreement except for those mutually agreed upon.

(3) OHL may terminate this Agreement for cause upon occurrence of any of the following material breaches (each referred to herein as an "Event of Default"):

a. if CLIENT shall become insolvent or bankrupt or make any general assignment for the benefit of its creditors or if any trustee or receiver of any substantial part of CLIENT's assets shall be appointed, and such action is not dismissed within thirty (30) days of such action;

b. if CLIENT shall not pay undisputed invoices due OHL according to the terms of the Agreement and such invoices shall remain unpaid for a period of sixty (60) days;

c. if CLIENT shall materially alter the scope of the Services to be performed pursuant to the Agreement, as determined by the sole discretion of OHL, and the parties hereto cannot mutually agree on compensation due OHL for such change in its services; or

d. if CLIENT shall breach any provision of Section 23 of this Agreement, regardless of whether CLIENT cures such breach.

C. Obligations Following Termination

(1) OHL and CLIENT agree the amount to be paid to OHL by reason of the total or partial termination of its services by CLIENT for convenience and by OHL for cause pursuant to this Section will include each of the following:

a. compensation for all Services performed to the date of termination;

b. an amount equal to six (6) months or the remaining months of the Term, whichever is less, of the monthly average base facility cost at [*] (the "Storage Cost") provided by OHL Services under the Agreement as of the date of termination or partial termination;

c. unamortized portions of all CLIENT approved start-up costs and equipment costs (stationary and non-stationary). OHL shall provide CLIENT documents establishing the purchase price of such equipment and systems, and amortization calculations establishing the unamortized cost of such equipment and systems; and

d. if OHL has leased or purchased, with the approval of CLIENT any real property, or constructed improvements thereon, to perform the Services (including any lease or purchase of real property where OHL provides services to other customers), CLIENT agrees to continue to pay for such space at the Agreed Rate for the remainder of the Term.

The total amount to be paid by CLIENT to OHL pursuant to this Section 7(C) is referred to herein as the "Termination Amount". The Parties acknowledge and agree that (i) the damages to OHL in the foregoing circumstances would be difficult or impossible to accurately estimate, (ii) the Termination Amount has been negotiated by the Parties not as a penalty but as a good faith attempt by the Parties hereto to arrive at a reasonable estimate of such damages and (iii) in any action against CLIENT for the payment of the Termination Amount, the reasonableness of such amount shall be presumed. Upon payment of costs for capital, equipment or supplies, ownership of the capital, equipment, and supplies will transfer to the CLIENT. CLIENT will be responsible for removal and transportation costs of all equipment.

OHL agrees in good faith to, in its best efforts, find an appropriate tenant to occupy CLIENT's vacated space - either as a result of termination for cause by OHL, or termination for convenience by CLIENT - and upon doing so would remunerate CLIENT of that Storage Cost paid pursuant to Section 7(C)(1)(b) and/or 7(C)(1)(d) on a pro-rata basis with respect to both space and timing.

D. Expiration of Term

(1) In addition to any other payments that may be required under this Agreement, in the event that CLIENT provides written notice that terminates this Agreement at the expiration of the initial term or any renewal term as required by Section 1, OHL shall recover from CLIENT all unamortized portions of approved equipment costs (stationary and non-stationary) guided by Exhibit D, regardless of whether such costs extend beyond the Term of this Agreement. OHL shall provide CLIENT documents establishing the purchase price of such equipment and systems, and amortization calculations establishing the unamortized cost of such equipment and systems.

(2) Except for a termination by OHL in accordance with section 1 (notice of non-renewal with no less than 270 days notice) or Section 7(A)(1), or 7(B)(3), OHL will not reduce, suspend or cease its performance of its obligations pursuant to this Agreement until OHL has received (i) a preliminary or permanent injunction or other equitable relief or remedy, (ii) a court order, or (iii) a ruling from a court of competent jurisdiction that Client has breached this Agreement and such reduction, suspension and cessation is warranted.

(3) Additionally, at CLIENT's discretion, OHL agrees to help (a) load the equipment/ inventory onto trucks at the same rates available in the agreement; (b) provide CLIENT a right of way to remove the inventory and equipment; or (c) some combination of the two.

8. TRANSFER, GROWTH AND REMOVAL OF GOODS

A. Transfer

OHL may, without notice, move the Products within and between, any one or more of the buildings which comprise the Warehouse as designated in this Agreement; and OHL also reserves the right to move, solely at its expense, any Products in storage from the Warehouse to any of its other facilities within close proximity to the Plainfield Warehouse location, after providing notice to CLIENT, provided that the condition, infrastructure, and location of such facilities are equal to or better than the condition of the Warehouse and there is no impact to the operation. OHL will be responsible for the labor and costs associated with retrofitting any current or future alternate Facilities if such retrofitting is required as a result of OHL relocating CLIENT's operation at its own discretion.

B. Additional Space Needed

In the event that CLIENT requires additional warehouse space, OHL agrees to find warehouse space that meets CLIENT's requirements within any of its other facilities within close proximity to the Plainfield Warehouse location. OHL will provide notice to CLIENT, provided that the condition, infrastructure, and location of such facilities are equal to or better than the condition of the Warehouse, and there is no impact to the operation. OHL is responsible for removing any materials (e.g. inventory or racking) left behind from any previous clients at OHL's expense, if OHL is moving or re-locating CLIENT's operation at OHL's discretion. In the event that such a move should occur as a result of CLIENT's growth in excess of original plans and modeling, OHL and CLIENT agree to negotiate in good faith such moving expenses at that time.

C. Removal

If as a result of a quality or condition of the Products, which OHL had no notice of at the time of deposit, the Products are a hazard to other property, the Warehouse or to persons, OHL, on reasonable notification to CLIENT, may dispose of said Products in any lawful manner and shall incur no liability by reason of such disposal. Pending such disposal of the Products, OHL may remove the Products from the Warehouse and shall incur no liability by reason of such removal.

