

Care.com Inc
Form DEF 14A
April 26, 2019
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☒
Filed by a Party other than the Registrant ☐
Check the appropriate box:
☐ Preliminary Proxy Statement
☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
☒ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material under §240.14a-12

CARE.COM, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

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(1) Title of each class of securities to which transaction applies:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CARE.COM, INC.
77 Fourth Avenue, 5th Floor
Waltham, Massachusetts 02451

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 7, 2019

To the Stockholders of Care.com, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders, or the Annual Meeting, of Care.com, Inc., a Delaware corporation, or the Company, will be held on Friday, June 7, 2019, at 12:00 p.m. local time, at the offices of Latham & Watkins LLP, 1000 Winter St., Suite 3700, Waltham, MA 02451, Conference Room 3, for the following purposes:

1. To elect two Class III directors to hold office until the 2022 annual meeting of stockholders or until their successors are elected;
2. To ratify the selection, by the Audit Committee of the Company's Board of Directors, of Ernst & Young LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 28, 2019;
3. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice. Only stockholders who owned the Company's common stock at the close of business on April 17, 2019 can vote at this meeting or any adjournments that take place.

The Company's Board of Directors recommends that you vote FOR the election of the director nominees named in Proposal No. 1 of the Proxy Statement and FOR the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm as described in Proposal No. 2 of the Proxy Statement. For this year's Annual Meeting, we are taking advantage of the Securities and Exchange Commission rules that allow us to furnish proxy materials to you via the Internet. We believe this will allow us to provide you with the information you need in a manner that is convenient and familiar to you, while also helping us lower our costs to deliver these materials and reduce the environmental impact of our Annual Meeting.

Stockholders may receive directions to attend the meeting in person by calling (781) 795-7244.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE VOTE OVER THE INTERNET AS INSTRUCTED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS, OR, IF YOU HAVE RECEIVED YOUR PROXY MATERIALS BY MAIL, COMPLETE, SIGN AND DATE THE PROXY CARD OR VOTING INSTRUCTION CARD YOU RECEIVED AND RETURN IT AS SOON AS POSSIBLE IN THE RETURN ENVELOPE PROVIDED. NO POSTAGE NEED BE AFFIXED IF THE RETURN ENVELOPE IS MAILED IN THE UNITED STATES. IF YOU RECEIVE MORE THAN ONE PROXY CARD BECAUSE YOUR SHARES ARE REGISTERED IN DIFFERENT NAMES OR ADDRESSES, EACH PROXY CARD SHOULD BE SIGNED AND RETURNED TO ENSURE THAT ALL OF YOUR SHARES WILL BE VOTED.

By Order of the Board of Directors

Waltham, Massachusetts Diane M. Musi

April 26, 2019

General Counsel and Corporate Secretary

CARE.COM, INC.

77 Fourth Avenue

5th Floor

Waltham, Massachusetts 02451

PROXY STATEMENT

FOR THE 2018 ANNUAL MEETING OF STOCKHOLDERS

June 7, 2019

You are viewing or have received these proxy materials because the Board of Directors, or the Board, of Care.com, Inc. is soliciting your proxy to vote at the Care.com, Inc. 2019 Annual Meeting of Stockholders, or the Annual Meeting, to be held on Friday, June 7, 2019, at 12:00 p.m. local time, at the offices of Latham & Watkins LLP, 1000 Winter St., Suite 3700, Waltham, MA 02451, Conference Room 3. Except where the context otherwise requires, references to “Care.com,” “the Company,” “we,” “us,” “our,” and similar terms refer to Care.com, Inc.

This Proxy Statement summarizes information about the proposals to be considered at the Annual Meeting and other information you may find useful in determining how to vote.

The Proxy Card or Voting Instruction Card is the means by which you actually authorize another person to vote your shares in accordance with your instructions.

In addition to solicitations by mail, our directors, officers and regular employees, without additional remuneration, may solicit proxies by telephone, e-mail and personal interviews. All costs of solicitation of proxies will be borne by us. Brokers, custodians and fiduciaries will be requested to forward proxy soliciting material to the owners of stock held in their names, and we will reimburse them for their reasonable out-of-pocket expenses incurred in connection with the distribution of proxy materials.

On or about April 26, 2019, we mailed to our stockholders of record as of April 17, 2019, or the Record Date, a Notice of Internet Availability of Proxy Materials, or the Internet Notice, containing instructions on how to access this proxy statement and our Annual Report on Form 10-K for the year ended December 29, 2018, which constitutes our 2018 Annual Report to Stockholders, or the 2018 Annual Report, and how to vote online. In addition, we have provided brokers, dealers, banks, voting trustees and their nominees, at our expense, with additional copies of the Internet Notice so that our record holders can supply these materials to the beneficial owners of shares of our common stock as of the Record Date. Our Annual Report on Form 10-K is also available in the “Financial Information – SEC Filings” section of our website at investors.care.com. If you received an Internet Notice by mail, you will not receive a printed copy of the proxy materials in the mail unless you specifically request them. Instead, the Internet Notice instructs you on how to access and review all of the important information contained in the proxy statement and 2018 Annual Report. The Internet Notice also instructs you on how you may submit your proxy over the Internet. If you received an Internet Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials contained on the Internet Notice.

There are two classes of voting securities of Care.com: shares of common stock, \$0.001 par value per share, or the common stock, of which there were 32,442,536 shares outstanding as of the Record Date (excluding any treasury shares), and shares of Convertible Preferred Stock, Series A, or the preferred stock. Pursuant to the Certificate of Designations of the Company dated June 29, 2016, the holders of the preferred stock are entitled to cast a number of votes equal to the number of shares of common stock into which such shares of preferred stock are convertible, or 5,130,142 shares as of the Record Date. Thus, there were 37,572,678 shares entitled to vote, as a single class, as of the Record Date. We need the holders of a majority of the voting power of the stock issued and outstanding and entitled to vote at the meeting, comprising common stock issued and outstanding and entitled to vote and the issued and outstanding preferred stock on an as-converted basis, present in person or represented by proxy, to establish a quorum for the transaction of business. If a quorum is not present, the Annual Meeting will be adjourned until a quorum is obtained.

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INFORMATION ABOUT THE PROXY PROCESS AND VOTING

Why am I receiving these materials?

You are viewing or have received these proxy materials because our Board of Directors is soliciting your proxy to vote at the Annual Meeting, including at any adjournments or postponements of the Annual Meeting. You are invited to attend the Annual Meeting to vote on the proposals described in this Proxy Statement. However, you do not need to attend the Annual Meeting to vote your shares. Instead, you may simply follow the instructions on the Internet Notice to submit your proxy over the Internet or complete, sign and return the Proxy Card you received.

We intend to mail the Internet Notice on or about April 26, 2019 to all stockholders of record entitled to vote at the Annual Meeting.

Who can vote at the Annual Meeting?

Only stockholders of record at the close of business on the Record Date will be entitled to vote at the Annual Meeting. At the close of business on the Record Date, there were 37,572,678 shares entitled to vote, comprising common stock issued and outstanding and entitled to vote and the issued and outstanding preferred stock on an as-converted basis.

Stockholder of Record: Shares Registered in Your Name

If, on the Record Date, your shares were registered directly in your name with the transfer agent for our common stock, American Stock Transfer & Trust Company, LLC, or AST, then you are a stockholder of record. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to follow the instructions on the Internet Notice or fill out and return the Proxy Card you received to ensure your vote is counted.

Beneficial Owner: Shares Registered in the Name of a Broker, Bank or Other Agent

If, on the Record Date, your shares were held in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in “street name” and the Internet Notice or these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid Proxy Card from your broker or other agent.

What am I being asked to vote on?

You are being asked to vote on two (2) proposals:

• Proposal No. 1—the election of two Class III directors to hold office until our 2022 Annual Meeting of Stockholders; and

• Proposal No. 2—the ratification of the selection, by the audit committee of our Board, of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 28, 2019.

In addition, you are entitled to vote on any other matters that are properly brought before the Annual Meeting.

How do I vote?

• For Proposal 1, you may either vote “FOR” all the nominees to the Board or you may “WITHHOLD” your vote for any nominee you specify.

For Proposal 2, you may either vote “FOR” or “AGAINST”, or “ABSTAIN” from voting.

Please note that by casting your vote by proxy you are authorizing the individuals listed on the Proxy Card to vote your shares in accordance with your instructions and in their discretion with respect to any other matter that properly comes before the Annual Meeting or any adjournments or postponements thereof.

The procedures for voting are as follows:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the Annual Meeting. Alternatively, you may vote by proxy over the Internet or by using the Proxy Card you received if you received your proxy materials by mail.

Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. Even if you have submitted a proxy before the Annual Meeting, you may still attend the Annual Meeting and vote in person. In such case, your previously submitted proxy will be disregarded.

• **Voting in Person:** To vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.

• **Voting over the Internet:** To vote by proxy over the Internet, follow the instructions provided on the Internet Notice or Proxy Card.

• **Voting by Phone:** To vote by proxy over the phone, follow the instructions provided on the Internet Notice or Proxy Card.

Voting by Mail: If you received your proxy materials by mail, to vote using the Proxy Card, simply complete, sign and date the accompanying Proxy Card and return it promptly in the envelope provided. If you return your signed Proxy Card to us before the Annual Meeting, we will vote your shares as you direct.

We provide Internet proxy voting to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers and telephone companies.

Beneficial Owner: Shares Registered in the Name of Broker, Bank or Other Agent

If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received instructions on how to vote from that organization rather than from us. Simply follow the instructions provided to you to ensure that your vote is counted. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker, bank or other agent to request a proxy form.

Who counts the votes?

A representative from Broadridge Financial Solutions, Inc., or Broadridge, has been engaged as our independent agent to tabulate stockholder votes, or Inspector of Elections. If you are a stockholder of record, your online vote or executed Proxy Card will be submitted directly to Broadridge for tabulation. As noted above, if you hold your shares through a broker, your broker will return one Proxy Card to Broadridge on behalf of all its clients.

How are votes counted?

Votes will be counted by the Inspector of Elections, who will separately count “For” and (with respect to Proposal 2) “Against” votes, abstentions and broker non-votes. In addition, with respect to the election of directors, the

Inspector of Elections will count the number of “Withheld” votes received for the nominees. If your shares are held by your broker as your nominee (that is, in “street name”), you will need to follow the instructions on the Internet Notice provided to you by the institution that holds your shares regarding how to instruct your broker to vote your shares. If you do not give instructions to your broker, your broker can vote your shares with respect to “routine” items, but not with respect to “non routine” items. See below for more information under the captions “What are ‘broker non-votes?’” and “Which ballot measures are considered ‘routine’ and ‘non-routine?’”

What are “broker non-votes?”

Broker non-votes occur when a beneficial owner of shares held in “street name” does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed “non-routine.” Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker or nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker or nominee can still vote the shares with respect to matters that are considered to be “routine,” but not with respect to “non-routine” matters. In the event that a broker, bank, custodian, nominee or other record holder of common stock indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular proposal, then those shares will be treated as broker non-votes with respect to that proposal. Accordingly, if you own shares through a nominee, such as a broker or bank, please be sure to instruct your nominee how to vote to ensure that your vote is counted on each of the proposals.

Which ballot measures are considered “routine” or “non-routine?”

The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 28, 2019 (Proposal 2) is considered routine under applicable rules. A broker or other nominee may generally vote on routine matters, and therefore no broker non-votes are expected to exist in connection with Proposal 2. The election of directors (Proposal 1) is considered non-routine under applicable rules. A broker or other nominee cannot vote without instructions on non-routine matters, and therefore there may be broker non-votes on Proposal 1.

How many votes are needed to approve the proposal?

With respect to Proposal No. 1, the election of directors, the two Class III director nominees receiving the highest number of votes will be elected. Only votes “For” or “Withheld” will affect the outcome of this proposal.

With respect to Proposal No. 2, the affirmative vote of a majority of votes cast affirmatively or negatively (excluding abstentions and broker non-votes) is required for approval. Abstentions and broker non-votes will have no effect on the outcome of this proposal.

How many votes do I have?

Each holder of common stock and preferred stock will be entitled to one vote on each matter to be voted on for each share of common stock held, or into which such holder's preferred stock is convertible, as of the Record Date.

What if I return a Proxy Card but do not make specific choices?

If we receive a signed and dated Proxy Card and the Proxy Card does not specify how your shares are to be voted, your shares will be voted “For” the election of each of the two nominees for director, and “For” the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm. If any other matter is properly presented at the Annual Meeting, your proxy (one of the individuals named on your Proxy Card) will vote your shares using his or her best judgment.

Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. In addition to mailed Internet Notices and proxy materials, our directors, officers and employees may also solicit proxies in person, by telephone or by other means of

communication. Directors, officers and employees will not be paid any additional compensation for soliciting proxies. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

What does it mean if I receive more than one set of proxy materials?

If you receive more than one Internet Notice or set of proxy materials, your shares are registered in more than one name or are registered in different accounts. In order to vote all the shares you own, you must either follow the voting procedures on each of the Internet Notices you receive or sign and return all of the Proxy Cards you receive.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

• You may submit another properly completed proxy with a later date.

• You may send a written notice that you are revoking your proxy to our Corporate Secretary at Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451.

• You may attend the Annual Meeting and vote in person. Simply attending the Annual Meeting will not, by itself, revoke your proxy.

If your shares are held by your broker, bank or other agent, you should follow the instructions provided by them.

When are stockholder proposals due for next year's annual meeting of stockholders?

