UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______ to ______

Commission file number 000-25711

EXTREME NETWORKS, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	**77-0430270**
[State or other jurisdiction of incorporation or organization]	**[I.R.S Employer Identification No.]**
6480 Via Del Oro, San Jose, California	**95119**
[Address of principal executive office]	**[Zip Code]**

Registrant's telephone number, including area code: (408) 579-2800

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer		Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	EXTR	NASDAQ Global Market

As of at May 6, 2019, the registrant had 118,755,309 shares of common stock, $0.001 par value per share, outstanding.

EXTREME NETWORKS, INC.

FORM 10-Q

QUARTERLY PERIOD ENDED

March 31, 2019

INDEX

EXTREME NETWORKS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except per share amounts)

(Unaudited)

		March 31, 2019		June 30, 2018
ASSETS				
Current assets:				
Cash	$	156,813	$	121,139
Accounts receivable, net of allowance for doubtful accounts of $1,761 at March 31, 2019 and $1,478 at June 30, 2018		141,455		212,423
Inventories		57,645		63,867
Prepaid expenses and other current assets		34,684		30,484
Total current assets		390,597		427,913
Property and equipment, net		73,057		78,519
Intangible assets, net		57,362		77,092
Goodwill		138,577		139,082
Other assets		51,917		47,642
Total assets	$	711,510	$	770,248
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Current portion of long-term debt	$	9,009	$	9,007
Accounts payable		49,143		75,689
Accrued compensation and benefits		32,849		50,351
Accrued warranty		13,206		12,807
Current portion of deferred revenue		136,452		130,865
Other accrued liabilities		62,088		81,153
Total current liabilities		302,747		359,872
Deferred revenue, less current portion		51,269		43,660
Long-term debt, less current portion		171,993		188,749
Deferred income taxes		1,844		6,135
Other long-term liabilities		57,689		59,100
Commitments and contingencies (Note 9)				
Stockholders' equity:				
Convertible preferred stock, $.001 par value, issuable in series, 2,000 shares authorized; none issued		—		—
Common stock, $.001 par value, 750,000 shares authorized; 121,035 and 116,124 shares issued, respectively; 118,669 and 116,124 shares outstanding, respectively		121		116
Additional paid-in-capital		979,775		942,397
Accumulated other comprehensive loss		(2,549)		(1,703)
Accumulated deficit		(836,379)		(828,078)
Treasury stock at cost: 2,366 and 0 shares, respectively		(15,000)		-
Total stockholders' equity		125,968		112,732
Total liabilities and stockholders' equity	$	711,510	$	770,248

See accompanying notes to condensed consolidated financial statements.

EXTREME NETWORKS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Net revenues:				
Product	$ 190,740	$ 203,527	$ 558,027	$ 543,151
Service	60,124	58,477	185,403	161,691
Total net revenues	250,864	262,004	743,430	704,842
Cost of revenues:				
Product	86,876	94,485	256,906	253,002
Service	25,069	24,536	74,235	67,490
Total cost of revenues	111,945	119,021	331,141	320,492
Gross profit:				
Product	103,864	109,042	301,121	290,149
Service	35,055	33,941	111,168	94,201
Total gross profit	138,919	142,983	412,289	384,350
Operating expenses:				
Research and development	52,081	50,920	155,526	131,112
Sales and marketing	72,321	72,240	208,245	193,460
General and administrative	15,479	11,707	42,136	35,561
Acquisition and integration costs, net of bargain purchase gain	—	9,316	2,613	47,675
Restructuring charges, net of reversals	—	4,920	1,282	4,920
Amortization of intangibles	1,292	2,101	5,008	6,461
Total operating expenses	141,173	151,204	414,810	419,189
Operating loss	(2,254)	(8,221)	(2,521)	(34,839)
Interest income	628	740	1,665	2,104
Interest expense	(2,996)	(4,044)	(9,588)	(8,763)
Other (expense) income, net	(433)	(359)	(345)	2,125
Loss before income taxes	(5,055)	(11,884)	(10,789)	(39,373)
Provision (benefit) for income taxes	1,877	1,729	(1,991)	1,787
Net loss	$ (6,932)	$ (13,613)	$ (8,798)	$ (41,160)
Basic and diluted net loss per share:				
Net loss per share - basic	$ (0.06)	$ (0.12)	$ (0.07)	$ (0.36)
Net loss per share - diluted	$ (0.06)	$ (0.12)	$ (0.07)	$ (0.36)
Shares used in per share calculation - basic	117,944	115,059	117,619	113,641
Shares used in per share calculation - diluted	117,944	115,059	117,619	113,641

See accompanying notes to condensed consolidated financial statements.