9. INDEMNIFICATION AND INSURANCE

A. Indemnification by OHL

OHL shall indemnify, defend and hold CLIENT harmless from any damages, liabilities, losses, costs or expenses arising out of or in connection with any third party claim resulting from OHL's performance of the Services or the provision of premises, including (i) any willful misconduct or negligent acts and omissions of OHL in the performance of Services hereunder or from any breach of this Agreement, (ii) violations of any federal, state or local law, statute, regulation, rule, ordinance, order, or government directive, (iii) a breach of any confidentiality, data, or privacy obligation by OHL or its agents, employees, and subcontractors, (iv) the Services or any Facilities & Resources give rise to the infringement or misappropriation of a third party's intellectual property, (v) any claim by another OHL customer, an OHL subcontractor, or an OHL landlord or contractor under or relating to this Agreement, except to the extent arising from the gross negligence or willful misconduct of Client, and (vi) any claim relating to the employee-employer relationship between OHL (or its subcontractors) and its employees, including any claims relating to co-employment, compensation, benefits, insurance, workers compensation, taxes, severance, wrongful termination, or any labor practices or conditions.

B. Indemnification by CLIENT

In addition to any other indemnification by CLIENT set forth elsewhere in this Agreement, including Section 23 below, Client shall indemnify, defend and hold OHL harmless from any damages, liabilities, losses, costs or expenses arising out of or in connection with any third party claim resulting from Client's breach of this Agreement or any willful misconduct or negligent acts and omissions of OHL in receipt of the Services hereunder, including: (i) any claims, enforcement actions, fines, costs, or recalls or retrievals of Customer Inventory, except to the extent arising from an OHL breach of this Agreement or the negligence, recklessness, willful misconduct or wrongful acts or omissions of OHL or its agents, employees, and subcontractors (e.g., a recall arising from OHL's exposure of the Inventory to a dangerous chemical), (ii) any and all product liability relating to Customer Inventory, except to the extent arising from an OHL breach of this Agreement or the negligence, recklessness, willful misconduct or wrongful acts or omissions of OHL or its agents, employees, and subcontractors (e.g., a bodily injury claim relating to the Inventory arising from OHL's exposure of the Inventory to a dangerous chemical), (iii) negligence or willful misconduct of Client or its employees, agents, subcontractors or invitees, (iv) violations of any federal, provincial, state or local law, statute, regulation, rule, ordinance, order, or government directive by Customer or (v) any claim that the Client Equipment infringes any intellectual property right.

C. Third Party Claim Procedure

An indemnifying party's obligations to indemnity and defend under this Section 9 are expressly conditioned upon, (1) being provided prompt written notice of any indemnified claim by the indemnified party; provided, that a failure to provide such prompt notice shall not release the indemnifying party from its obligations unless such lack of timely notice materially impacts the ability of the indemnifying party to defend against the claim, (2) the indemnifying party having the sole right to control the defense, and to agree to any cash settlement, adjustment or compromise of the claim; provided that (a) any settlement, adjustment, or compromise of the claim shall not result in any financial or non-financial obligations and/or admissions of guilt being imposed on the indemnified party without the prior written consent of the indemnified party in its sole discretion, and (b) the indemnified party may employ separate counsel at its own expense to participate in the defense of the claim, and (c) the indemnified party providing reasonable cooperation with the indemnifying party in the defense of the claim. The indemnified party shall have no authority to settle any claim on behalf of the indemnifying party without the consent of the indemnifying party.

D. Insurance

OHL shall provide and keep in effect during the Term, insurance to cover itself, its employees, and its subcontractors in minimum limits as follows:

(1)	Workman's Compensation	Statutory
(2)	Comprehensive General Liability Bodily Injury	$1,000,000
(3)	Comprehensive Automotive Liability Bodily Injury	$1,000,000
(4)	Employer's Liability	$500,000
(5)	Warehouseman's Legal Liability	$1,000,000

Such insurance shall be in such form and carried with such insurance companies reasonably acceptable to CLIENT and CLIENT shall be named as a certificate holder. Such insurance shall contain a provision that it will not be terminated or modified without notice to be provided in accordance with policy provisions. OHL shall provide CLIENT a certificate of insurance indicating it is in existence on the Commencement Date and from time to time at CLIENT's request. CLIENT may request increases to the insurance coverage amounts set forth above, provided that any increases to the insurance coverage amounts set forth above will be obtained by OHL and provided to CLIENT on a cost plus basis and shall only be provided if such insurance coverage is available to OHL.

The Parties agree to waive all rights of subrogation under all insurance (except for workers compensation insurance) with respect to each other and its officers, directors, personnel and agents.

E. Limitations on Liability

Notwithstanding anything contained herein to the contrary, liability is limited as follows:

(1) OHL shall not be liable for any loss or injury to Products stored, however caused, unless such loss or injury resulted from: (a) OHL's breach of the agreement, (b) OHL's failure to enforce Landlord's compliance with its obligations under the lease, (c) OHL's negligence or willful misconduct, (d) shrinkage in excess of 0.2% as provided in Section 10(E)(4) below and/ or (e) from other products in the Facility that cause contaminant odors with CLIENT's inventory.

(2) Products are not insured by OHL against loss or injury however caused

(3) CLIENT declares that damages or loss to Product resulting from OHL's failure to exercise reasonable care as described in (A) above are limited to CLIENT's landed wholesale cost per unit for Product damaged up to a maximum of $1,000,000 (one million dollars) per occurrence.

(4) CLIENT agrees to a 0.2% shrink allowance, based on the value of Products stored for a period of one year for loss due to damage, mysterious disappearance or other inventory shrink. Value of the Products is determined by the number of items received per year times the average CLIENT's paid wholesale cost per item.

(5) OHL shall not be liable for demurrage or detention, delays in unloading inbound cars, trailers or other containers, or delays in obtaining and loading cars, trailers or other containers for outbound shipment unless OHL has failed to exercise reasonable care.

(6) Neither party shall be liable for indirect, incidental, consequential, punitive, or exemplary damages, regardless of the nature of the claim being in contract, tort, or otherwise, and whether in law or in equity, whether the party in breach was advised of, or otherwise should have been aware of, the possibility of such damages. The foregoing is a separate, essential term of this agreement and shall be effective even in the event of the failure of any remedy, exclusive or not. In no event, however, will the preceding exclusions on remedies apply with respect to either party's breach of the confidentiality provisions, any indemnification obligation pursuant to Section 9 - INDEMNIFICATION AND INSURANCE, or any misappropriation of the other party's intellectual property.