Stockholder proposals submitted pursuant to Rule 14a-8 of the Securities Exchange Act of the 1934, as amended (the "Exchange Act"), and intended to be presented at our 2020 annual meeting of stockholders (the "2020 Annual Meeting") must be received by our Corporate Secretary no later than December 28, 2019 to be eligible for inclusion in our proxy statement and form of proxy relating to that meeting.

A stockholder proposal that is submitted outside the processes of Rule 14a-8 and not for inclusion in our proxy statement for the 2020 Annual Meeting will be ineligible for presentation at the meeting unless the stockholder gives timely notice of the proposal in writing to our Corporate Secretary at our principal executive offices and otherwise complies with the provisions of our bylaws. To be timely, our bylaws provide that we must have received the stockholder's notice no later than March 9, 2020, and no earlier than February 8, 2020. However, if the date of the 2020 Annual Meeting is more than 30 days before or more than 60 days after June 7, 2020, the first anniversary of the Annual Meeting, we must receive the stockholder's notice not later than the 90th day prior to the annual meeting date or, if later, the 10th day following the day on which public disclosure of the 2020 Annual Meeting date is first made. Notice of a stockholder's nomination of a director for election at the 2020 Annual Meeting must be received by our Corporate Secretary no later than March 9, 2020, and no earlier than the later of (1) February 8, 2020 and (2) the 10th day following the day on which public disclosure of the 2020 Annual Meeting date is first made.

You are advised to review our bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations. All stockholder proposals and director nominations for the 2020 Annual Meeting should be sent to our Corporate Secretary, 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if the holders of a majority of the voting power of the stock issued and outstanding and entitled to vote in the meeting, consisting of

common stock issued and outstanding and entitled to vote and the issued and outstanding preferred stock on an as-converted basis, are present in person or represented by proxy at the Annual Meeting. On the Record Date, there were 37,572,678 shares entitled to vote. Accordingly, 18,786,340 shares must be represented by stockholders present at the Annual Meeting or by proxy to have a quorum.

Your shares will be counted toward the quorum only if you submit a valid proxy or vote at the Annual Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, either the chairperson of the Annual Meeting or a majority in voting power of the stockholders entitled to vote at the Annual Meeting, present in person or represented by proxy, may adjourn the Annual Meeting to another time or place.

How can I find out the results of the voting at the Annual Meeting?

We will announce voting results by filing a Current Report on Form 8-K with the Securities and Exchange Commission (the "SEC") within four business days after the Annual Meeting. If final voting results are unavailable at that time, we will file an amended Current Report on Form 8-K with the SEC within four business days after the day the final results are available.

Implications of being an "emerging growth company."

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements. These reduced reporting requirements include reduced disclosure about the Company's executive compensation arrangements and do not require us to hold non-binding advisory votes on executive compensation. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of our initial public offering, or December 28, 2019 or (b) in which we have total annual gross revenue of at least \$1.07 billion; (2) the date on which we have issued more than \$1.0 billion in non-convertible debt during the prior three-year period and (3) the date on which we become a large accelerated filer. We expect our status as an emerging growth company to cease on December 28, 2019, which is the end of the fifth year following the completion of our IPO.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Our Board of Directors, or the Board, is divided into three classes. Each class consists, as nearly as possible, of one-third of the total number of directors, and each class has a three-year term. At each annual meeting of stockholders, directors nominated by the Board for re-election, and the successors to directors whose terms will then expire, will be elected to serve from the time of election and qualification until the third subsequent annual meeting of stockholders. Unless the Board determines that vacancies (including vacancies created by increases in the number of directors) shall be filled by the stockholders, and except as otherwise provided by law, vacancies on the Board may be filled only by the affirmative vote of a majority of the remaining directors. A director elected by the Board to fill a vacancy (including a vacancy created by an increase in the number of directors) shall serve for the remainder of the full term of the class of directors in which the vacancy occurred and until such director's successor is elected and qualified.

The Board currently consists of eight directors, divided into the three classes:

Class I directors: Sheila Lirio Marcelo, Marla Blow and I. Duncan Robertson, whose current terms will expire at the annual meeting of stockholders to be held in 2020;

Class II directors: William H. Harris, Jr. and Daniel S. Yoo, whose current terms will expire at the annual meeting of stockholders to be held in 2021; and

Class III directors: George Bell, Chet Kapoor and Laela Sturdy, whose current terms will expire at the Annual Meeting.

Ms. Sturdy, whose term as a Class III director expires at the Annual Meeting, is not standing for re-election, and she is not included as a nominee for election at the Annual Meeting. The Board thanks Ms. Sturdy for her service to the Company.

George Bell and Chet Kapoor have been nominated to serve as Class III directors and have agreed to stand for reelection. Each director to be elected will hold office from the date of his election by the stockholders until the third subsequent annual meeting of stockholders or until his successor is elected and has been qualified, or until such director's earlier death, resignation or removal. Proxies cannot be voted for a greater number of persons than the number of nominees named in this proposal.

Shares represented by executed proxies will be voted, if authority to do so is not withheld, for the election of the two Class III director nominees named above. In the event that any nominee should be unavailable for election as a result of an unexpected occurrence, such shares will be voted for the election of such substitute nominee as the Board may propose. Each person nominated for election has agreed to serve if elected, and management has no reason to believe that any nominee will be unable to serve. Directors are elected by a plurality of the votes cast at the meeting.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE
FOR THE ELECTION OF EACH NAMED NOMINEE.

The following table sets forth, for the Class III nominees who are currently standing for re-election and for our other current directors who will continue in office after the Annual Meeting, information with respect to their ages and position(s)/office(s) held within the Company as of the date of this Proxy Statement:

Name	Age	Position/Office Held With the Company	Director Since
Class I Directors, whose terms expire at the 2020 Annual Meeting of Stockholders			
Sheila Lirio	48	Founder, President, Chief Executive Officer and Director	2006
Marcelo ⁽¹⁾			
Marla Blow ⁽²⁾⁽³⁾	48	Director	2018
I. Duncan	52	Director	2014
Robertson ⁽²⁾			
Class II Directors, whose terms expire at the 2021 Annual Meeting of Stockholders			
William H. Harris, Jr. ⁽⁴⁾	63	Director	2018
Daniel S. Yoo ⁽³⁾⁽⁵⁾	41	Director	2017
Class III Directors, whose terms expire at the Annual Meeting			
George Bell ⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	62	Director	2017
Chet Kapoor ⁽⁵⁾	44	Director	2016

- (1) Chairwoman of the Board
- (2) Member of the audit committee
- (3) Member of the safety and cybersecurity committee
- (4) Member of the nominating and corporate governance committee
- (5) Member of the compensation committee
- (6) Lead Independent Director

Set forth below is biographical information, as of the date of this Proxy Statement, for the Class III director nominees and each person whose term of office as a director will continue after the Annual Meeting. The following includes certain information regarding our directors' individual experience, qualifications, attributes and skills that led the Board to conclude that they should serve as directors.

Directors Continuing in Office Until the 2020 Annual Meeting of Stockholders

Sheila Lirio Marcelo is our founder and has served as our President and Chief Executive Officer and a director since October 2006. Ms. Marcelo has served as the Chairwoman of the Board since October 2011. Prior to founding Care.com in 2006, Ms. Marcelo was an Entrepreneur-in-Residence at Matrix Partners, a venture capital firm. From 2005 to early 2006, Ms. Marcelo served as Vice President and General Manager of TheLadders.com, an online job matching service. Before joining TheLadders.com, Ms. Marcelo spent five years at Upromise, Inc., an online service that helps families save for college, where she held various executive positions, including Vice President, Product Management and Marketing. Earlier in her career, Ms. Marcelo was a consultant for Monitor Group and Pyramid Research, and she began her career as an analyst at Putnam, Hayes & Bartlett. Ms. Marcelo graduated from Mount

Holyoke College with a degree in economics and received her M.B.A. and J.D. from Harvard University. We believe Ms. Marcelo is qualified to serve on the Board due to the perspective, leadership and operational experience she brings as our Chief Executive Officer, as well as the vision and continuity she brings as our founder.

Marla Blow has served as a member of the Board since February 2018. From January 2014 to January 2019, Ms. Blow served as founder and Chief Executive Officer of FS Card Inc., a financial technology company focused on providing financial products to underserved consumers. In January 2019, FS Card Inc. was sold to Continental Finance. From January 2011 to January 2014, Ms. Blow served as Assistant Director of Card and Payment Markets at the Consumer Financial Protection Bureau. From 2003 to 2010, Ms. Blow served in several roles at Capital One, in the company's credit risk management and corporate development divisions. Previously, Ms. Blow spent several years in investment banking and capital markets at Morgan Stanley, Banque Paribas, and JP Morgan Chase. Ms. Blow served as a member of the board of directors of FactorTrust, a credit data and analytics company, from February 2016 to November 2017. Ms. Blow holds a B.S. in economics from the University of Pennsylvania Wharton School and an M.B.A. from Stanford University. We believe Ms. Blow is qualified to serve on the Board due to her extensive background in consumer financial products and the transaction and payment marketplace.

I. Duncan Robertson has served as a member of the Board since November 2014. Mr. Robertson serves as Chief Financial Officer of Paxion Capital, LP, an investment fund, which he joined in June 2015. Previously, Mr. Robertson served as Chief Financial Officer of OpenTable, Inc., a provider of online restaurant reservations, from August

2011 to October 2014. Mr. Robertson served as Chief Financial Officer of SnapStick, Inc., a mobile application software company, from May 2010 to July 2011. Prior to SnapStick, Mr. Robertson served as Chief Financial Officer of Aricent Inc., a technology services company, from June 2005 to June 2009, and as Vice President Finance and Investor Relations at Flextronics, Inc., an electronic manufacturing services provider, from October 2001 to June 2005. Mr. Robertson is a member of the Board of Trustees of The San Francisco Foundation, is a Chartered Accountant and has a Bachelor of Commerce degree from the University of Cape Town and an M.B.A. from the University of Chicago Booth School of Business. We believe Mr. Robertson is qualified to serve on the Board due to his extensive background with consumer Internet, mobile and technology companies, and his experience with building and scaling online marketplaces.

Directors Continuing in Office Until the 2021 Annual Meeting of Stockholders

William H. Harris, Jr. has served as a member of the Board since February 2018. From July 2009 to April 2017, Mr. Harris served as Chief Executive Officer of Personal Capital Corporation, a digital wealth management firm which provides personal financial software and investment services, where he currently sits on the board. Mr. Harris has founded several companies, including Personal Capital Corporation, XTec, a cybersecurity company, and PassMark Security, a consumer authentication company. He has previously served as a director for several public and private companies, including MyVest, RSA Security, Yodlee, GoDaddy, EarthLink, Macromedia, Visual Sciences, NexTag, Answers.com, Avalara, Business.com, LowerMyBills, and SuccessFactors. Earlier in his career, Mr. Harris served in various senior positions with Intuit Inc., a developer of financial and tax preparation software, most recently as Chief Executive Officer. He also served as Chief Executive Officer of PayPal, Inc., an online payments business. Mr. Harris holds a B.A. in American studies from Middlebury College and an M.B.A. from Harvard Business School. We believe Mr. Harris is qualified to serve on the Board due to his extensive executive and board experience with public and private companies, particularly in the payments, cybersecurity, and financial technology industries.

Daniel S. Yoo has served as a member of the Board since October 2017. From March 2014 to May 2017, Mr. Yoo served as Chief Operating Officer of NerdWallet, a consumer finance marketplace. From July 2009 to March 2014, Mr. Yoo served as Vice President, Business Operations and Business Analytics at LinkedIn, an online professional network. Mr. Yoo served as Senior Vice President, Corporate Development of Rhythm NewMedia, a mobile content and advertising company, from 2007 to 2009, and as Chief Financial Officer of Parature, a developer of on-demand customer service software, from 2003 to 2007. Mr. Yoo holds a B.S.B.A. in management and finance from Georgetown University and an M.B.A. from the Haas School of Business at the University of California Berkeley. We believe Mr. Yoo is qualified to serve on the Board due to his operational experience at online technology companies, having overseen significant customer, revenue and employee growth during his tenures at NerdWallet and LinkedIn.

Nominees for Election to a Three-Year Term Expiring at the 2022 Annual Meeting of Stockholders

George Bell has served as a member of the Board and as our Lead Independent Director since September 2017. Since September 2018, Mr. Bell has served as a Senior Partner at Archer Venture Capital. From 2005 to 2015, Mr. Bell served in various roles at General Catalyst Partners, a venture capital firm, including Managing Director and Executive-in-Residence. From 2010 to 2013, Mr. Bell served as Chief Executive Officer of Jumptap, a mobile ad tech company. From 2001 to 2005, Mr. Bell served as President and Chief Executive Officer of Upromise, a loyalty program designed to help families save for college. From 1995 to 2001, Mr. Bell served as Chief Executive Officer of Excite and Excite@Home, an early Internet search engine. Mr. Bell has served as a member of the board of directors of John Wiley and Sons, a large publisher and education software provider, since September 2014, and also serves on the board of Place IQ, a location data company working across media and enterprise. Mr. Bell previously served on the boards of online marketplaces Angie's List and Coach Up, and he served as Chairman of the Board of Harris Interactive, a market research firm, from 2003 to 2009. Mr. Bell holds an A.B. in English from Harvard College. We believe Mr. Bell is qualified to serve on our Board due to his executive experience with technology companies, in particular online marketplaces, as well as his public company board experience.