EXTREME NETWORKS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Net loss	$ (6,932)	$ (13,613)	$ (8,798)	$ (41,160)
Other comprehensive income (loss), net of tax:				
Available for sale securities:				
Change in unrealized gains on available for sale securities	—	503	—	740
Net change in foreign currency translation adjustments	176	304	(349)	1,091
Other comprehensive income (loss), net of tax:	176	807	(349)	1,831
Total comprehensive loss	$ (6,756)	$ (12,806)	$ (9,147)	$ (39,329)

See accompanying notes to condensed consolidated financial statements.

EXTREME NETWORKS, INC.

CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(in thousands)

	Common Stock				Treasury Stock			
	Shares	Amount	Additional Paid-In-Capital	Accumulated Other Comprehensive Loss	Shares	Amount	Accumulated Deficit	Total Stockholders' Equity
Balance at December 31, 2017	113,931	114	921,716	(1,278)	—	—	(808,833)	111,719
Net loss	—	—	—	—	—	—	(13,613)	(13,613)
Other comprehensive income	—	—	—	807	—	—	—	807
Issuance of common stock from equity incentive plans, net of tax	1,822	2	6,194	—	—	—	—	6,196
Share-based compensation	—	—	7,818	—	—	—	—	7,818
Balance at March 31, 2018	115,753	116	935,728	(471)	—	—	(822,446)	$ 112,927
Balance at June 30, 2017	110,925	$ 111	$ 909,155	$ (2,302)	—	—	$ (781,286)	$ 125,678
Net loss	—	—	—	—	—	—	(41,160)	(41,160)
Other comprehensive income	—	—	—	1,831	—	—	—	1,831
Issuance of common stock from equity incentive plans, net of tax	4,828	5	4,654	—	—	—	—	4,659
Share-based compensation	—	—	19,646	—	—	—	—	19,646
Stock awards granted in connection with acquisition	—	—	2,273	—	—	—	—	2,273
Balance at March 31, 2018	115,753	116	935,728	(471)	—	—	(822,446)	$ 112,927
Balance at December 31, 2018	119,089	119	962,924	(2,725)	(2,366)	(15,000)	(829,447)	115,871
Net loss	—	—	—	—	—	—	(6,932)	(6,932)
Other comprehensive income	—	—	—	176	—	—	—	176
Issuance of common stock from equity incentive plans, net of tax	1,946	2	8,037	—	—	—	—	8,039
Share-based compensation	—	—	8,814	—	—	—	—	8,814
Balance at March 31, 2019	121,035	121	979,775	(2,549)	(2,366)	(15,000)	(836,379)	$ 125,968
Balance at June 30, 2018	116,124	116	942,397	(1,703)	—	—	(828,078)	112,732
Cumulative effect of adopting ASU 2016-01	—	—	—	(497)	—	—	497	—
Net loss	—	—	—	—	—	—	(8,798)	(8,798)
Other comprehensive income	—	—	—	(349)	—	—	—	(349)
Issuance of common stock from equity incentive plans, net of tax	4,911	5	13,039	—	—	—	—	13,044
Repurchase of stock	—	—	—	—	(2,366)	(15,000)	—	(15,000)
Share-based compensation	—	—	24,339	—	—	—	—	24,339
Balance at March 31, 2019	121,035	121	979,775	(2,549)	(2,366)	(15,000)	(836,379)	$ 125,968

See accompanying notes to condensed consolidated financial statements.