10. TAXES

CLIENT agrees to pay either directly all taxes, licenses, charges, and assessments levied by government authority upon the Products or to reimburse OHL therefore if paid by OHL. OHL assumes full responsibility for the payment of all federal and state social security and unemployment compensation taxes, withholding taxes, and all other taxes or charges applicable to OHL's employees performing Services hereunder.

11. FORCE MAJEURE

Neither Party shall be liable for damage to products or delays and/or defaults in its performance under this Agreement due to causes beyond its control and without its fault or negligence, including, but without limiting the generality of the foregoing: acts of God, or of the public enemy; fire or explosion; flood; actions of the elements; war; acts of terrorism; riots; embargoes; quarantine; strikes; lockouts; disputes with workmen or their labor disturbances; total or partial failure of transportation, delivery facilities, or supplies; acts or requests of any governmental authority; or any cause beyond its control, including without limitations the acts or omissions of any parties other than OHL or CLIENT, whether or not similar to foregoing provided that the Party whose performance is affected gives written notice of the force majeure to the other Party within ten (10) days of its first occurrence (any such event, a "Force Majeure Event"). In the event of a Force Majeure Event, CLIENT shall compensate OHL for all Services provided during the period of the Force Majeure Event, but shall not be required to compensate OHL for Services not performed during the period of the Force Majeure Event.

12. TITLE

A. Right to Store Products

CLIENT represents and warrants that it is lawfully in possession of the Products and has the right and authority to contract with OHL for the Services contemplated by this Agreement relating to those Products. CLIENT agrees to indemnify and hold OHL harmless for all loss, cost and expense (including reasonable attorneys' fees) which OHL pays or incurs as a result of any dispute or litigation, whether instituted by OHL or others, respecting CLIENT's right, title or interest in the Products covered by this Agreement. Such amounts shall be charges in relation to the Products and subject to the provisions of this Agreement.

B. Warehouseman's Lien

OHL shall not permit any lien or other encumbrance to be placed on the Products while they are in OHL's possession. Title to the Products as between CLIENT and OHL shall remain with CLIENT. Notwithstanding the foregoing, on Products in OHL's possession, OHL shall have a general warehouseman's lien pursuant to the Uniform Commercial Code for any unpaid and undisputed charges for Services of any kind rendered pursuant to this Agreement or at the request of CLIENT, whether for the Products in storage or Products that have been delivered and regardless of whether a physical warehouse receipt has been issued or receipt of Products is indicated by electronic or other documentation, and such lien shall be automatically released by delivering the Products and/or CLIENT's payment of the charges related to those Products. Pursuant to Section 7-209(a) of the Uniform Commercial Code, the Parties agree that the foregoing general warehouseman's lien shall not be specific to charges and expenses with respect to each Product but shall apply generally to all Product in OHL's possession and the lien with respect to such Product shall be for all charges and expenses with respect to all Product for which OHL provides Services pursuant to this Agreement. In the event of any conflict between this Section 12(B) and the provisions of Section 7(D)(2), the provisions of Section 7(D)(2) will prevail.

13. NOTIFICATION

Any notice to either Party to this Agreement by the other shall be deemed to have been properly given if delivered to the designee as stated below by certified mail return receipt requested, or nationally recognized overnight delivery service.

To OHL:
Matt Hoogerland, CFO
OHL, LLC
7101 Executive Center Drive, Suite 333
Brentwood, TN 37027

To CLIENT:
Mike Smith, COO
Stitch Fix, Inc.
731 Market Street, Suite 500
San Francisco, CA 94103

With a copy to:

Cooley LLP
The Grace Building
1114 Avenue of the Americas
New York, NY 10036-7798
Attn: Babak Yaghmaie, Esq.
Email: byaghmaie@cooley.com

14. COMPLIANCE WITH APPLICABLE LAWS

OHL shall, in its operations hereunder, comply with all requirements of applicable federal, state and local laws, rules and regulations. CLIENT shall be responsible for supplying OHL with all compliance or regulatory information related to the storage and handling of CLIENT's Products (if applicable) and CLIENT shall comply with all requirements of applicable federal, state and local law, rules and regulations relating to the quality, condition and packaging of CLIENT's Products with respect to all Products tendered to OHL for storage in the Warehouse.

15. DAMAGE TO OR DESTRUCTION OF WAREHOUSE

In the event of substantial or total destruction of the Warehouse by fire or other casualty, CLIENT shall have the right to terminate this Agreement by giving OHL at least fifteen (15) days written notice of its intent to terminate this Agreement, and the Parties shall treat such termination by CLIENT pursuant to Section 7(B).

16. WAREHOUSE FACILITY

OHL's activities in operating and maintaining the Warehouse shall at all times be consistent with the terms of the lease(s), if applicable, for the Warehouse. OHL shall be the custodian of the Warehouse during the Term of this Agreement. As custodian, OHL agrees to take measures reasonably necessary to safeguard the Warehouse.

17. USE OF WAREHOUSE FACILITY

OHL agrees that it will not use the Warehouse for any purpose other than the performance for CLIENT of the Services provided for herein and, similar logistics services for other customers. OHL shall not use the Warehouse for the storage or processing of toxic, poisonous, or radioactive substances or any other substance which could contaminate or damage CLIENT'S Products.

CLIENT agrees that OHL shall have full dominion and control of the Warehouse, including the right to prohibit persons not in the employ of OHL or employed by CLIENT from entering the premises.

18. NOTICE OF LOSS OR DAMAGE

CLIENT must give OHL written notice of claim for loss or damage to Products. Such claim must be made within sixty (60) days after the date of discovery of such damage by CLIENT or 60 days after CLIENT is given written notice by OHL that loss or damage to the Products has occurred, whichever time is shorter.