Chet Kapoor has served as a member of the Board since March 2016. Mr. Kapoor was appointed to the Board pursuant to an agreement, dated as of March 11, 2016, among the Company, Tenzing Global Management LLC, Tenzing Global Investors LLC, Tenzing Global Investors Fund I LP and Chet Kapoor. Certain terms of such agreement were extended on February 26, 2019. For more information, see "Corporate Governance - Nomination and Standstill Agreement and Appointment of Chet Kapoor to the Board of Directors." There is no other agreement or

understanding between Mr. Kapoor and any other person pursuant to which he was appointed to the Board. Since 2011, Mr. Kapoor has been the Managing Partner, Co-Founder and Portfolio Manager of Tenzing Global, a San Francisco-based investment manager focused on value investments in the technology, media telecommunications and consumer sectors. Prior to founding Tenzing Global, Mr. Kapoor served as a Managing Partner and Head of Equities at Perry Capital, where he led a team of ten professionals to invest in technology, media, telecommunications, healthcare and consumer stocks. Mr. Kapoor was employed by Perry Capital from 2004 to 2010. Mr. Kapoor was an Associate at Blum Capital in San

Francisco from 2000 to 2002, where he focused on value investing across several industries. He began his career as a Financial Analyst in investment banking with CS First Boston. Mr. Kapoor holds a B.S. in mechanical engineering and a B.A. in English from Rice University, as well as an M.B.A. from Stanford University. We believe Mr. Kapoor is qualified to serve on the Board due to his significant investment experience with consumer technology companies.

PROPOSAL NO. 2

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The audit committee of the Board has engaged Ernst & Young LLP as our independent registered public accounting firm for the year ending December 28, 2019, and is seeking ratification of such selection by our stockholders at the Annual Meeting. Ernst & Young LLP has audited our financial statements since the year ended December 31, 2007. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

The audit committee annually reviews the independent registered public accounting firm's independence, including reviewing all relationships between the independent registered public accounting firm and us and any disclosed relationships or services that may impact the objectivity and independence of the independent registered public accounting firm, and the independent registered public accounting firm's performance. Neither our bylaws nor other governing documents or law require stockholder ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm. However, the audit committee is submitting the selection of Ernst & Young LLP to our stockholders for ratification as a matter of good corporate practice. If our stockholders fail to ratify the selection, the audit committee will reconsider whether or not to retain Ernst & Young LLP. Even if the selection is ratified, the audit committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if they determine that such a change would be in the best interests of the Company and our stockholders.

Principal Accountant Fees and Services

The following table provides information regarding the fees incurred to Ernst & Young LLP during the years ended December 29, 2018 and December 30, 2017.

	Year Ended	
	December 29, 2018	December 30, 2017
Audit Fees ⁽¹⁾	\$1,057,500	\$914,675
Audit Related Fees ⁽²⁾	40,000	—
Tax Fees ⁽³⁾	140,500	95,500
All Other Fees ⁽⁴⁾	3,305	3,000
Total Fees	\$1,241,305	\$1,013,175

Audit fees consist of aggregate fees for professional services provided in connection with the annual audit of our consolidated financial statements, the review of our quarterly condensed consolidated financial statements, consultations on accounting matters directly related to the audit and assistance with, review of, and consents for, documents filed with the SEC.

Audit-related fees in fiscal 2018 were related to due diligence in connection with the Company's acquisition of Filios, Inc. There were no audit-related fees in fiscal 2017.

Tax fees consist of aggregate fees for tax compliance, tax advice and tax planning services including the review and preparation of our federal and state income tax returns, as well as certain tax advisory projects that occurred in fiscal 2018 and fiscal 2017.

Consist of aggregate fees billed for products and services provided by the independent registered public accounting firm other than those disclosed above. These fees consisted of fees for access to Ernst & Young's online accounting research tool.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Board has adopted a written policy under which the audit committee must pre-approve all audit and permissible non-audit services to be provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval would generally be requested

annually, with any pre-approval detailed as to the particular service, which must be classified in one of the four categories of services listed above. The audit committee or audit committee chair may also, on a case-by-case basis, pre-approve particular services that are not contained in the annual pre-approval request. A summary of any new services pre-approved by the Chair is reported to the full audit committee in connection with its next scheduled meeting. In connection with this pre-approval policy, the audit committee also considers whether the categories of pre-approved services are consistent with the rules on auditor independence of the SEC and the Public Company Accounting Oversight Board. The audit committee has pre-approved all services performed since our policy on pre-approval of audit and non-audit services was adopted.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THIS PROPOSAL NO. 2.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The material in this report is not “soliciting material,” is not deemed “filed” with the SEC, and is not to be incorporated by reference into any filing of Care.com, Inc. under the Securities Act of 1933, as amended, or the Exchange Act.

The primary purpose of the audit committee is to assist the Board in its oversight of our financial reporting processes, our accounting policies and procedures, and our financial and accounting controls. The audit committee’s functions are more fully described in its charter, which is available on our website at investors.care.com.

Management has the primary responsibility for our financial statements and reporting processes, including our systems of internal controls. Ernst & Young LLP (“Ernst & Young”), our independent registered public accounting firm for 2018, was responsible for performing an independent audit of our 2018 consolidated financial statements and expressing an opinion on the conformity of those financial statements with generally accepted accounting principles. The audit committee has reviewed and discussed with management our audited financial statements for the year ended December 29, 2018. In addition, the audit committee has met with Ernst & Young, with and without management present, to discuss the overall scope of Ernst & Young’s audit, the results of its audits and the overall quality of Care.com’s financial reporting.

The audit committee has also discussed with Ernst & Young the matters required to be discussed by Auditing Standard No. 1301 adopted by the Public Company Accounting Oversight Board (United States) regarding “Communication with Audit Committees.” The audit committee also has received and reviewed the written disclosures and the letter from Ernst & Young required by applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young’s communications with the audit committee concerning independence, including relevant considerations of non-audit services and fees, and has discussed with Ernst & Young its independence from us.

Based on the review and discussions referred to above, the audit committee recommended to the Board that the Company’s audited financial statements be included in Care.com’s Annual Report on Form 10-K for the fiscal year ended December 29, 2018.

The audit committee has engaged Ernst & Young as our independent registered public accounting firm for the fiscal year ending December 28, 2019 and is seeking ratification of such selection by the stockholders.

Audit Committee

I. Duncan Robertson (Chairman)

George Bell

Marla Blow

CORPORATE GOVERNANCE

Code of Business Conduct and Ethics

The Board has adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. The code is posted under the “Corporate Governance – Governance Documents” section of our website at investors.care.com. In addition, we intend to post on our website all disclosures that are required by law or the New York Stock Exchange, or NYSE, listing standards concerning any amendments to, or waivers from, any provision of the code.

Corporate Governance Guidelines

We believe in sound corporate governance practices and have adopted formal Corporate Governance Guidelines to enhance our effectiveness. The Board adopted these Corporate Governance Guidelines in order to ensure that it has the necessary practices in place to review and evaluate our business operations as needed and to make decisions that are independent of our management. The Corporate Governance Guidelines are also intended to align the interests of directors and management with those of our stockholders. The Corporate Governance Guidelines set forth the practices the Board follows with respect to, among other things, Board and committee composition and selection, director independence, Board meetings, Chief Executive Officer performance evaluation and succession planning for the Chief Executive Officer. A copy of our Corporate Governance Guidelines is available under the “Corporate Governance – Governance Documents” section of our website at investors.care.com.

Independence of the Board of Directors

The Board has determined that all of our directors other than Ms. Marcelo qualify as “independent” directors in accordance with the listing requirements of the NYSE and our directors' assessment. Ms. Marcelo is not considered independent because she is an employee of Care.com. The NYSE independence definition includes a series of objective tests, such as that the director is not, and has not been for at least three years, one of our employees and that neither the director nor any of such director's family members has engaged in various types of business dealings with us. In addition, as required by NYSE rules, the Board has made a subjective determination as to each independent director that no relationships exist that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the Board reviewed and discussed information provided by the directors and us with regard to each director's business and personal activities and relationships as they may relate to us and our management. There are no family relationships among any of our directors or executive officers.

Leadership Structure of the Board

The Board is currently chaired by Sheila Lirio Marcelo, our President and Chief Executive Officer. Currently, the Board believes that it is in the best interest of the Company and our stockholders for Ms. Marcelo to serve as both Chief Executive Officer and chairwoman given her role as a founder of the Company, her long history with the Company and her strategic vision. In December 2013, in connection with the Company's anticipated initial public offering, the Board established the position of lead independent director to provide independent leadership and oversight of management, as well as to act as a liaison between the non-management directors of the Board and the Chief Executive Officer and chairwoman. George Bell has held the position of lead independent director since September 2017. The Board has determined that this leadership structure is appropriate because it leverages both the strong leadership of Ms. Marcelo as Chief Executive Officer and chairwoman and the non-management leadership and oversight of a lead independent director. Notwithstanding the foregoing, our amended and restated by-laws and Corporate Governance Guidelines provide the Board with flexibility to combine or separate the positions of Chairman of the Board and Chief Executive Officer and/or utilize a lead director in accordance with its determination that one or the other structure would

be in the best interests of the Company. The Board will continue to periodically review our leadership structure and may make such changes in the future as it deems appropriate.

Role of Board in Risk Oversight Process

Risk assessment and oversight are an integral part of our governance and management processes. The Board encourages management to promote a culture that incorporates risk management into our corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with the Board at regular board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks. The Board does not have a standing risk management committee, but rather administers this oversight function directly through the Board as a whole, as well as through various standing committees of the Board that address risks inherent in their respective areas of oversight. In particular, the Board is responsible for monitoring and assessing strategic risk exposure and our audit committee is responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures. The audit committee also monitors compliance with legal and regulatory requirements and considers and approves or disapproves any related party transactions. Our compensation committee assesses and monitors whether any of our compensation policies and programs have the potential to encourage excessive risk-taking. Our nominating and governance committee monitors the effectiveness of our corporate governance guidelines. Our safety and cybersecurity committee is responsible for overseeing risks related the safety of our products and services and the security of our information technology operations. We believe this division of responsibilities is an effective approach for addressing the risks we face and that our board leadership structure supports this approach.

Board Committees

Audit Committee

Our audit committee oversees our corporate accounting and financial reporting process. Among other matters, the audit committee:

- appoints and determines the compensation and retention of our independent registered public accounting firm;
- evaluates the independent registered public accounting firm's qualifications, independence and performance;
- determines the engagement of the independent registered public accounting firm;
- reviews and approves the scope of the annual audit and the audit fee;
- discusses with management and the independent registered public accounting firm the results of the annual audit and the review of our quarterly financial statements;
- approves the retention of the independent registered public accounting firm to perform any proposed permissible non-audit services;
- reviews our financial statements and our management's discussion and analysis of financial condition and results of operations to be included in our annual and quarterly reports to be filed with the SEC;
- establishes policies and procedures for the receipt, retention and treatment of accounting-related complaints and concerns;
- prepares the audit committee report required by SEC rules to be included in our annual proxy statement; and
- reviews and evaluates, at least annually, the audit committee charter and the committee's performance.

The members of our audit committee are Mr. Robertson, Mr. Bell and Ms. Blow, with Mr. Robertson serving as chairperson of the committee. The Board has determined that each of these members is an independent director under NYSE rules and under Rule 10A-3 under the Exchange Act. Each of these members meets the requirements for financial literacy under the applicable rules and regulations of the SEC and the NYSE. The Board has determined that Mr. Robertson is an "audit committee financial expert" as defined by applicable SEC rules and has the requisite accounting or related financial management expertise as defined under the applicable NYSE rules and regulations. A current copy of the audit committee charter is available in the "Corporate Governance – Governance Documents" section of our website at investors.care.com.

Compensation Committee

The compensation committee's responsibilities include:

- reviewing and recommending policies relating to compensation and benefits of our executive officers;
- reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer and determining (either alone or, if directed by the Board, in conjunction with a majority of the independent directors on the Board) our Chief Executive Officer's compensation;
- reviewing and setting or recommending to the Board the compensation of our executive officers other than our Chief Executive Officer;
- reviewing and approving or recommending to the Board the issuance of stock options and other awards under our stock plans;
- reviewing and making recommendations to the Board with respect to director compensation;
- appointing, compensating and overseeing the work of any compensation consultant or other advisor retained by the committee; and
- reviewing and evaluating, at least annually, the compensation committee charter and the committee's performance.

The compensation committee retained the services of an independent compensation consultant, Compensia, Inc., during 2018 to consult on matters relating to executive and director compensation and equity plan matters. Compensia did not provide additional services to the Company during 2018. The compensation committee has considered the adviser independence factors required under SEC rules as they relate to Compensia and does not believe Compensia's work in 2018 raised a conflict of interest. In addition, the compensation committee generally considers the recommendations of the Chief Executive Officer when making recommendations regarding the compensation of executive officers other than the Chief Executive Officer, as described below in the section titled "Executive and Director Compensation – Role of the Compensation Committee."

The members of our compensation committee are Mr. Bell, Mr. Kapoor and Mr. Yoo, with Mr. Bell serving as chairperson of the committee. The Board has determined that each of these members is a "non-employee director" as defined in Rule 16b-3 under the Exchange Act and is independent under the applicable rules and regulations of the NYSE relating to compensation committee member independence. A current copy of the compensation committee charter is available in the "Corporate Governance – Governance Documents" section of our website at investors.care.com.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee's responsibilities include:

- identifying individuals qualified to become Board members;
- recommending to the Board the persons to be nominated for election as directors and to each of the Board's committees;
- reviewing and assessing, from time to time, the adequacy of our Corporate Governance Guidelines and recommending any proposed changes to the Board;
- overseeing the annual evaluation of the Board; and
- reviewing and evaluating, at least annually, the nominating and corporate governance committee charter and the nominating and corporate governance committee's performance.