EXTREME NETWORKS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Nine Months Ended	
	March 31, 2019	March 31, 2018
Cash flows from operating activities:		
Net loss	$ (8,798)	$ (41,160)
Adjustments to reconcile net loss to net cash provided by (used in) provided by operating activities:		
Depreciation	20,026	15,417
Amortization of intangible assets	19,734	17,771
Provision for doubtful accounts	1,369	1,566
Stock-based compensation	24,339	19,646
Deferred income taxes	(6,030)	(1,900)
Unrealized/realized loss (gain) on equity investment	—	(3,757)
Realized gain on bargain purchase	—	(5,030)
Non-cash interest	2,308	2,113
Other	15	328
Changes in operating assets and liabilities, net of acquisitions		
Accounts receivable	69,328	(45,376)
Inventories	6,222	5,122
Prepaid expenses and other assets	(6,993)	(3,711)
Accounts payable	(26,348)	28,912
Accrued compensation and benefits	(17,502)	(4,779)
Deferred revenue	13,197	10,365
Other current and long-term liabilities	(11,365)	2,743
Net cash provided by (used in) operating activities	79,502	(1,730)
Cash flows from investing activities:		
Capital expenditures	(16,181)	(21,999)
Business acquisitions	—	(97,581)
Proceeds from sale of investment	727	4,922
Net cash used in investing activities	(15,454)	(114,658)
Cash flows from financing activities:		
Borrowings under Term Loan	—	100,000
Repayments of debt	(17,403)	(13,278)
Loan fees on borrowings	(545)	(1,494)
Repurchase of stock	(15,000)	—
Proceeds from issuance of common stock, net of tax withholding	13,044	4,657
Contingent consideration obligations	(5,274)	(671)
Deferred payments on an acquisition	(3,000)	—
Net cash (used in) provided by financing activities	(28,178)	89,214
Foreign currency effect on cash	(196)	(99)
Net increase (decrease) in cash	35,674	(27,273)
Cash at beginning of period	121,139	130,450
Cash at end of period	$ 156,813	$ 103,177

See accompanying notes to the condensed consolidated financial statements.

1. Description of Business and Basis of Presentation

Extreme Networks, Inc., together with its subsidiaries (collectively referred to as "Extreme" or the "Company"), is a leader in providing software-driven networking solutions for enterprise customers. The Company conducts its sales and marketing activities on a worldwide basis through distributors, resellers and the Company's field sales organization. Extreme was incorporated in California in 1996 and reincorporated in Delaware in 1999.

The unaudited condensed consolidated financial statements of Extreme included herein have been prepared under the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted under such rules and regulations. The condensed consolidated balance sheet at June 30, 2018 was derived from audited financial statements as of that date but does not include all disclosures required by generally accepted accounting principles for complete financial statements. These interim financial statements and notes should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2018.

The unaudited condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments that, in the opinion of management, are necessary for a fair presentation of the results of operations and cash flows for the interim periods presented and the financial condition of Extreme at March 31, 2019. The results of operations for the three and nine months ended March 31, 2019 are not necessarily indicative of the results that may be expected for fiscal 2019 or any future periods.

Fiscal Year

The Company uses a fiscal calendar year ending on June 30. All references herein to "fiscal 2019" or "2019" represent the fiscal year ending June 30, 2019. All references herein to "fiscal 2018" or "2018" represent the fiscal year ended June 30, 2018.

Principles of Consolidation

The consolidated financial statements include the accounts of Extreme and its wholly-owned subsidiaries. All inter-company accounts and transactions have been eliminated.

The Company predominantly uses the United States Dollar as its functional currency. The functional currency for certain of its foreign subsidiaries is the local currency. For those subsidiaries that operate in a local functional currency environment, all assets and liabilities are translated to United States Dollars at current month end rates of exchange; and revenue and expenses are translated using the monthly average rate.

Accounting Estimates

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

2. Summary of Significant Accounting Policies

For a description of significant accounting policies, see Note 3, Summary of Significant Accounting Policies, to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2018. There have been no material changes to the Company's significant accounting policies since the filing of the Annual Report on Form 10-K.

Recently Adopted Accounting Pronouncements

In January 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, which provides guidance for the recognition, measurement, presentation, and disclosure of financial assets and liabilities. The guidance was adopted effective July 1, 2018 and the Company reclassified a $0.5 million unrealized gain, net of tax, related to its available-for-sale investments from accumulated other comprehensive loss to accumulated deficit as a cumulative-effect adjustment in the accompanying condensed consolidated balance sheets. Future changes in fair value will be included in earnings in each period.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments* to provide guidance on the classification of eight cash flow issues in order to reduce diversity in practice. The Company adopted the new guidance effective July 1, 2018. The amendments in this update have been applied on a retrospective transition method to each period presented. The adoption of this guidance did not have a material effect on the Company's presentation of cash flows.

In October 2016, the FASB issued ASU 2016-16, *Income Taxes (Topic 740) - Intra-Entity Transfers of Assets Other Than Inventory*, which requires an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. Historically GAAP had prohibited the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold outside the consolidated group. The new guidance is effective for interim and annual reporting periods beginning after December 15, 2017. The Company adopted ASU 2016-16 effective July 1, 2018 on a modified retrospective basis. The adoption of this guidance did not have a material effect on the Company's financial statements.