19. TIME TO FILE ARBITRATION DEMAND

No arbitration demand may be made by CLIENT against OHL for loss or damage to the Products unless timely written notice of claim has been given as provided in Section 18, and unless such arbitration demand is made within nine (9) months after the date of discovery of such damage by CLIENT or within nine (9) months after CLIENT is given written notice by OHL that loss or damage to the Products has occurred, whichever time is shorter.

20. WAREHOUSE RECEIPTS

The Parties agree that OHL, for the convenience of CLIENT and OHL, may not issue warehouse receipts. This shall not be construed as a failure to comply with the receipt provision in Section 7 of the Uniform Commercial Code and OHL shall not suffer any liability for such failure. The Parties agree that the terms of this Agreement shall override any conflicting provisions of the Uniform Commercial Code in this regard. OHL agrees that (i) CLIENT may file informational financing statements with regard to inventory and (ii) OHL shall keep CLIENT's inventory and operations clearly segregated from the inventory and operations of other OHL clients.

21. DISPUTE RESOLUTION

The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. Any Party may give the other Party written notice of any dispute not resolved in the normal

course of business. Within fifteen (15) days of delivery of the notice, the receiving Party shall submit to the other a written response. The notice and the response shall include a statement of each Party's position and a summary of arguments supporting that position and the name and title of the executive who will represent that Party and any other person who will accompany that executive. Within thirty (30) days after delivery of the disputing Party's notice, the executives of both Parties shall meet at a mutually-acceptable time and place and, thereafter, as often as they deem reasonably necessary to attempt to resolve the dispute. All negotiations pursuant to this section are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

Mike Smith, or any successor in such capacity, or his/her designee, is the executive of record for CLIENT. Matt Hoogerland, CFO, or any successor in such capacity, or his designee is the executive of record for OHL.

If the dispute has not been resolved by negotiation within forty-five (45) days of the disputing Party's notice, the parties shall resolve any remaining dispute by binding arbitration as set forth in Section 21 of this Agreement. The provisions of this Section 21 will not apply to any claims for equitable relief, provided that either Party seeking equitable relief gives immediate written notice, in accordance with Section 13 of this Agreement, if a claim for equitable relief is pursued.

22. ARBITRATION AGREEMENT

Except for any claims for equitable relief, and claims related to the ownership of any intellectual property, all disputes, claims or controversies arising from or relating to this Agreement, the breach of this Agreement, or the relationships that result from this Agreement, including but not limited to any dispute regarding the validity of this arbitration clause or the entire Agreement, shall be resolved by binding arbitration administered by the American Arbitration Association ("**AAA**") under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction.

The arbitration shall be heard by three (3) neutral arbitrators. Each Party shall choose one arbitrator and those two arbitrators shall choose the third arbitrator, who shall serve as the chair of the arbitration panel. Each arbitrator must be a practicing attorney in good standing with no actual or potential conflicts of interest. To the extent practicable, the arbitrators must have business or legal experience relating to logistics and warehousing. Each arbitrator must be independent of all parties, witnesses and legal counsel.

The arbitration hearing shall be conducted in Nashville, Tennessee. Any judicial challenge to the arbitration award shall be filed in a court sitting in Davidson County, Tennessee.

The prevailing Party shall be awarded all reasonable fees and costs, including reasonable attorneys' fees and costs, expert witness fees and costs and the fees and costs of the arbitrators, incurred in the arbitration and related proceedings. If both Parties are awarded relief, the arbitration panel shall determine the prevailing Party.

23. HAZARDOUS MATERIALS

For purposes of this Agreement, the definition of "Hazardous Materials" shall be as defined within 49 C.F.R. Parts 105 through 180, or any "Hazardous Substances", as defined in 42 U.S.C. Section 9601, or as defined by any other federal, state or local statute, ordinance or regulation (such terms together referred to herein as "Hazardous Materials").

A. CLIENT has represented to OHL that none of the Products, goods or materials which CLIENT will submit to OHL for the purposes of this Agreement, constitute or contain Hazardous Materials.

B. CLIENT shall not deliver to OHL any Products, goods or materials that constitute or contain Hazardous Materials, as defined in this Agreement, unless, prior to delivery of such Hazardous Materials, CLIENT has:

(1) notified OHL, in writing, of CLIENT's intent to deliver such Hazardous Materials;

(2) provided MSDS sheets or other written information, satisfactory to OHL, in OHL's sole discretion, which details the nature of the Hazardous Materials and any packaging or shipping specifications or limitations, and amended or updated Exhibit C, to reflect all such requirements; and

(3) OHL, in OHL's sole discretion, has, in writing, approved the delivery of such Hazardous Materials, and the amendments or modifications to Exhibit C.

C. If any Products, goods or materials which were not Hazardous Materials at the time CLIENT delivered them to the possession of OHL shall subsequently be classified to constitute or contain Hazardous Materials, as defined in this Agreement, CLIENT shall immediately notify OHL that such products, goods or materials have been classified to constitute or contain Hazardous Materials, and shall provide OHL the information required by Subsection B above within twenty-four (24) hours of CLIENT learning that the Products, goods or materials have been classified to constitute or contain Hazardous Materials.

D. If CLIENT gives notice to OHL, as provided for in Section C above, that Products, goods or materials which have been previously delivered to OHL have subsequently been classified as constituting or containing Hazardous Materials, OHL may, in OHL's sole discretion, elect, in writing, to either continue to store, handle and ship the Products, goods and materials constituting or containing Hazardous Materials, or, alternatively, to give notice to CLIENT that all such Products, goods or materials will be returned to CLIENT, or delivered to CLIENT's designee, as soon as reasonably possible, at CLIENT's expense.

(1) If OHL elects to continue to store, handle and ship such Products, goods or materials, OHL may relocate such Products, goods or materials within the Warehouse for purpose of proper storage, and all expenses and costs so incurred shall be considered as Services rendered for purposes of this Agreement and subject to the provisions of this Agreement.

(2) If OHL, in its sole discretion, elects to require the return of such Products, goods or services to CLIENT, then OHL may, at its sole discretion, utilize the services of an independent contractor which specializes in handling, packaging and shipments of Hazardous Materials, and charge all expenses and costs so incurred back to CLIENT, and such expenses and costs shall be considered as Services rendered for purposes of this agreement and subject to the provisions of this Agreement.