The members of our nominating and corporate governance committee are Mr. Bell, Mr. Harris and Ms. Sturdy, with Mr. Bell serving as the chairperson of the committee. Each of these members is an independent director under the applicable rules and regulations of the NYSE relating to nominating and corporate governance committee independence. A current copy of the nominating and corporate governance committee charter is available in the "Corporate Governance – Governance Documents" section of our website at investors.care.com.

Safety and Cybersecurity Committee

In March 2019 the Board formed the safety and cybersecurity committee. The safety and cybersecurity committee's responsibilities include:

- reviewing the effectiveness of the Company's safety program and its practices for identifying, assessing and mitigating safety risk in connection with its services;
- reviewing and evaluating the safety of the Company's services;
- reviewing and evaluating the adequacy of the Company's practices in connection with preventing and responding to safety incidents;
- overseeing the Company's policies and procedures related to the security, confidentiality, availability and integrity of the information the Company collects, stores and transmits;
- assessing the adequacy of the Company's controls to prevent, detect and respond to cyber-attacks or information or data breaches involving the Company's electronic information, intellectual property and data; and
- overseeing the company's management of risks related to its information technology systems and processes, and any internal audits of such systems and processes.

The members of our safety and cybersecurity committee are Ms. Blow and Mr. Yoo, with Ms. Blow serving as the chairperson of the committee. A current copy of the safety and cybersecurity committee charter is available in the "Corporate Governance – Governance Documents" section of our website at investors.care.com.

Meetings of the Board of Directors, Board and Committee Member Attendance and Annual Meeting Attendance
The Board met eleven times during the last fiscal year. The audit committee met four times, the compensation committee met six times and the nominating and corporate governance committee met three times during the last fiscal year. During the last fiscal year, each incumbent board member attended 75% or more of the aggregate number of meetings of the Board and of the committees on which he or she served. We encourage all of our directors and nominees for director to attend the Annual Meeting; however, attendance is not mandatory. One director attended the 2018 annual meeting of stockholders.

Director Nominations

The nominating and corporate governance committee is responsible for reviewing with the Board, on an annual basis, the appropriate characteristics, skills and experience required for the Board as a whole and its individual members. To facilitate the search process, the nominating and corporate governance committee solicits current directors of the Company for the names of potentially qualified candidates or asks directors to pursue their own business contacts for the names of potentially qualified candidates. The nominating and corporate governance committee may also consult with outside advisors or retain search firms to assist in the search for qualified candidates, or consider director candidates recommended by our stockholders. Once potential candidates are identified, the nominating and corporate governance committee reviews the backgrounds of those candidates, evaluates candidates' independence from the Company and potential conflicts of interest and determines if candidates meet the qualifications desired by the committee of candidates for election as director.

In evaluating the suitability of individual candidates (both new candidates and current Board members), the nominating and corporate governance committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, may take into account many factors, including: personal and professional integrity, ethics and values; experience in corporate management, such as serving as an officer or former officer of a publicly held company; finance experience; experience relevant to the Company's industry; experience as a board member or executive officer of another publicly held company; diversity of expertise and experience in substantive matters pertaining to the Company's business relative to other Board members; diversity of background and perspective, including with respect to age, gender, race, place of residence and specialized business or career experience relevant to the success of the Company; and practical and mature business judgment, including the ability to make independent analytical inquiries. The Board evaluates each individual in the context of the Board as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

In determining whether

to recommend a director for re-election, the nominating and corporate governance committee may consider the director's past attendance at meetings and participation in and contributions to the activities of the Board.

Stockholders may recommend individuals to the nominating and corporate governance committee for consideration as potential director candidates by submitting the names of the recommended individuals, together with appropriate biographical information and background materials, to the nominating and corporate governance committee, c/o Corporate Secretary, Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451. In the event there is a vacancy, and assuming that appropriate biographical and background material has been provided on a timely basis, the nominating and corporate governance committee will evaluate stockholder-recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for candidates submitted by others.

Stockholders also have the right under our bylaws to directly nominate director candidates, without any action or recommendation on the part of the nominating and corporate governance committee or the Board, by following the procedures set forth in the advance notice provisions of our bylaws and within the timing guidelines above under the caption "When are stockholder proposals due for next year's annual meeting of stockholders?"

Nomination and Standstill Agreement and Appointment of Chet Kapoor to the Board of Directors

On March 11, 2016, in connection with the election of Chet Kapoor to the Board, we entered into an agreement (the "Tenzing Agreement") with Tenzing Global Management LLC, Tenzing Global Investors LLC, Tenzing Global Investors Fund I LP and Mr. Kapoor (collectively, "Tenzing Global"), pursuant to which we agreed to recommend that the Board appoint Chet Kapoor as a Class III director and take the necessary actions to recommend that the stockholders of the Company vote for Mr. Kapoor for election as a director of the Company at the 2016 annual meeting of stockholders.

Pursuant to the Tenzing Agreement, Tenzing Global agreed that until the date which is 45 days prior to the deadline of the submission of stockholder nominations for our 2017 annual meeting of stockholders (the "Standstill Period"), Tenzing Global would not, among other things, (i) nominate any person for election as a director in furtherance of a contested solicitation, or otherwise bring any business or proposals before a stockholders' meeting; (ii) acquire in excess of 15% of the then outstanding shares of our common stock or (iii) seek, propose, or make any proposal relating to a merger, acquisition or other type of business combination for the Company (the "Standstill Provision"). In addition, Tenzing Global also agreed that, during the Standstill Period, it would vote all of the shares of our common stock it beneficially owned (i) for the election of each of our director nominees and (ii) otherwise in accordance with the Board's recommendation on any proposal not related to any business combination transaction involving the Company, its subsidiaries or its business (the "Voting Provision"). Tenzing Global further agreed that, if at any time Tenzing Global beneficially owns, in the aggregate, less than 3.0% of our then outstanding shares of common stock, Mr. Kapoor will immediately offer to resign from the Board and all applicable committees thereof and will so resign if the Board accepts his resignation.

On February 26, 2019, in connection with the Board's anticipated nomination of Mr. Kapoor to stand for election as a Class III director at the Annual Meeting, Tenzing Global agreed to abide by the Standstill Provision and the Voting Provision until the earlier of February 26, 2020 and the date that is 10 days prior to the deadline for stockholders to nominate directors for election at the Company's 2020 annual meeting of stockholders. In addition, Mr. Kapoor agreed that if at any time following such period he no longer intends to comply with the Standstill Provision or the Voting Provision, he will promptly offer to resign from the Board.

A more detailed summary and copy of the Tenzing Agreement can be found in the Company's Current Report on Form 8-K filed with the SEC on March 17, 2016. A description of the February 26, 2019 agreement described in the prior paragraph can be found in the Company's Current Report on Form 8-K filed with the SEC on February 27, 2019.

Investment Agreement and Appointment of Laela Sturdy to the Board of Directors

On June 29, 2016, we entered into an Investment Agreement (the "Investment Agreement") between the Company and CapitalG LP (formerly Google Capital 2016, L.P.), pursuant to which the Google Parties (as defined in the Investment Agreement), so long as they beneficially own at least 50% of the outstanding preferred stock, have the right to designate one individual to be nominated to stand for election to the Board. Accordingly, the Google Parties designated Ms. Sturdy, and she was subsequently nominated by the nominating and corporate governance committee and appointed by the Board as a Class III director in July 2016. A more detailed summary and copy of the Investment Agreement can be found in the Company's Current Report on Form 8-K filed with the SEC on June 29, 2016.

As reported in the Company's Form 8-K filed with the SEC on February 27, 2019, on February 27, 2019, Ms. Sturdy advised the Company that she will not stand for re-election as a Class III director at the Annual Meeting, and CapitalG LP provided notice to the Company that it was waiving its rights pursuant to Section 4.4 of the Investment Agreement to nominate and elect a director to the Board in connection with the Annual Meeting. Ms. Sturdy will maintain her committee memberships through the Annual Meeting.

Communications with the Board of Directors

Stockholders and all other interested parties who wish to communicate directly with the Board, the Chairwoman of the Board, the lead independent director, all non-management directors as a group, or an individual director should address such communications to: Board of Directors, c/o Corporate Secretary, Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451.

The Board will give appropriate attention to written communications that are submitted by stockholders or other interested parties and will respond if and as appropriate. The chairperson of the nominating and corporate governance committee, subject to the advice and assistance of our general counsel, is primarily responsible for monitoring communications from stockholders and other interested parties and for providing copies or summaries to the other directors as he or she considers appropriate.

Communications are forwarded to all directors if they relate to important substantive matters and include suggestions or comments that the chairperson of the nominating and corporate governance committee considers to be important for the directors to know. In general, communications relating to corporate governance and corporate strategy are more likely to be forwarded than communications relating to ordinary business affairs, personal grievances and matters as to which we receive repetitive or duplicative communications.

Compensation Committee Interlocks and Insider Participation

During our last fiscal year, the members of our compensation committee were George Bell, Chet Kapoor and Daniel S. Yoo. No member of our compensation committee during our last fiscal year is or has been a current or former officer or employee of Care.com, Inc. or had any related party transaction involving Care.com, Inc. None of our executive officers served as a director or a member of a compensation committee (or other committee serving an equivalent function) of any other entity, one of whose executive officers served as a director or member of our compensation committee during the fiscal year ended December 29, 2018.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

We describe below transactions and series of similar transactions, since the beginning of our last fiscal year, to which we were and are 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 common stock, or an affiliate or immediate family member thereof, had or will have a direct or indirect material interest.

Indemnification Agreements

Our bylaws provide that we will indemnify our directors and officers to the fullest extent permitted by Delaware law. In addition, we have entered into indemnification agreements with all of our directors and executive officers.

Executive Compensation and Employment Arrangements

For a description of the compensation arrangements we have with our executive officers and directors, please see “Executive and Director Compensation.”

Employment Arrangements With Immediate Family Members of Our Executive Officers

Ronald Marcelo, the husband of Sheila Lirio Marcelo, is employed by us. For the year ended December 29, 2018, we paid Mr. Marcelo total cash compensation of approximately \$187,000. In March 2019, we paid Mr. Marcelo a cash bonus of \$26,000 in recognition of 2018 performance, and we increased the annual base salary of Mr. Marcelo to \$200,000, effective February 1, 2019. We granted Mr. Marcelo restricted stock units, or RSUs, with an aggregate fair market value of approximately \$25,700 in March 2018, and RSUs with an aggregate fair market value of approximately \$51,000 in March 2019. The RSUs vest as to 6.25% of the original number of underlying shares on a quarterly basis over a four-year period.

Investment Agreement with CapitalG LP

On June 29, 2016, we entered into an Investment Agreement with CapitalG LP, or CapitalG, relating to the issuance and sale to CapitalG of 46,350 shares of Convertible Preferred Stock, Series A, or preferred stock, for an aggregate purchase price of \$46.35 million, or \$1,000 per share. As a result of the sale of the preferred stock, CapitalG became a holder of greater than 5% of our common stock, on an as-converted basis.

In accordance with the terms of the Certificate of Designations for the preferred stock dated June 29, 2016, the preferred stock ranks senior to our common stock with respect to dividend rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company. The preferred stock has a liquidation preference of \$1,000 per share, as adjusted from time to time pursuant to the Certificate of Designations, plus all accrued and unpaid dividends. Holders of preferred stock are entitled to a cumulative dividend at a rate of 5.50% per annum during the period from June 29, 2016, the date of the issuance of the preferred stock, to June 29, 2023, the seventh anniversary of the closing date, payable semi-annually in arrears, as set forth in the Certificate of Designations for the preferred stock. Dividends are paid in additional Liquidation Preference (as defined in the Certificate of Designations) per share of preferred stock. The preferred stock is convertible at the option of the holders thereof at any time into shares of our common stock at an initial conversion price of \$10.50 per share, which rate is subject to adjustment upon the occurrence of certain events. The preferred stock is convertible at the option of the Company into shares of common stock at any time after June 29, 2023, or after June 29, 2021, if the common stock has equaled or exceeded 150% of the then prevailing Conversion Price (as defined in the Certificate of Designations) for at least 20 trading days in any period of 30 consecutive trading days, including the last trading day of such 30-day period. At the Company's option, at any time after June 29, 2023, all of the preferred stock may be redeemed by us at the then-current Liquidation Preference plus accrued and unpaid dividends after giving the holders of preferred stock the ability to convert their shares into common stock at the then-current conversion price. At any point after June 29, 2023, each

holder of the preferred stock may cause the Company to redeem all of such holder's preferred stock at the then-current Liquidation Preference plus accrued and unpaid dividends.

Upon certain change of control events involving the Company, holders of preferred stock can elect to either (1) convert the preferred stock to common stock at the then-current Conversion Price or (2) require the Company to redeem the preferred stock for 150% of the then-current liquidation preference, plus accrued and unpaid dividends, provided that in the case of a change of control event in which our common stock is converted into or cancelled for cash or publicly traded securities, such conversion or redemption will be mandatory, with the selection deemed to be in favor of the alternative that would result in holders of preferred stock receiving the greatest consideration.

At any time when at least 50% of the shares of the preferred stock purchased pursuant to the Investment Agreement are outstanding, the Company cannot, without the written consent or affirmative vote of the holders of a majority of the then-outstanding shares of preferred stock, (a) amend the Company's certificate of incorporation in a manner that adversely affects the preferences or rights of the preferred stock; (b) authorize or issue capital stock unless it ranks equal to or junior to the preferred stock, or increase the authorized number of shares of preferred stock; or (c) reclassify or amend any existing security of the Company that is equal to or junior to the preferred stock to render such security senior to the preferred stock.