E. Should CLIENT deliver any Products, goods or materials to OHL, which CLIENT reasonably believed not to constitute or contain Hazardous Materials, but which in fact did, at the time of delivery to the Warehouse, constitute or contain Hazardous Materials, the provisions of Section D above shall control for purposes of the return of such materials to CLIENT, while the provisions of Section F shall control for purposes of liability and indemnification.

F. If CLIENT knowingly or unknowingly tenders OHL Products, goods or materials which constitute or contain Hazardous Materials, without complying with the requirements of this Section 23, CLIENT shall indemnify, defend and hold OHL harmless against any and all liability which may arise from or relate to the storage or transportation of such Hazardous Materials, such liabilities including, but not limited to, any cargo loss or damage and/or any party and/or third party claims for personal injury, death and/or property damage, including but not limited to damage to the environment, attorney's fees and/or any penalties or fines levied upon OHL by any local, state or federal agency.

24. MODIFICATION

Any request to modify or amend this Agreement must be made in writing, and signed by an authorized representative of each Party hereto.

25. ASSIGNMENT AND SUBCONTRACTING

The rights and obligations covered herein are personal to each Party hereto and for this reason this Agreement shall not be assignable by either Party in whole or in part, nor shall either Party subcontract any of its obligation hereunder without prior written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement to (i) a party which purchases substantially all the assets of the assigning Party, or (ii) to any party which merges with the assigning Party, or (iii) to any party which is under common management or control with the assigning Party.

25. PUBLIC ANNOUNCEMENT/ADVERTISING

CLIENT and OHL agree to only release a public announcement concerning this Agreement upon mutual agreement of the Parties. CLIENT consents to inclusion of its name and logo in customer listings that may be published as part of OHL's ongoing marketing efforts.

26. ENTIRETY

This document embodies the entire agreement and the understanding between CLIENT and OHL, and there are no previous agreements, understandings, conditions, warranties or representations, oral or written, expressed or implied, with reference to the subject matter hereof which are not merged herein.

27. SEVERABILITY

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect and the Parties shall take any actions necessary to render the remaining provisions of this Agreement valid and enforceable to the fullest extent permitted by law and, to the extent necessary, shall amend or otherwise modify this Agreement to replace any provision contained herein that is held invalid or unenforceable with a valid and enforceable provision giving effect to the intent of the Parties.

28. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

29. WAIVER

The waiver by either Party of any default or breach of this Agreement shall not constitute of waiver of any other or subsequent default or breach. Except for actions for breach of confidentiality and non-payment of amounts owed hereunder, no action, regardless of form, arising out of this Agreement may be brought by either Party more than one (1) year after the cause of action has accrued.

30. GOVERNING LAW

This Agreement will be governed by and interpreted according to the laws of the State of Tennessee. In any arbitration pursuant to Section 22, the arbitrators shall apply the substantive law of the State of Tennessee, ignoring any conflict of law rules that would direct the application of the substantive law of another jurisdiction.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

Stich Fix, Inc.

By: /s/ Mike Smith
Mike Smith
Chief Operating Officer

Date: 4/24/14

Ozburn-Hessey Logistics, LLC

By: /s/ Randy Tucker
Randy Tucker
President Contract Logistics and Transportation Management

Date: 5/1/14

Attachments:
Exhibit A - Operational Assumptions & Scope of Services
Exhibit B - Operational Expenses
Exhibit C - Start-Up
Exhibit D - Capital
Exhibit E - Product Description
Exhibit F - Service Metrics & KPl's

[*] = CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY BRACKETS, IS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Exhibit A — Assumptions & Scope of Services

OHL will perform "customary warehousing services" defined generally as the inbound receipt, handling, putaway and storage, order picking, and outbounding of products delivered to the Warehouse by or on behalf of CLIENT in accordance with this Agreement (the "Products"). Services are more particularly outlined in the assumption below. CLIENT and OHL understand that OHL's Rates, as set forth in Exhibit B, were determined in reliance on the assumptions listed below and/or those assumptions contained within the attached Exhibits. Any change or deviation by OHL from the target dates, key performance indicators, and/or processes described below will not, standing alone, be deemed a breach of this Agreement.

OPERATIONAL ASSUMPTIONS:

Assumptions
Stitch Fix – Plainfield, IN 3/24/14
[*]

Systems

OHL will be operating on client's home grown IT systems and installing those systems in the OHL facility.

[*] = CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY BRACKETS, IS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Exhibit B — Operational Expenses