A more detailed description of the terms of the preferred stock, the Investment Agreement and the Certificate of Designations, including copies of the Investment Agreement and the Certificate of Designations, and the transactions contemplated thereby can be found in the Company's Current Report on Form 8-K filed with the SEC on June 29, 2016.

As a result of this transaction, Alphabet Inc., the ultimate parent of CapitalG LP, and all related affiliates of Alphabet Inc. are considered to be related parties. During fiscal 2018, we had recorded \$3.2 million of revenue from arrangements with Alphabet Inc. and its affiliates as customers in our Care@Work program, and we incurred \$10.3 million of selling and marketing expenses for internet based marketing services with Alphabet Inc. and its affiliates.

Policies and Procedures for Related Party Transactions

We have adopted a written policy for the review of any transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we (including any of our subsidiaries) were, are or will be a participant, the amount involved exceeds \$120,000 in any one fiscal year, and one of our executive officers, directors, director nominees or 5% stockholders (or their immediate family members), each of whom we refer to as a "related party," had, has or will have a direct or indirect material interest.

The policy calls for such transaction, arrangement or relationship, which we refer to as a "related party transaction," to be reviewed and, if deemed appropriate, approved by the audit committee of the Board. Whenever practicable, the reporting, review and approval will occur prior to entry into the transaction. If advance approval of a related party transaction requiring the audit committee's approval is not feasible, then the transaction may be preliminarily entered into by management upon prior approval of the transaction by the chairperson of the audit committee subject to ratification of the transaction by the audit committee at the committee's next regularly scheduled meeting. If the transaction is not so ratified, the policy will require management to make all reasonable efforts to cancel or annul such transaction. Any related party transactions that are ongoing in nature will be reviewed annually.

A related party transaction reviewed under the policy will be considered approved or ratified if it is authorized by the audit committee after full disclosure of the related party's interest in the transaction. In reviewing and approving any such transactions, the audit committee will be tasked to consider all relevant facts and circumstances, including but not limited to whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction and the extent of the related party's interest in the transaction.

EXECUTIVE OFFICERS

Our executive officers and their respective ages and positions as of the date of this Proxy Statement, as well as biographical information for each executive officer other than Ms. Marcelo, are as follows:

Name	Age	Position(s)
Sheila Lirio Marcelo	48	Founder, President, Chief Executive Officer and Chairwoman of the Board
Michael Echenberg	44	Executive Vice President and Chief Financial Officer
David Krupinski	52	Co-Founder and Chief Technology Officer
Diane Musi	51	General Counsel and Corporate Secretary

Michael Echenberg has served as our Chief Financial Officer since April 2015. Mr. Echenberg previously served as Chief Strategy Officer of Weight Watchers International Inc., a global provider of weight management services, from July 2013 to March 2015. For part of this period, he also served as Chief Financial Officer of the Weight Watchers Health Solutions business unit. Prior to that, Mr. Echenberg served in several management roles at Weight Watchers International, including Senior Vice President, Corporate Finance & Strategy from June 2011 to July 2013 and Senior Vice President, Finance for the North America business unit from January 2010 to June 2011. Mr. Echenberg holds an A.B. from Harvard University and an M.B.A. from Harvard Business School.

David Krupinski is our co-founder and has served as our Chief Technology Officer and Chief Safety & Cybersecurity Officer since February 2019. Mr. Krupinski previously served as our Chief Technology Officer from February 2012 to January 2019, as our Senior Vice President of Product and Technology from February 2010 to January 2012, as our Vice President of Product and Technology from February 2008 to January 2010 and as our VP of Product from November 2006 to January 2008. Prior to co-founding Care.com, Mr. Krupinski held senior product management roles at Upromise, including Director of Product Management from 2003 to 2006. Prior to Upromise, Mr. Krupinski held senior management positions at several start-up companies, including Direct Hit (acquired by Ask Jeeves) and Stylus Innovation (acquired by Artisoft). Mr. Krupinski began his career as a Software Engineer at Thomson Financial in 1988. He holds a B.A. and an M.S. from Boston College and received an M.B.A. for Executives from INSEAD in Fontainebleau, France.

Diane Musi has served as our General Counsel and Corporate Secretary since June 2011. From 2000 to June 2011, Ms. Musi served in a number of roles at Upromise, including General Counsel from February 2007 to June 2011. At Upromise, Ms. Musi's responsibilities included advising the company on matters related to legal and regulatory analysis and strategy, mergers and acquisitions, financings, dispute resolution and the negotiation of business critical agreements. Ms. Musi was also responsible for managing the company's in-house and outside legal counsel. Before Upromise, Ms. Musi was a corporate associate at Goodwin Procter LLP. Ms. Musi is a member of the Massachusetts Bar and holds an A.B. in Government from Dartmouth College and a J.D. from the University of Virginia School of Law.

See above under "Proposal No. 1 Election of Directors—Directors Continuing in Office Until the 2020 Annual Meeting of Stockholders" for biographical information of Ms. Marcelo.

EXECUTIVE AND DIRECTOR COMPENSATION

Overview

The compensation earned by our “named executive officers” for 2018 is set forth in detail in the 2018 Summary Compensation Table and other tables and the accompanying footnotes and narrative in this section. As an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, we are not required to include a Compensation Discussion and Analysis section and have elected to comply with the scaled disclosure requirements applicable to emerging growth companies.

Our named executive officers for 2018 were:

Sheila Lirio Marcelo, Founder, President, Chief Executive Officer and Chairwoman of the Board;

Michael Echenberg, Executive Vice President and Chief Financial Officer; and

David Krupinski, Co-Founder, Chief Technology Officer and Chief Safety & Cybersecurity Officer

2018 Summary Compensation Table

The following table presents summary information regarding the total compensation earned by our named executive officers for fiscal year 2017 and fiscal year 2018.

Name and Principal Position	Year	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$) ⁽³⁾	All Other Compensation (\$) ⁽⁴⁾	Total (\$)
Sheila Lirio Marcelo Founder, President, Chief Executive Officer and Chairwoman of the Board	2018	481,769	425,000	3,165,521	—	—	74,157	4,146,447
	2017	445,577	—	3,974,057	649,972	460,000	500	5,530,105
Michael Echenberg Executive Vice President and Chief Financial Officer	2018	403,154	196,000	1,717,739	—	—	5,500	2,322,393
	2017	383,762	—	627,883	212,498	218,000	500	1,442,643
David Krupinski Co-Founder, Chief Technology Officer and Chief Safety & Cybersecurity Officer	2018	288,154	127,000	1,474,483	—	—	5,500	1,895,137

(1) Represents cash bonus paid at the discretion of the Board. Refer to the discussion under the heading "Cash Bonuses", below, for additional information.

Amounts represent the grant date fair value of restricted stock units calculated in accordance with FASB ASC Topic 718. Each of Ms. Marcelo, Mr. Echenberg and Mr. Krupinski received a restricted stock unit award subject to time-based vesting and a restricted stock unit award that vests subject to the attainment of certain performance conditions. The grant date fair values included in the table above for the performance-based awards, based on the probable achievement of such performance conditions, were \$470,627, \$160,429 and \$117,652 for Ms. Marcelo, Mr. Echenberg and Mr. Krupinski, respectively. Assuming the highest level of performance conditions was attained

with respect to the 2018 performance-based awards, the maximum potential values of these awards, based on the closing price of our common stock on the date of grant, were \$2,338,034, \$797,044 and \$584,504 for Ms. Marcelo, Mr. Echenberg and Mr. Krupinski, respectively. In February 2019, we determined that we had achieved against the performance conditions sufficient for Ms. Marcelo, Mr. Echenberg and Mr. Krupinski to receive 20.1% of the maximum performance-based restricted stock unit awards, and as a result, such percentage of restricted stock units began vesting on March 9, 2019. In addition, Ms. Marcelo, Mr. Echenberg and Mr. Krupinski received restricted stock unit awards subject to the achievement of certain stock price targets, which we refer to as market-based RSUs. The grant date fair values included in the table above for the market-based RSUs, based on the probable outcome of such market conditions, were \$1,632,157, \$1,158,788 and \$852,039 for Ms. Marcelo, Mr. Echenberg and Mr. Krupinski, respectively. The maximum potential values of these market-based RSUs, based on the closing price of our common stock on the date of grant, were \$2,213,154, \$1,453,519 and \$1,068,751 for Ms. Marcelo, Mr. Echenberg and Mr. Krupinski, respectively. Refer to “Executive Compensation Components - Equity Compensation” below for additional information.

(3) Amounts represent awards earned under our cash incentive bonus program. For additional information, see “Executive Compensation Components-Cash Bonuses” below.

Amount for Ms. Marcelo represents company matching contributions to 401(k) plan accounts (\$5,500); expenses for professional services (\$1,010), administrative time (\$5,336) and external consultants (\$41,667) associated with the development of a book being authored by Ms. Marcelo; and tax gross-ups Ms. Marcelo received from the Company related to the above perquisites and personal benefits (\$20,644). Amounts for Mr. Echenberg and Mr. Krupinski represent company matching contributions to 401(k) plan accounts.

Role of the Compensation Committee

During 2018, the compensation committee of the Board reviewed executive compensation, including our cash and equity-based compensation programs, and recommended adjustments to the Board for approval. The Board approved 2018 executive compensation arrangements based on the compensation committee’s recommendations and the collective judgment of the Board’s members. In making 2018 compensation recommendations for executive officers, the compensation committee considered the recommendations of our Director of Compensation and our Chief Executive Officer, except with respect to her own compensation, as well as the compensation practices of the Company’s peer group. The peer group against which the compensation committee benchmarks executive compensation each year is developed by Compensia, the Company’s external compensation consultant. Compensia selects constituent companies based on their participation in an industry similar to the Company’s and comparable financial metrics. Each year Compensia updates the peer group to remove companies that have been acquired or whose financial metrics no longer align with the Company’s.

Executive Compensation Components

Base Salary

Base salaries provide our executive officers with a fixed amount of consistent compensation and, in conjunction with equity-based and cash incentive awards, are a significant motivating factor in attracting and retaining our executive officers. We have designed base salaries to be competitive while also seeking to manage our cash resources. At the time an executive officer is first hired, an initial base salary is generally established through individual negotiations between us and the executive officer, taking into account subjective judgments of the Board as to the executive officer’s qualifications, experience, job duties and responsibilities as well as internal pay equity considerations and, in some instances, the executive officer’s prior salary. For 2018, the compensation committee reviewed the base salaries of Ms. Marcelo, Mr. Echenberg and Mr. Krupinski and recommended adjustments it determined were appropriate to the Board for approval. The compensation committee’s recommendations were based on merit, peer group analysis, market considerations and other factors the committee determined to be important.

The Board approved adjustments to our executive compensation arrangements based on the compensation committee’s recommendations and the collective business judgment of the Board’s members. Adjustments to base salary

became effective in the first quarter of the year following completion of our annual review process, which typically includes a comprehensive self-performance review as well as a manager performance review.

Based on the annual review completed in early 2018, Ms. Marcelo's annual base salary was increased from \$450,000 to \$485,000, Mr. Echenberg's annual base salary was increased from \$385,000 to \$405,000 and Mr. Krupinski's annual base salary was increased from \$270,000 to \$290,000, in each case effective as of February 1, 2018.

Effective February 1, 2019, for budgetary reasons and at Ms. Marcelo's direction, Ms. Marcelo's base salary was decreased from \$485,000 to \$455,000. Mr. Echenberg's and Mr. Krupinski's annual base salaries were not changed from their prior levels.

Cash Bonuses

We maintain an annual performance-based cash bonus program for executives, including our named executive officers, to reward performance in achieving corporate goals. For 2018, the Board was ultimately responsible for approving and administering the bonus program. The compensation committee recommended to the Board for approval, and the Board subsequently approved, the target bonus amounts for Ms. Marcelo, Mr. Echenberg and Mr. Krupinski that would be payable based upon our achievement of pre-established revenue and adjusted EBITDA goals (weighted 50% and 50%, respectively). The 2018 target bonuses (expressed as a percentage of base salary) were 100% for Ms. Marcelo, 55% for Mr. Echenberg and 50% for Mr. Krupinski. Adjusted EBITDA for purposes of the bonus program is calculated as earnings (loss) from continuing operations, which excludes the accretion of preferred stock dividends and issuance costs, plus: federal, state and franchise taxes, other expense, net, depreciation and amortization, stock-based compensation, accretion of contingent consideration, merger and acquisition related costs, and other unusual or non-cash significant adjustments, such as impairment and restructuring charges.

For each performance metric, the Board established a threshold level at which 70% of the portion of the bonus tied to the metric would be paid. No bonus was payable for a metric if performance for the metric was below the 70% payment level. To reach the 70% payment level, the Company had to achieve approximately 98% and 88%, respectively, of the target revenue and adjusted EBITDA levels. Final payout amounts for each metric were uncapped and based on the linear growth established by the 70% payment level and the target payment level for the applicable metric.

In November 2018, the Board, in light of the significant efforts of the Company's management in 2018, and at the recommendation of the compensation committee, determined to pay cash bonuses at 88.0% of the target bonus amounts, without regard to the Company's achievement of revenue and adjusted EBITDA targets. The amounts paid to our named executive officers are set forth in our 2018 Summary Compensation Table.