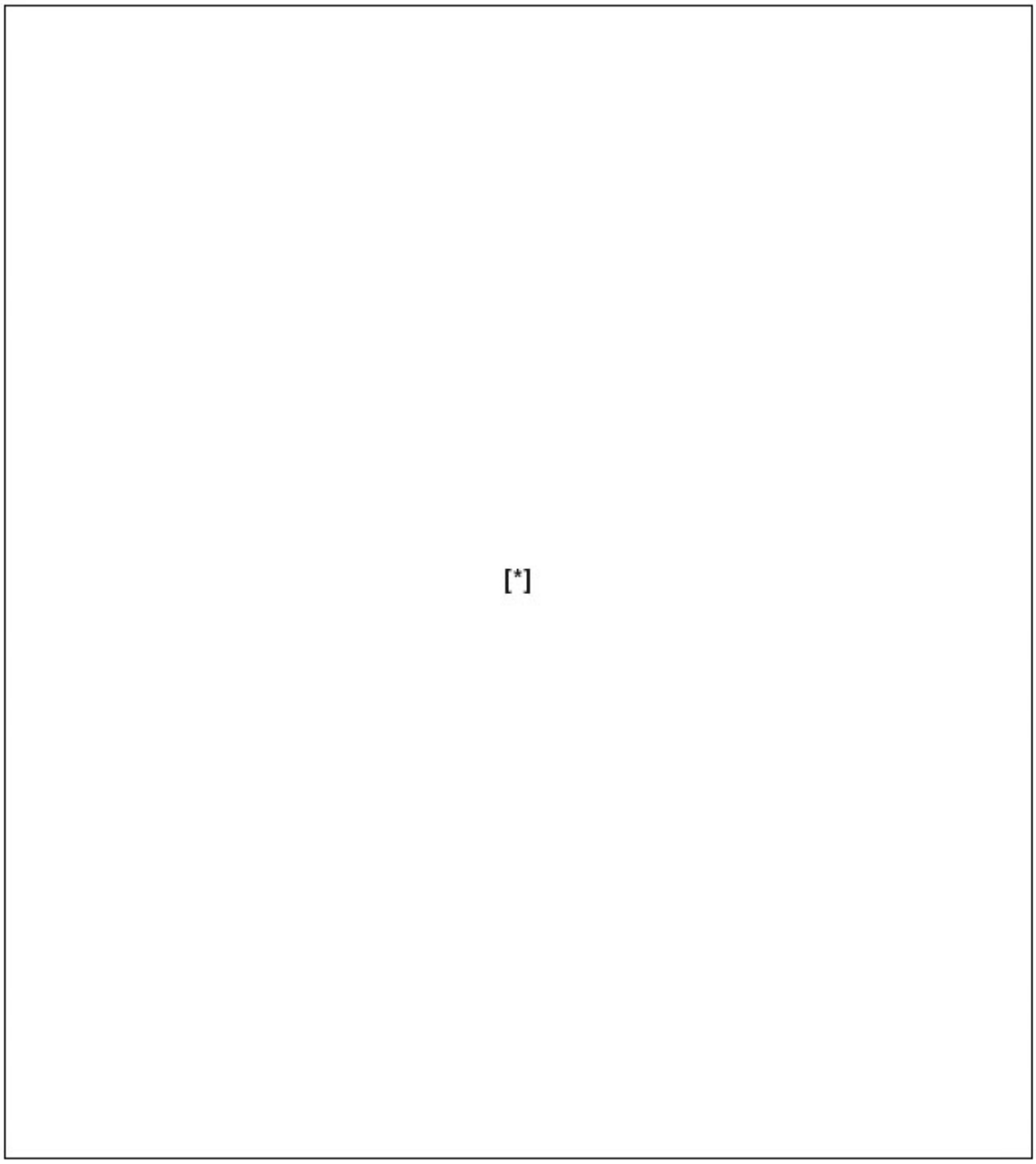
CLIENT shall pay OHL for the Services based on an open book basis guided by the estimated operating budgets set forth in this section. OHL will provide CLIENT with full and complete detail on each invoice illustrating costs incurred for each period.

OVERTIME — OHL shall notify client of overtime needs in excess of 5% weekly and seek client's written approval for billing such required overtime. Overtime in the state of Indiana is calculated as any hours incurred per employee above and beyond 40 hours in a specific work week.

Operating Expenses Y1
Stitch Fix - Opus Drive - Plainfield, IN
3/24/14

[*]

Exhibit B Continued – Operational Expenses (Cont'd)



With the exception of the equipment stated within this Exhibit B, all additional equipment costs shall only be incurred by mutual written agreement.

[*] = CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY BRACKETS, IS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Exhibit C — Start-Up Cost

Start-up Budget Stitch Fix - Opus Drive - Plainfield, IN 24-Mar-14	
Start-Up Expenses	Total Cost
[*]	

[*] = CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY BRACKETS, IS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Exhibit D – Capital

The following illustrates an estimation of the capital equipment to be purchased and deployed by OHL on behalf of CLIENT.

Capital Detail Y1

Stitch Fix – Opus Drive – Plainfield, IN
3/24/14

Capital Expenditure Detail	Quantity	Cost per	Total
Rack / Capital Expenditure			
Pallet Rack Non-Seismic (per pallet position)	[*]	$ [*]	$ [*]
Z Rack	[*]	$ [*]	$ [*]
Double Racks (receiving Rack)	[*]	$ [*]	$ [*]
Hanger Holders	[*]	$ [*]	$ [*]
Drawer Totes (accessories	[*]	$ [*]	$ [*]
Pick Carts	[*]	$ [*]	$ [*]
Flex conveyor – 23'2" Extended, 6'8" Retracted, 24" Skate Wheel Rollers on 5.25" Center	[*]	$ [*]	$ [*]
Pallet Jack	[*]	$ [*]	$ [*]
Gravity Conveyor (per foot)	[*]	$ [*]	$ [*]
Receiving / Shipping Station	[*]	$ [*]	$ [*]
Audit Station (Merch Shop)	[*]	$ [*]	$ [*]
Pack / Work Station	[*]	$ [*]	$ [*]
Totes	[*]	$ [*]	$ [*]
Tape, Labels, Etx.	[*]	$ [*]	$ [*]
Power Drops	[*]	$ [*]	$ [*]
Sub Pannel	[*]	$ [*]	$ [*]
Contingency	[*]	$ [*]	$ [*]
Freight	[*]	$ [*]	$ [*]
Tax	[*]	$ [*]	$ [*]
Total Rack / Capital Expenditure			**$ [*]**
Phone System			
Router upgrade to support voice capabilities	[*]	$ [*]	$ [*]
Router no voice	[*]	$ [*]	$ [*]
IP Phone	[*]	$ [*]	$ [*]
Voice mail	[*]	$ [*]	$ [*]
Total Phone System			**$ [*]**
Office Equipment & Furniture			
Office	[*]	$ [*]	$ [*]
Break room/Restroom Build out expansion	[*]	$ [*]	$ [*]
Break Room (per employee)	[*]	$ [*]	$ [*]
Contingency – Phone / Facility / Equipment	[*]	$ [*]	$ [*]
Freight	[*]	$ [*]	$ [*]
Tax	[*]	$ [*]	$ [*]
Total Office Equipment & Furniture			**$ [*]**