Equity Compensation

Since our inception, equity-based compensation in the form of stock options or RSUs has been an integral component of our executive compensation program. In addition to granting equity awards that vest over time based on continued service with us, since 2015, the Board has also granted equity awards that become eligible for vesting subject to the achievement of certain corporate performance metrics. The Board has granted and may continue to grant equity awards with other vesting requirements, including awards that become eligible for vesting subject to the achievement of certain stock price targets. All equity awards held by our named executive officers are subject to accelerated vesting in connection with an acquisition of our company or certain terminations of employment, as described in the section titled "Potential Payments upon Termination or Change of Control" below. During 2018, our named executive officers were granted time-based RSUs, performance-based RSUs and market-based RSUs, as described in the following sections. This reflects a shift in our equity-based compensation mix away from options in favor of RSUs. The purpose of this shift was to improve the Company's ability to attract and retain talent in the intensely competitive labor market from which the Company draws its employees, and to limit the more pronounced dilutive effect that options have as compared to RSUs.

Time-Based Vesting Awards

In March 2018, we awarded Ms. Marcelo, Mr. Echenberg and Mr. Krupinski time-based RSUs with respect to 56,022, 21,008 and 14,005 shares of our common stock, respectively. These awards vest as to 6.25% of the underlying shares at the end of each successive three-month period following March 9, 2018.

In March 2018, we also awarded Mr. Krupinski a one-time special-circumstance grant of time-based RSUs with respect to 12,605 shares of our common stock. This award vested as to one half of such shares on March 9, 2019 and will vest as to one-eighth of such shares at the end of each successive three-month period following March 9, 2019. The purpose of the award was to provide special compensation to Mr. Krupinski in connection with the successful onboarding of and technical collaboration and alignment with a new executive of the Company in 2017.

Performance-Based Vesting Awards

In March 2018, we awarded each named executive officer performance-based RSUs that would be earned and become eligible to vest based on our achievement of pre-established 2018 revenue and adjusted EBITDA goals (weighted 50% and 50%, respectively). Adjusted EBITDA for this purpose is calculated in the same manner as described above for our annual performance-based cash bonus program. To the extent any RSUs were earned, they would become "Eligible RSUs" that vest subject to continued service as to one-half of the shares underlying such Eligible RSUs upon the Board's determination of the achievement levels of the revenue and adjusted EBITDA goals in early 2019 and as to one-eighth of such shares at the end of each successive three-month period following March 9, 2019.

For each performance metric, the Board established a stretch level at which all of the awarded RSUs would become Eligible RSUs, and levels at which 30%, 50% and 75% of the RSUs tied to each performance metric would become Eligible RSUs. No awarded RSUs become Eligible RSUs if performance for the applicable metric is below the 30% level. To have 30% of the awarded RSUs become Eligible RSUs, the Company had to achieve, approximately, 94% of stretch for the revenue goal and 71% of stretch for the adjusted EBITDA goal. To have 50% of the awarded RSUs become Eligible RSUs, the Company had to achieve, approximately, 96% of stretch for the revenue goal and 79% of stretch for the adjusted EBITDA goal. To have 75% of the awarded RSUs become Eligible RSUs, the Company had to achieve, approximately, 98% of stretch for the revenue goal and 90% of stretch for the adjusted EBITDA goal.

Payout percentages were linearly interpolated for performance between the specified levels.

The maximum number of performance-based RSUs granted in 2018 that could become Eligible RSUs for each named executive officer was:

Name	Maximum Number of RSUs
Sheila Lirio Marcelo	123,249
Michael Echenberg	42,016
David Krupinski	30,812

In February 2019, the Board reviewed our performance and determined that we did not achieve performance levels sufficient to result in any of the RSUs tied to the revenue goal becoming Eligible RSUs, and that we achieved performance levels resulting in approximately 40.3% of the RSUs tied to the adjusted EBITDA goal, resulting in 20.1% of the maximum number of RSUs set forth above becoming Eligible RSUs. The Eligible RSUs began to vest on March 9, 2019.

Market-Based Vesting Awards

In March 2018, we awarded Ms. Marcelo, Mr. Echenberg and Mr. Krupinski RSUs that vest based on our achievement of certain stock price targets, which we refer to as market-based RSUs, with respect to an aggregate of 116,666, 76,622 and 56,339 shares of our common stock, respectively. The market-based RSUs are eligible to vest at any point during a five-year performance period, expiring March 8, 2023, based on our achievement of specified 120-day volume-weighted average closing share price targets. For Mr. Echenberg and Mr. Krupinski, 36,956 and 27,173, respectively, of the market-based RSUs vest upon the Company's common stock achieving a 120-day volume-weighted average closing price of at least \$23 per share. None of Ms. Marcelo's market-based RSUs granted in 2018 are subject to attainment of the \$23 stock price target. For Ms. Marcelo, Mr. Echenberg and Mr. Krupinski, 116,666, 39,666 and 29,166, respectively, of the market-based RSUs vest upon the Company's common stock achieving a 120-day volume-weighted average closing price of at least \$30 per share. If a market condition is not achieved during the five-year performance period, then the shares subject to such market condition will be forfeited. For additional information regarding treatment of the market-based RSUs in connection with a change of control, see "Equity Award Change of Control Provisions" below.

Our Board considered the recommendations of our compensation committee and, except with respect to her own awards, our Chief Executive Officer when determining the size of individual 2018 equity awards. In recommending 2018 equity awards to the Board, the compensation committee and our Chief Executive Officer considered, among other factors, the role and responsibility of the individual executive officer, the competitive market for the executive's position, the size and value of existing equity awards and the committee's subjective evaluation of individual performance and prior contributions to the Company.

401(k) Plan

We sponsor a retirement plan intended to qualify for favorable tax treatment under Section 401(k) of the Internal Revenue Code of 1986, as amended, or the Code. The 401(k) Plan permits our eligible salaried employees to defer receipt of portions of their eligible salaries, subject to certain limitations imposed by the Code, by making contributions to the 401(k) Plan, including flexible compensation contributions, Roth contributions, catch-up contributions and after-tax contributions. In 2018, we provided matching contributions to the 401(k) Plan in an amount equal to 50% of each participant's pre-tax contribution up to a maximum of 4% of the participant's annual eligible salary, up to a maximum contribution of \$5,500 per participant. The 401(k) Plan is offered on a nondiscriminatory basis to all of our salaried employees, including our named executive officers.

Personal Benefits and Perquisites

During 2018, Ms. Marcelo received reimbursement from the Company for expenses she incurred in connection with authoring a book about child care and senior care in the United States, which the Company expects will generate significant goodwill. The amounts reimbursed by the Company are reported in the "All Other Compensation" column of the 2018 Summary Compensation Table and include fees related to administrative time, external consultants and professional services fees, as well as associated tax gross-ups.

Employee Benefits

We design our employee benefits programs to be affordable and competitive in relation to the market, as well as compliant with applicable laws and practices. We adjust our employee benefits programs as needed based upon regular monitoring of applicable laws and practices and the competitive market. Our named executive officers are entitled to participate in the same employee benefit plans, and on the same terms and conditions, as all other U.S. full-time employees.

Outstanding Equity Awards at 2018 Fiscal Year End

The following table provides information about outstanding stock options and RSUs held by each of our named executive officers at December 29, 2018.

Name	Option Awards					Stock Awards			
	Vesting Start Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Shares, Units or Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)
Sheila Lirio Marcelo	10/31/2010 ⁽¹⁾	485,732	—	2.68	12/9/2020	—	—	—	—
	⁽²⁾	75,000	—	2.68	12/9/2020	—	—	—	—
	2/1/2013 ⁽¹⁾	470,000	—	6.02	2/28/2023	—	—	—	—
	3/5/2014 ⁽¹⁾	112,500	—	21.03	3/5/2024	—	—	—	—
	3/9/2015 ⁽¹⁾	—	—	—	—	16,069	316,077	—	—
	3/9/2015 ⁽³⁾	—	—	—	—	6,025	118,512	—	—
	3/9/2016 ⁽¹⁾	192,390	87,460	6.70	3/9/2026	—	—	—	—
	3/9/2016 ⁽¹⁾	—	—	—	—	34,982	688,096	—	—
	3/9/2016 ⁽⁴⁾	—	—	—	—	8,163	160,566	—	—
	3/9/2017 ⁽¹⁾	64,045	82,345	12.01	3/15/2027	—	—	—	—
	3/9/2017 ⁽¹⁾	—	—	—	—	35,359	695,512	—	—
	3/9/2017 ⁽⁵⁾	—	—	—	—	45,789	900,670	—	—
	6/22/2017 ⁽⁶⁾	—	—	—	—	—	—	75,000	1,475,250
	6/22/2017 ⁽⁷⁾	—	—	—	—	—	—	108,696	2,138,050
	3/9/2018 ⁽¹⁾	—	—	—	—	70,327	1,383,332	—	—
	3/9/2018 ⁽⁸⁾	—	—	—	—	24,089	473,830.63	—	—
	3/9/2018 ⁽⁹⁾	—	—	—	—	—	—	116,666	2,294,820
Michael Echenberg	6/9/2015 ⁽³⁾	—	—	—	—	15,650	307,836	—	—
	3/9/2016 ⁽¹⁾	45,130	29,150	6.70	3/9/2026	—	—	—	—
	3/9/2016 ⁽¹⁾	—	—	—	—	11,660	229,352	—	—
	3/9/2016 ⁽⁴⁾	—	—	—	—	2,721	53,522	—	—
	3/9/2017 ⁽¹⁾	8,938	26,922	12.01	3/15/2027	—	—	—	—
	3/9/2017 ⁽¹⁾	—	—	—	—	11,560	227,385	—	—
	3/9/2017 ⁽⁵⁾	—	—	—	—	16,024	315,192	—	—
	3/9/2018 ⁽¹⁾	—	—	—	—	17,069	335,747	—	—
	3/9/2018 ⁽⁸⁾	—	—	—	—	8,457	166,349	—	—
	3/9/2018 ⁽⁷⁾	—	—	—	—	—	—	36,956	726,925
	3/9/2018 ⁽⁹⁾	—	—	—	—	—	—	39,666	780,230

David Krupinski	3/5/2014 ⁽¹⁾	50,000	—	21.03	3/5/2024	—	—	—	—
	3/9/2015 ⁽¹⁾	—	—	—	—	4,019	79,054	—	—
	3/9/2016 ⁽¹⁾	61,130	29,150	6.70	3/11/2026	—	—	—	—
	3/9/2016 ⁽¹⁾	—	—	—	—	11,660	229,352	—	—
	3/9/2016 ⁽⁴⁾	—	—	—	—	2,721	53,522	—	—
	3/16/2017 ⁽¹⁾	9,000	—	12.01	3/16/2017	—	—	—	—
	3/9/2018 ⁽¹⁾	—	—	—	—	11,380	223,845	—	—
	3/9/2018 ⁽¹⁰⁾	—	—	—	—	12,605	247,940	—	—
	3/9/2018 ⁽⁸⁾	—	—	—	—	6,202	121,993	—	—
	3/9/2018 ⁽⁷⁾	—	—	—	—	—	—	27,173	534,493
	3/9/2018 ⁽⁹⁾	—	—	—	—	—	—	29,166	573,695

- (1) The option or RSU vests as to 6.25% of the underlying shares at the end of each successive three-month period following the vesting start date.

The original option was eligible to vest in four equal annual installments on January 31, 2012, 2013, 2014 and 2015, based upon whether we fully achieved the corporate performance goals established by the Board or compensation committee for the 2011, 2012, 2013 and 2014 performance years. In March 2014, the Board

- (2) determined it was appropriate to amend the option to provide that the 25% portion of the award that was eligible to vest based on 2013 performance would be eligible to vest as to 12.5% of such portion in quarterly installments over the 24 month period following March 5, 2014, subject to Ms. Marcelo's continued employment through each applicable vesting date.

- (3) The option or RSU vests as to 25% of underlying shares on the first anniversary of the vesting start date and as to an additional 6.25% of the underlying shares at the end of each successive three-month period thereafter.

Represents the earned portion of the RSUs granted in 2016 that were eligible to vest based on our achievement of pre-established 2016 revenue and adjusted EBITDA targets. The relevant performance conditions were partially

- (4) satisfied for 2016, resulting in 14.6% of the shares underlying the performance-based RSUs becoming eligible to vest as to 25% of such shares on March 9, 2017 and as to 6.25% of such shares at the end of each successive three-month period following March 9, 2017.

Represents the earned portion of the RSUs granted in 2017 that were eligible to vest based on our achievement of pre-established 2017 revenue and adjusted EBITDA targets. The relevant performance conditions were partially

- (5) satisfied for 2017, resulting in 50.5% of the shares underlying the performance-based RSUs becoming eligible to vest as to one-third of such shares on February 28, 2018 and as to one-sixth of such shares at the end of each successive six-month period following March 9, 2018.

- (6) The restricted stock units vest upon the Company's common stock achieving a 120-day volume-weighted average price of \$20 prior to the fifth anniversary of the vesting start date.

- (7) The restricted stock units vest upon the Company's common stock achieving a 120-day volume-weighted average price of \$23 prior to the fifth anniversary of the vesting start date.

Represents the earned portion of the RSUs granted in 2018 that were eligible to vest based on our achievement of pre-established 2018 revenue and adjusted EBITDA targets. The relevant performance conditions were partially

- (8) satisfied for 2018, resulting in 20.1% of the shares underlying the performance-based RSUs becoming eligible to vest as to one-half of such shares on March 9, 2019 and as to one-eighth of such shares at the end of each successive three-month period following March 9, 2019.

- (9) The restricted stock units vest upon the Company's common stock achieving a 120-day volume-weighted average price of \$30 prior to the fifth anniversary of the vesting start date.

Represents a special circumstance grant of RSUs valued at \$225,000. The RSUs vest as to one-half of such shares (10) on March 9, 2019 and as to one-eighth of such shares at the end of each successive three-month period following March 9, 2019.

Potential Payments upon Termination or Change of Control
Severance Agreements

We entered into executive severance agreements with Ms. Marcelo and Mr. Echenberg in July 2017, and with Mr. Krupinski in March 2018. Under the terms of each severance agreement, if the named executive officer is terminated by us without cause, or if the named executive officer terminates his or her employment for good reason (each, a “qualifying termination”), then he or she will be eligible to receive certain payments and benefits as described below. Severance payments and benefits are conditioned upon the named executive officer's execution and non-revocation of a release of claims against us and continued compliance with certain restrictive covenants.

Under the terms of the severance agreement with Ms. Marcelo, upon a qualifying termination, Ms. Marcelo will be eligible to receive (a) continued payment of her then-current base salary for a period of 24 months, (b) payment of her then-current annual target bonus amount, paid over a period of twelve months following the qualifying termination, and (c) immediate vesting of any time-based equity awards that are scheduled to vest during the twelve months following the qualifying termination. Under the terms of the severance agreements with the other named executive officers, upon a qualifying termination, each of Mr. Echenberg and Mr. Krupinski will be eligible to receive (a) his then-current base salary for a period of twelve months and (b) the greater of (i) one-half of his then-current annual target bonus amount and (ii) a pro-rata portion of the then-current target bonus, based on the date of the qualifying termination, paid over a period of twelve months following the qualifying termination. In addition, upon a qualifying termination, each named executive officer will be entitled to receive accrued and earned, but unpaid, remuneration due to the named executive officer through the date of his or her qualifying termination, including, without limitation, earned but unpaid salary, accrued but unpaid time off, other amounts or benefits under our employee benefit plans, programs or arrangements and earned but unpaid annual bonus for the year immediately prior to the qualifying termination. Each named executive officer is also entitled to payment of continued health benefit premiums following a qualifying termination for a period of up to eighteen months for Ms. Marcelo, and up to twelve months for Mr. Echenberg and Mr. Krupinski.

Ms. Marcelo's severance agreement includes the following additional benefits in the event of a qualifying termination within three months prior to or eighteen months following a change of control: (a) immediate vesting of all outstanding time-based equity awards and (b) an extension of the period during which she is entitled to payment of continued health benefit premiums by six months, to an aggregate maximum of 24 months. In the event that Ms. Marcelo's employment is terminated by reason of her death or disability, her severance agreement provides that, in lieu of the above payments and benefits, she or her estate is entitled to receive (a) continued payment of her then-current base salary for a period of six months, (b) payment of continued health benefit premiums for a period of up to six months and (c) payment of the accrued and earned, but unpaid, remuneration described in the preceding paragraph. For purposes of the foregoing severance agreements, “cause” means the named executive officer's (i) commission of an act of fraud, embezzlement or theft against the company or its subsidiaries; (ii) conviction of, or plea of no contest to, a felony or crime involving moral turpitude; (iii) willful non-performance of material, reasonably assigned duties which are consistent with the named executive officer's position and title as an employee of the company, and which remain uncured for 30 days following written notice; (iv) material breach of any material agreement with the company or any of its subsidiaries, which remains uncured for 30 days following written notice; (v) gross negligence, willful misconduct or any other act of willful disregard for the Company's or any of its subsidiaries' best interests; or (iv) unlawful use or possession of illegal drugs on the Company's (or any of its affiliates') premises.

For purposes of the foregoing severance agreements, “good reason” means any of the following without the named executive officer's consent, which remains uncured for 30 days following written notice and provided the named executive officer terminates employment no later than the date that is 60 days following the expiration of such cure period: (i) a material diminution in base salary or target annual bonus level; (ii) a material diminution in authority, duties or responsibilities; (iii) a change in the geographic location of the named executive officer's principal place of employment to any location that increases the distance between his or her primary residence and principal place of employment by more than 30 miles; (iv) the Company's or any of its subsidiaries' material breach of any material agreement with the named executive officer; or (v) the failure of the company to obtain an agreement from any successor to all or substantially all of the business or assets of the Company to assume the severance agreement of the named executive officer.

Equity Award Change of Control Provisions

All time-based equity awards and performance-based RSUs held by our named executive officers, other than the market-based RSUs, vest, and in the case of options become exercisable, as to an amount equal to 25% of the original number of underlying shares (or in the case of performance-based RSUs, 25% of the original number of shares underlying the Eligible RSUs) immediately prior to a change of control of our Company. In addition, if a named executive officer is terminated without cause or resigns for good reason following a change of control of our Company, all of such named executive officer's outstanding time-based equity awards and Eligible RSUs will immediately vest, and in the case of options, become exercisable in full.

For purposes of the foregoing equity awards: “cause” means (i) a failure to perform reasonably assigned duties which remains uncured for 10 days following written notice, (ii) engaging in dishonesty, gross negligence or misconduct that is injurious to the Company or (iii) conviction of a felony or crime involving moral turpitude; and “good reason” means a material adverse change in responsibilities, duties or compensation without consent or the relocation of an individual’s place of work such that the distance from the individual’s residence to place of work increases by more than 30 miles.

For the market-based RSUs awarded to our named executive officers, in the event a change of control of our Company occurs on or prior to the fifth anniversary of the date of grant, some market-based RSUs may vest and some may be forfeited, depending on the per-share consideration received in connection with the change of control, as set forth below.

	Sheila Marcelo		Michael Echenberg		David Krupinski	
	Vests	Forfeited	Vests	Forfeited	Vests	Forfeited
	(#)	(#)	(#)	(#)	(#)	(#)
Per Share Consideration						
Less than \$23	—	225,362	—	76,622	—	56,339
Greater than or equal to \$23, less than \$30	183,696	116,666	36,956	39,666	27,173	29,166
Greater than or equal to \$30	300,362	—	77	—	56,339	—

Confidentiality, Non-Competition and Non-Solicitation Agreements

Our named executive officers have each entered into agreements containing confidentiality, non-compete and non-solicit covenants. Under the terms of these agreements, our named executive officers have agreed to refrain from disclosing our proprietary information in perpetuity and from competing with us or soliciting our clients, customers or employees for a period of 12 months following termination of their employment. Severance payments and benefits are conditioned upon a general extension of the period during which the named executive officer's non-competition covenants apply following a termination from 12 months to 24 months.

2018 Director Compensation

The following table presents certain information concerning the compensation of our non-employee directors for fiscal year 2018.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) ⁽⁴⁾	Total (\$)
George Bell	105,484	355,066	460,550
Marla Blow ⁽¹⁾⁽³⁾	38,695	113,519	152,214
William H. Harris Jr. ⁽¹⁾⁽³⁾	35,209	113,519	148,728
Chet Kapoor	—	—	—
Sanford Miller ⁽²⁾	—	—	—
Joanna Rees ⁽²⁾	14,025	—	14,025
I. Duncan Robertson ⁽³⁾	55,000	232,782	287,782
Laela Sturdy	—	—	—
Daniel S. Yoo ⁽³⁾	38,489	106,270	144,759

(1) Ms. Blow and Mr. Harris joined our board effective February 15, 2018.

(2) Mr. Miller and Ms. Rees resigned from our board effective May 15, 2018.

Mr. Harris, Mr. Robertson and Mr. Yoo elected to receive vested shares of common stock in lieu of their cash retainer fees for each quarter in 2018, and Ms. Blow elected to receive vested shares of common stock in lieu of her cash retainer fee for the first three quarters of 2018. In each case, the number of shares received was calculated (3) by dividing the amount of the cash retainer by the closing price of our common stock on the dates on which the cash retainer would have otherwise been paid. As a result, for their Board service in 2018, Ms. Blow, Mr. Harris, Mr. Robertson and Mr. Yoo were issued 1,265 shares, 1,635 shares, 2,883 shares and 2,094 shares of common stock, respectively, in lieu of cash.

Amounts represent the grant date fair value of equity awards granted during 2018, calculated in accordance with FASB ASC 718. The assumptions used by us with respect to the valuation of these equity awards are set forth in (4) Note 9 to our financial statements included in our Annual Report on Form 10-K, filed with the SEC on March 7, 2019.

Director Compensation Components

We do not currently maintain a formal director compensation program. We typically provide non-employee members of the Board who are not affiliated with our significant stockholders, or our non-affiliated directors, with cash-based and equity-based compensation for their service. Employee directors and directors affiliated with our significant stockholders do not receive additional compensation for their service as directors.

Cash Retainers

For 2018, the Board approved the payment of an annual cash retainer of \$35,000 to each non-affiliated director and additional cash retainers to our non-affiliated directors for service on committees of our Board as follows: \$73,750 to Mr. Bell, which includes \$50,000 for his service as lead independent director, \$7,500 for his service as a member of the audit committee, \$6,250 for his service as nominating and governance committee chair and \$10,000 for his service as compensation committee chair; \$7,500 to Ms. Blow for her service as a member of the audit committee; \$3,000 to Mr. Harris for his service as a member of the nominating and governance committee; \$7,500 to Ms. Rees for her service as a member of the audit committee; \$20,000 to Mr. Robertson for his service as audit committee chair; and \$5,000 to Mr. Yoo for his service as a member of the compensation committee. The cash retainers were accrued quarterly in arrears and pro-rated in the case of Ms. Blow, Mr. Harris, Ms. Rees and Mr. Yoo to reflect their partial years of service on the board or specific committees, as applicable, in 2018. The annual retainers may be paid in vested common stock or cash, at the director's election. Mr. Harris, Mr. Robertson and Mr. Yoo elected to receive vested shares of common stock in lieu of their cash retainer fees for each quarter in 2018, and Ms. Blow elected to receive vested shares of common stock in lieu of her cash retainer fee for the first three quarters of 2018. As a result, for their Board service in 2018, Ms. Blow, Mr. Harris, Mr. Robertson and Mr. Yoo were issued 1,265 shares, 1,635 shares, 2,883 shares and 2,094 shares, respectively, in lieu of cash.

Equity Compensation

For 2018, the Board also approved the grant of RSUs to our non-affiliated directors. Mr. Bell, Ms. Blow, Mr. Harris, Mr. Robertson and Mr. Yoo received 8,403 RSUs, 5,602 RSUs, 5,602 RSUs, 8,403 RSUs and 5,602 RSUs, respectively, as compensation for service as directors, including in the case of Mr. Robertson, as audit committee chair and, in the case of Mr. Bell, as our lead independent director. The RSUs granted to Mr. Bell, Ms. Blow, Mr. Harris, Mr. Robertson and Mr. Yoo vest as to 25% of the underlying shares on March 9, 2019 and in equal quarterly installments over the three years thereafter.

In connection with their initial appointments to the Board, in February 2018, the Board granted each of Ms. Blow and Mr. Harris 420 RSUs that vest as to 25% of the underlying shares on March 9, 2019 and in equal quarterly installments over the three years thereafter.

In November 2018, the Board granted Mr. Bell and Mr. Robertson 10,810 RSUs and 4,054 RSUs, respectively, that vest as to 25% of the underlying shares on December 9, 2019 and in equal quarterly installments over the three years thereafter. These awards were made in recognition of the valuable roles that Mr. Bell and Mr. Robertson played in 2018 in connection with the Company's recent strategic acquisitions. In particular, Mr. Bell used his extensive and long-standing experience working with high-growth, technology-oriented companies to provide valuable strategic guidance to our management in connection with evaluating acquisition targets and negotiating transactions on favorable terms. In addition, the Company benefited from Mr. Robertson's financial expertise as it assessed the implications of potential acquisitions on the Company's balance sheet, profit and growth. Moreover, both directors devoted time in 2018 in excess of what is customarily expected of directors in the performance of their responsibilities. These one-time awards reflect the Board's judgment as to the value of these services to the Company. The table below shows the aggregate number of option awards (exercisable and unexercisable) and RSUs held as of December 29, 2018 by each non-employee director.

	Options Outstanding at Year End	RSUs Outstanding as of Year End
George Bell	—	20,854
Marla Blow ⁽¹⁾	—	6,022
William H. Harris Jr. ⁽¹⁾	—	6,022
Chet Kapoor	—	—
Sanford Miller ⁽²⁾	—	—
Joanna Rees ⁽²⁾	—	—
I. Duncan Robertson	76,996	20,434
Laela Sturdy	—	—
Daniel S. Yoo	3,451	7,459

(1) Ms. Blow and Mr. Harris joined our board effective February 15, 2018.

(2) Mr. Miller and Ms. Rees resigned from our board effective May 15, 2018.

Adjustments to Compensation for General Board Services

In late 2018, the compensation committee directed Compensia, its external compensation consultant, to conduct an analysis of our director compensation. For this purpose, Compensia analyzed the Board of Directors' compensation arrangements for the companies in our compensation peer group and prepared a report for review and consideration by the compensation committee. In February 2019, following an evaluation of Compensia's analysis, and after taking into consideration the relative positioning of our compensation levels for general Board service against our peer group, as well as the current roles and responsibilities of the non-employee members of the Board, and noting the increased

workload of the Board during 2018 (as reflected in the increased number of Board meetings and preparation time during the year compared to prior years) and its expectations that such increased workload was likely to continue in 2019, the compensation committee determined to set the cash and equity compensation levels for general board service in 2019 as follows, effective January 1, 2019:

Annual Retainers

	Cash	RSUs ⁽¹⁾
Annual Board Retainer ⁽²⁾	\$40,000	\$125,000
Annual Retainers in addition to Annual Board Retainer:		
Lead Independent Director	\$50,000	\$50,000
Audit Committee Chair	\$20,000	\$50,000
Compensation Committee Chair	\$10,000	\$0
Safety and Cybersecurity Committee Chair ⁽³⁾	\$10,000	\$0
Nominating and Governance Committee Chair	\$6,250	\$0
Audit Committee Member	\$7,500	\$0
Compensation Committee Member	\$5,000	\$0
Safety and Cybersecurity Committee Member ⁽³⁾	\$5,000	\$0
Nominating and Governance Committee Member	\$3,000	\$0

The number of RSUs granted will be determined by dividing the amount shown by the average closing price for (1) the 30-day period preceding the date of grant. RSUs vest as to 25% of the underlying shares on the first anniversary of the date of grant, and in equal quarterly installments over the three years thereafter.