Security (above normal expenditures include in Base Facility costs)					
Perimeter Fencing (per foot)	[*]	$	[*]	$	[*]
Secured Entrance (cage)	[*]	$	[*]	$	[*]
Access Control	[*]	$	[*]	$	[*]
Camera System	[*]	$	[*]	$	[*]
Interior Fencing	[*]	$	[*]	$	[*]
Contingency	[*]	$	[*]	$	[*]
Freight	[*]	$	[*]	$	[*]
Tax	[*]	$	[*]	$	[*]
Total Security				**$**	**[*]**
Systems Equipment					
RF Wearable (includes scanner, batteries, service agreement)	[*]	$	[*]	$	[*]
Standard Laser printer (networked)	[*]	$	[*]	$	[*]
Label Printers (networked)	[*]	$	[*]	$	[*]
Software Licenses (per hip/label printer)	[*]	$	[*]	$	[*]
PC w/ Software	[*]	$	[*]	$	[*]
Additional Software (Project, Visio, etc.)	[*]	$	[*]	$	[*]
Contingency	[*]	$	[*]	$	[*]
Freight	[*]	$	[*]	$	[*]
Tax	[*]	$	[*]	$	[*]
Total Systems Equipment				**$**	**[*]**
Total Capital Requirement				**$**	**[*]**

Summary Schedule	Total Cost	Financing Rate	Periods	Monthly Cost	Annual Cost
Rack / Capital Expenditure	$[*]	[*]	[*]	$ [*]	$ [*]
Lease holder Improvements / RF Infrastructure	[*]	[*]	[*]	[*]	[*]
Phone System / Facility Breakout / Office Equipment & Furniture	[*]	[*]	[*]	[*]	[*]
Security (above normal expenditures include in Base Facility costs)	[*]	[*]	[*]	[*]	[*]
Systems Equipment	[*]	[*]	[*]	[*]	[*]
Lift Attachments	[*]	[*]	[*]	[*]	[*]
Total	**$** [*]			**$** [*]	**$** [*]

All equipment costs will be mutual reviewed prior to purchasing. Furthermore, parties agree to come back and amend this exhibit to represent actual costs and quantities at the end of implementation once all capital purchases have been made.

Exhibit E – Product Description and Specifications

Stitch Fix is a personalized e-commerce styling company that sells women's apparel, jewelry and accessory items.

Exhibit F – SERVICE METRICS & KPI'S

Receiving

During each month, at least [*]% of CLIENT provided merchandise delivered at OHL's designated fulfillment center which is delivered by 12:00 noon (Location Time) shall be inspected and placed into stock by the close of the Business Day two days following delivery at OHL's designated fulfillment center. Product unable to be received, due to Merchandising Team awaiting sample would not pertain to this KPI.

For purposes of this receiving service level standard: (i) delivery will be deemed to have occurred and the delivery measurement period will begin when inbound carrier confirms delivery of scheduled shipment (i.e. when product is delivered to OHL), (ii) deliveries of merchandise which is not listed on the purchase order or ASN submitted to OHL for receiving purposes will not be included in this service level calculation. Furthermore, OHL will default to CLIENT's direction on receipt processing order.

Outbound Orders

Standard Shipping Cycle Time. In stock order shipment of all Fulfillable Orders (as defined below) that are received by OHL by 12:00 noon (Location Time) will be shipped: [*]% on targeted ship date.

Returns (RMA) Processing Cycle Time

[*]% of returns will be put away into stock, from receipt to completion of all required inventory transactions, if received by noon (Location Time), by close of the Business Day following receipt.

Order Accuracy

During each month, [*]% of all outbound shipments will contain the correct SKU, the correct quantity of merchandise and the correct shipping label for that Order.

Inventory Accuracy

*GOAL METRIC (Under evaluation and to be reviewed at first Quarterly Business Review): [*]%—OHL will be responsible to keep inventory accuracy at [*]%. This is to include quantity and location accuracy.

**CURRENT EXPECTATION: Inventory will be monitored and reported to Client thru a documented perpetual cycle count program (count requirements to be defined by Client and OHL).

Service Level Reporting

OHL agrees to provide KPI reporting to CLIENT on a weekly basis in format agreed upon by both CLIENT and OHL. KPI results will be tracked in a weekly, monthly, quarterly and VTD format.

Variable Cost Per Unit – CPU

OHL will measure and track actual Cost Per Unit Shipped, which is to be defined as the sum of the variable component (i.e. labor, variable expenses) of OHL's invoice to CLIENT divided by total units shipped during that same time period. OHL will report this metric to CLIENT on a monthly basis, and agrees to target a [*]% improvement (reduction) in the CPU each quarter.

Variable Cost Per Unit – Guardrails

OHL agrees to maintain Variable CPU performance metric between [*]% and [*]% of the below modeled targets. OHLS accountability to this Variable CPU performance metric is contingent upon CLIENT's forecasting performance meeting the criteria set forth in the following "General Provisions" section.

	Y1 Annual	Y2 Annual	Y3 Annual
Outbound Units	[*]	[*]	[*]
Variable Expense	$ [*]	$ [*]	$ [*]
Modeled Var. CPU	$ [*]	$ [*]	$ [*]
90% of CPU	$ [*]	$ [*]	$ [*]
110% of CPU	$ [*]	$ [*]	$ [*]

The above table is subject to periodic updates during QBR's and business reviews as actual volumes are realized. Furthermore, OHL and CLIENT agree to discuss this metric in-depth at the first QBR and evaluate the Institution of pain-share/gain-share practices, as well as evaluating actual realized volumes vs. modeled volumes and updating Variable CPU projections and targets accordingly.

Future KPIs to be Discussed Prior to First QBR:

- Missing %
- Damage %

General Provisions

The above service level standards will not apply during the first sixty (60) days after the Fulfillment Service Commencement Date, and thereafter will be measured on a retail calendar month basis during the remainder of the Fulfillment Attachment Term. The above service level standard shall not apply to any services other than the Fulfillment Services, and shall not apply to service performance issues (i) caused by factors outside of OHL's reasonable control, including as a result of any actions or inactions of the CLIENT or any third party not within OHL's control, and (ii) during any period that the CLIENT's transaction volume forecasts are not between [*]% and [*]% of the actual transaction "locked" volumes during the applicable period.