(2) Increased from an annual cash retainer of \$35,000 and RSUs having a grant date fair value of \$100,000 in 2018.

The safety and cybersecurity committee was formed by the Board in March 2019. The 2019 retainers for service on (3) the safety and cybersecurity committee were approved by the Board, and were not the subject of Compensia's analysis or recommendation.

EQUITY COMPENSATION PLAN INFORMATION

The following table presents information as of December 29, 2018 with respect to compensation plans under which our equity securities are authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽²⁾	Weighted-average exercise price of outstanding options, warrants and rights ⁽³⁾	Number of securities remaining available for future issuance under equity compensation plans ⁽⁴⁾
Equity compensation plans approved by security holders ⁽¹⁾	5,647,109	\$9.13	2,591,273
Equity compensation plans not approved by security holders	0	\$0	0
Total	5,647,109	\$9.13	2,591,273

- (1) Consists of our 2006 Stock Incentive Plan and our 2014 Incentive Award Plan.

Consists of 3,523,745 shares of our common stock issuable upon the exercise of outstanding options awarded under our 2006 Stock Incentive Plan and our 2014 Incentive Award Plan, 1,224,142 shares of our common stock issuable upon the vesting of restricted stock units subject to time-based vesting issued under our 2014 Incentive Award Plan, 340,331 shares of our common stock issuable upon the vesting of restricted stock units subject to the attainment of certain performance conditions issued under our 2014 Incentive Award Plan, and 558,891 shares of our common stock issuable upon the vesting of restricted stock units subject to the attainment of certain closing share price targets. In February 2019, we determined that we had achieved against the performance conditions sufficient for 20.1% of the performance-based restricted stock units to become eligible to vest over time, with the remainder being forfeited.

- (3) Does not include restricted stock units, which have no exercise price.

As of December 29, 2018, there were no securities available for future issuance under the 2006 Stock Incentive Plan. Pursuant to the terms of our 2014 Incentive Award Plan, the number of shares of common stock available for issuance under the 2014 Incentive Award Plan automatically increases on January 1 of each calendar year, beginning in 2015 and ending in 2019, by an amount equal to the lesser of: (a) 4% of the shares of common stock outstanding (on an as-converted basis) on the final day of the immediately preceding calendar year and (b) such smaller number of shares as is determined by our Board.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information with respect to the beneficial ownership of our common stock as of April 17, 2019 by:

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

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC and percentage ownership is based on 32,442,536 shares of common stock outstanding as of April 17, 2019. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock issuable to such person upon conversion of preferred stock, shares subject to options, warrants or other rights held by such person that are currently exercisable or will become exercisable, and shares of our common stock that may be acquired upon the vesting of restricted stock units, in each case within 60 days of April 17, 2019, are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person. Unless otherwise indicated, the address of all listed stockholders is c/o Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451. Each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage Outstanding
5% Stockholders		
CapitalG LP ⁽¹⁾	5,175,180	13.8%
BlackRock, Inc. ⁽²⁾	3,980,778	12.3%
Capital Research Global Investors ⁽³⁾	3,415,100	10.5%
Entities affiliated with Tenzing Global Management LLC ⁽⁴⁾	2,450,000	7.6%
Portolan Capital Management, LLC ⁽⁵⁾	1,903,264	5.9%
Renaissance Technologies LLC ⁽⁶⁾	1,635,700	5.0%
Named Executive Officers and Directors		
Sheila Lirio Marcelo ⁽⁷⁾	2,805,366	8.3%
Michael Echenberg ⁽⁸⁾	121,812	*
David Krupinski ⁽⁹⁾	288,884	*
George Bell ⁽¹⁰⁾	19,690	*
Marla Blow ⁽¹¹⁾	3,146	*
William H. Harris, Jr. ⁽¹²⁾	3,516	*
Chet Kapoor ⁽¹³⁾	2,450,000	7.6%
I. Duncan Robertson ⁽¹⁴⁾	86,631	*
Laela Sturdy ⁽¹⁵⁾	5,175,180	13.8%
Daniel S. Yoo ⁽¹⁶⁾	9,724	*

All executive officers and directors as a group (eleven persons)⁽¹⁷⁾ 11,075,443 28.1%

* Less than 1%

Consists of 46,350 shares of convertible preferred stock held directly by CapitalG LP and convertible into our common stock, subject to certain conditions and adjustments. CapitalG GP LLC, the general partner of CapitalG LP; Alphabet Holdings LLC, the managing member of CapitalG GP LLC; XXVI Holdings Inc., the managing member of Alphabet Holdings LLC; and Alphabet Inc., the controlling stockholder of XXVI Holdings Inc., may each be deemed to have sole voting and dispositive power with respect to these shares. Laela Sturdy, a member of our board of directors, is a partner of CapitalG LP. The address for CapitalG LP is 1600 Amphitheatre Parkway, Mountain View, California 94043.

Based solely on information as of December 31, 2018 contained in a Schedule 13G/A filed with the SEC by BlackRock, Inc. on February 11, 2019, which also indicates that it has sole voting power with respect to 3,865,794 shares, and sole dispositive power with respect to 3,980,778 shares. The address of BlackRock, Inc. is 55 East 52nd Street, New York, NY 10055.

Based solely on information as of December 31, 2018 contained in a Schedule 13G/A filed with the SEC by Capital Research Global Investors on February 14, 2019. The address of Capital Research Global Investors is 333 South Hope Street, Los Angeles, CA 90071.

Consists of (a) 1,757,790 shares held by Tenzing Global Investors Fund I LP, or Fund I, and (b) 692,210 shares held in discretionary accounts, or the Parallel Account, managed by Tenzing Global Management LLC, or Tenzing Global Management. Tenzing Global Management acts as the investment advisor of Fund I. Chet Kapoor is the managing partner of Tenzing Global Management and Tenzing Global Investors LLC, or Tenzing Global Investors, which is the general partner of Fund I. Tenzing Global Investors may be deemed to have shared voting and dispositive power with respect to the shares held by Fund I. Tenzing Global Management and Mr. Kapoor may be deemed to share voting and dispositive power with respect to the shares held by Fund I and the Parallel Account. For voting arrangements among the Company, Tenzing Global Management LLC, Tenzing Global Investors LLC, Tenzing Global Investors Fund I LP and Chet Kapoor, see “Corporate Governance - Nomination and Standstill Agreement and Appointment of Chet Kapoor to the Board of Directors.” The address for Tenzing Global

Management is 90 New Montgomery Street, Suite 650, San Francisco, CA 94105.

(5) Based solely on information as of December 31, 2018 contained in a Schedule 13G/A filed with the SEC by Portolan Capital Management, LLC on February 13, 2019. George McCabe is the Manager of Portolan Capital Management, LLC. The address for Portolan Capital Management, LLC is 2 International Place, Fl. 26, Boston, MA 02110.

- Based solely on information as of December 31, 2018 contained in a Schedule 13G filed with the SEC by
- (6) Renaissance Technologies LLC on February 12, 2019. The address of Renaissance Technologies LLC is 800 Third Avenue, New York, NY 10022.
- Consists of (a) 1,105,069 shares held directly by Ms. Marcelo, (b) 276,322 shares held by The Sheila L. Marcelo 2012 Family Trust, of which Ms. Marcelo is the trustee, (c) 13,111 shares held directly by Ms. Marcelo's spouse, (d) 1,362,946 shares issuable to Ms. Marcelo upon exercise of stock options exercisable within 60 days of April 17, 2019, (e) 21,711 shares issuable to Ms. Marcelo upon vesting of restricted stock units within 60 days of April 17, 2019, (f) 25,103 shares issuable to Ms. Marcelo's spouse upon exercise of stock options exercisable within 60 days of April 17, 2019 and (g) 1,104 shares issuable to Ms. Marcelo's spouse upon vesting of restricted stock units within 60 days of April 17, 2019.
- Consists of (a) 44,788 shares held directly by Mr. Echenberg, (b) 61,711 shares issuable upon exercise of stock (8) options exercisable within 60 days of April 17, 2019 and (c) 15,313 shares issuable to Mr. Echenberg upon vesting of restricted stock units within 60 days of April 17, 2019.
- Consists of (a) 150,354 shares held directly by Mr. Krupinski, (b) 131,790 shares issuable to Mr. Krupinski upon (9) exercise of stock options exercisable within 60 days of April 17, 2019 and (c) 6,740 shares issuable to Mr. Echenberg upon vesting of restricted stock units within 60 days of April 17, 2019.
- (10) Consists of (a) 18,344 shares held directly by Mr. Bell and (b) 1,346 shares issuable to Mr. Bell upon vesting of restricted stock units within 60 days of April 17, 2019.
- (11) Consists of (a) 2,770 shares held directly by Ms. Blow and (b) 376 shares issuable to Ms. Blow upon vesting of restricted stock units within 60 days of April 17, 2019.
- (12) Consists of (a) 3,140 shares held directly by Mr. Harris and (b) 376 shares issuable to Mr. Harris upon vesting of restricted stock units within 60 days of April 17, 2019.
- (13) Consists of shares described in Note 4 above. The shares held by Fund I and the Parallel Account are maintained in a brokerage margin account and as such have been pledged as security for the account.
- Consists of (a) 20,595 shares held directly by Mr. Robertson, (b) 64,359 shares issuable to Mr. Robertson upon (14) exercise of stock options exercisable within 60 days of April 17, 2019 and (c) 1,677 shares issuable to Mr. Robertson upon vesting of restricted stock units within 60 days of April 17, 2019.
- (15) Consists of shares described in Note 1 above.
- Consists of (a) 7,515 shares held directly by Mr. Yoo, (b) 1,293 shares issuable to Mr. Yoo upon exercise of stock (16) options exercisable within 60 days of April 17, 2019 and (c) 916 shares issuable to Mr. Yoo upon vesting of restricted stock units within 60 days of April 17, 2019.
- (17) See footnotes 7 through 16 above. Includes (a) 35,603 shares held directly by an executive officer not listed in the table above, (b) 69,762 shares issuable upon the exercise of stock options exercisable within 60 days of April 17, 2019 that are beneficially owned by such executive officer and (c) 6,129 shares issuable to to such executive officer upon vesting of restricted stock units within 60 days of April 17, 2019.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors, executive officers and persons who own more than 10% of a registered class of the Company's equity securities (collectively, the "Reporting Persons"), to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Company. All Reporting Persons are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. Based solely on our review of the copies of such forms received by us and upon written representations of the Reporting Persons received by us, we believe that there has been compliance with all Section 16(a) filing requirements applicable to such Reporting Persons with respect to the year ended December 29, 2018, except that due to administrative oversight:

- one late Form 4 for Mr. Robertson was reported on a Form 5 filed on February 12, 2019, reporting a March 9, 2018 grant of restricted stock units.
- one late Form 5 for Ms. Marcelo was filed on February 12, 2019, and amended on March 11, 2019, reporting (1) an October 20, 2017 transfer of common stock from a grantor-retained annuity trust to a family trust of which Ms. Marcelo is a trustee and (2) gifts of common stock on December 16, 2018, December 20, 2018 and December 27, 2018.

ADDITIONAL INFORMATION

Householding of Proxy Materials

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single Internet Notice or proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies.

Brokers with account holders who are Care.com stockholders may be "householding" our proxy materials. A single Internet Notice or proxy statement may be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you notify your broker or the Company that you no longer wish to participate in "householding."

If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate Internet Notice or proxy materials, you may (1) notify your broker, (2) direct your written request to: Corporate Secretary, Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451 or (3) contact our Investor Relations department by telephone at (781) 795-7244 or via email at investors@care.com. Stockholders who currently receive multiple copies of the Internet Notice or proxy materials at their address and would like to request "householding" of their communications should contact their broker. In addition, the Company will promptly deliver, upon written or oral request to the address or telephone number above, a separate copy of the annual report and proxy statement to a stockholder at a shared address to which a single copy of the documents was delivered.

Other Matters

As of the date of this Proxy Statement, the Board does not intend to present any matters other than those described herein at the Annual Meeting and is unaware of any matters to be presented by other parties. If other matters are properly brought before the meeting for action by the stockholders, proxies will be voted in accordance with the recommendation of the Board or, in the absence of such a recommendation, in accordance with the judgment of the proxy holder.

Annual Reports

The 2018 Annual Report to Stockholders is being mailed with this Proxy Statement to those stockholders that received a copy of the proxy materials in the mail. Requests for copies of our 2018 Annual Report to Stockholders may also be directed to the Corporate Secretary, Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451. We have filed our Annual Report on Form 10-K for the fiscal year ended December 29, 2018 with the SEC. It is available free of charge at the SEC's web site at www.sec.gov. Upon written request by a Care.com stockholder, we will mail without charge a copy of our Annual Report on Form 10-K, including the financial statements and financial statement schedules, but excluding exhibits to the Annual Report on Form 10-K. Exhibits to the Annual Report on Form 10-K are available upon payment of a reasonable fee, which is limited to our expenses in furnishing the requested exhibit. All requests should be directed to the Corporate Secretary, Care.com, Inc., 77 Fourth Avenue, 5th Floor, Waltham, Massachusetts 02451.

By Order of the Board of Directors

Diane M. Musi

General Counsel and Corporate Secretary

April 26, 2019