CLIENT will provide a rolling 6 week forecast which includes a 2 week lock at the weekly level to allow for resource planning.

If OHL fails during any month to meet any service level standard as described in this Exhibit D at a level that for which an "*" is noted, such month shall be considered a "Fulfillment Service Level Standard Failed Month" with respect to that individual service level standard. OHL will reasonably determine with the CLIENT the root cause for the failure and identify action plan being taken designed to prevent the reoccurrence of such failure during the remainder of the Fulfillment Attachment Term.

CLIENT and OHL mutually agree that they will meet at Quarterly Business Reviews (QBR's) to continually analyze the business and evaluate the application of these KPI's.

STITCH FIX, INC.
INDEPENDENT DIRECTOR COMPENSATION POLICY
ADOPTED: NOVEMBER 3, 2017

Each member of the Board of Directors (the "***Board***") of Stitch Fix, Inc. (the "***Company***") who is a non-employee director of the Company and who is not affiliated with any of the purchasers of the Company's Preferred Stock prior to the Company's initial public offering of Class A Common Stock (the "***IPO***"; each such director, an "***Independent Director***") will receive the compensation described in this Independent Director Compensation Policy (the "***Director Compensation Policy***") for his or her Board service.

Cash Compensation

Commencing with the effective date of the registration statement pertaining to the IPO, each Independent Director will receive the cash compensation set forth below for service on the Board. The annual cash compensation amounts will be payable in equal quarterly installments, in arrears following the end of each quarter in which the service occurred, pro-rated for any partial quarters. All annual cash fees are vested upon payment.

1. Annual Board Service Retainer:
    a. All Independent Directors: $50,000

2. Annual Committee Member Service Retainer:
    a. Member of the Audit Committee: $10,000
    b. Member of the Compensation Committee: $7,500
    c. Member of the Nominating and Corporate Governance Committee: $5,000

3. Annual Committee Chair Service Retainer (in lieu of Committee Member Service Retainer):
    a. Chairman of the Audit Committee: $20,000
    b. Chairman of the Compensation Committee: $15,000
    c. Chairman of the Nominating and Corporate Governance Committee: $10,000

Equity Compensation

Equity awards will be granted under the Company's 2017 Incentive Plan (the "***Plan***"). All stock options granted under the Director Compensation Policy will be Nonstatutory Stock Options (as defined in the Plan), with a term of ten years from the date of grant and an exercise price per share equal to 100% of the Fair Market Value (as defined in the Plan) of the underlying Class A Common Stock on the date of grant.

(a) Automatic Equity Grants.

(i) Annual Grant. Without any further action of the Board or Compensation Committee of the Board, at the close of business on the date of each annual meeting of the Company's stockholders (the "***Annual Meeting Date***"), each person who is then an Independent

Director will automatically receive a Nonqualified Stock Option grant with an aggregate value of $150,000. Notwithstanding the foregoing, any Independent Director who is a member of Board as of the IPO will not receive a Nonqualified Stock Option grant until the Annual Meeting Date that follows the date on which all equity award grants held by such Independent Director as of the IPO have become fully vested.

(ii) Initial Grant for New Directors. Without any further action of the Board or Compensation Committee of the Board, each person who, after the IPO, is elected or appointed for the first time to be an Independent Director will automatically, upon the date of his or her initial election or appointment to be an Independent Director (the "***Commencement Date***"), receive a Nonqualified Stock Option grant with an aggregate value of $150,000, multiplied by a fraction, the numerator of which is the number of days between the Commencement Date and the then-scheduled next Annual Meeting Date (or, if such Annual Meeting Date has not yet been scheduled, the first anniversary of the immediately preceding Annual Meeting Date), and the denominator of which is 365.

(iii) Option Value. The value of a stock option to be granted under the Director Compensation Policy will be determined using the same method the Company uses to calculate stock option awards to its employees, as approved by the Compensation Committee of the Board.

(b) Vesting; Change in Control. Each Nonstatutory Stock Option granted pursuant to the Director Compensation Policy will vest on the earlier of the first anniversary of its date of grant and the next Annual Meeting Date. All vesting is subject to the Independent Director's Continuous Service (as defined in the Plan) through the applicable vesting date. Notwithstanding the foregoing vesting schedule, for each Independent Director who remains in Continuous Service with the Company until immediately prior to the closing of a Change in Control (as defined in the Plan), his or her then-outstanding stock options will become fully vested immediately prior to the closing of such Change in Control in which their service is terminated.

(c) Remaining Terms. The remaining terms and conditions of each Nonstatutory Stock Option, including transferability, will be as set forth in the Company's standard option agreement, in the applicable form adopted from time to time by the Board or the Compensation Committee of the Board.

Expenses

The Company will reimburse each Independent Director for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in Board meetings and meetings of any committee of the Board; *provided*, that the Independent Director timely submit to the Company appropriate documentation substantiating such expenses in accordance with the Company's travel and expense policy, as in effect from time to time. To the extent that any taxable reimbursements are provided to any Independent Director, they will be provided in accordance with Section 409A of the Internal Revenue Code of 1986, including, but not limited to, the following provisions: (i) the amount of any such expenses eligible for reimbursement during such individual's taxable year may not affect the expenses eligible for reimbursement in any other taxable year; (ii) the reimbursement of an eligible expense must be made no later than the last day

of such individual’s taxable year that immediately follows the taxable year in which the expense was incurred; and (iii) the right to any reimbursement may not be subject to liquidation or exchange for another benefit.

Administration

The Board, or any committee to whom the Board delegates the requisite authority, will administer the Policy. The Board (or such committee) will have the sole discretion and authority to administer, interpret, amend and terminate the Policy, and the decisions of the Board (or such committee) will be final and binding on all persons having an interest in the Policy.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 1 to Registration Statement No. 333-221014 of our report dated October 18, 2017, relating to the consolidated financial statements of Stitch Fix, Inc. and its subsidiaries appearing in the Prospectus, which is part of this Registration Statement, and to the reference to us under the heading “Experts” in such Prospectus.

/s/ Deloitte & Touche LLP

San Francisco, California
November 6, 2017