In May 2017, the FASB issued ASU 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting*, which amends the scope of modification accounting for share-based payment arrangements and provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under Topic 718. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions, and classification of the awards are the same immediately before and after the modification. The Company adopted this guidance effective July 1, 2018, on a prospective basis. The adoption of this guidance did not have a material effect on the Company's financial statements.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires the identification of arrangements that should be accounted for as leases by lessees and lessors. In general, for lease arrangements exceeding a twelve-month term, these arrangements must now be recognized as assets and liabilities on the balance sheet of the lessee. Under Topic 842, a right-of-use asset and lease obligation will be recorded for all leases, whether operating or financing, while the statement of operations will reflect lease expense for operating leases and amortization/interest expense for financing leases. The balance sheet amount recorded for existing leases at the date of adoption of Topic 842 must be calculated using the applicable incremental borrowing rate at the date of adoption. Topic 842 is applied on the modified retrospective method through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. In addition, in December 2018 and March 2019, the FASB issued ASU No. 2018-20, *Leases (Topic 842)* and ASU No. 2019-01, *Leases (Topic 842)*, respectively, which includes narrow-scope improvements for lessors to increase transparency and comparability about leasing transactions and addresses lessor implementation issues and clarifies that lessees and lessors are exempt from certain interim disclosure requirements. This guidance will become effective for the Company beginning with its fiscal year 2020, beginning on July 1, 2019. The Company's evaluation of the new standards are underway, and significant changes from the current guidance have been identified. The Company expects to elect certain available transitional guidance. The Company also currently expects to elect the short-term lease recognition exemption for all leases that qualify. This means, for those leases that qualify, the Company will not recognize right-of-use ("ROU") assets or lease liabilities, and this includes not recognizing ROU assets or lease liabilities for existing short-term leases of those assets in transition. In addition, the Company currently expects to elect the practical expedient to not separate lease and non-lease components for leases of vehicles and equipment. The Company has selected, and is in the process of implementing and testing a new lease accounting system and validating its results. While the Company continues to evaluate the effect of adopting Topic 842, it expects that these new standards will have a material impact to the Company's financial position. The Company will recognize ROU assets and lease liabilities on the consolidated balance sheets with corresponding ROU assets at the same amount as the lease liability based on the present value of the remaining minimum rental payments under current leasing standards for existing operating leases. The Company does not expect that the adoption of Topic 842 will have a material effect on operating income (loss) and net cash flows, however it will impact the classification between cash flows from operations and cash flows from financing activities.

In August 2017, the FASB issued ASU 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*, which is intended to allow companies to better align risk management activities and financial reporting for hedging relationships through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results by expanding and refining hedge accounting for both nonfinancial and financial risk components and aligning the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. In addition, in October 2018, the FASB issued ASU 2018-16, *Derivatives and Hedging* (*Topic 815*), which amends Topic 815 to add the overnight index swap ("OIS") rate based on the secured overnight financing rate as a fifth U.S. benchmark interest rate. These standards are effective for interim and annual reporting periods beginning after December 15, 2018. The Company is continuing to evaluate the accounting, transition and disclosure requirements of these standards, but does not believe it will have a material impact on the Company's financial statements upon adoption. This guidance is effective for the Company beginning with its fiscal year 2020, beginning on July 1, 2019.

In February 2018, the FASB issued ASU 2018-02, *Income Statement - Reporting Comprehensive Income (Topic 220)*, this standard that allows the reclassification from AOCI to retained earnings for stranded tax effects resulting from the 2017 Tax Cuts and Jobs Act ("Tax Reform Act"). The amount of the reclassification is the effect of the change in the U.S. federal corporate income tax rate on the gross deferred tax amounts and related valuation allowances related to items remaining in AOCI. This standard is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted, including adoption in any interim period, for reporting periods for which financial statements have not yet been issued. The new standard is to be applied either in the period of adoption or retrospectively to each period (or periods) in which the effects of the change in the income tax rate in the Tax Reform Act are recognized. Management is currently evaluating implementation options and impact on the Company's financial statements and related disclosures. This guidance is effective for the Company beginning with its fiscal year 2020, beginning on July 1, 2019.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820),* which removes, modifies and adds various disclosure requirements around the topic in order to clarify and improve the cost-benefit nature of disclosures. For example, disclosures around transfers between fair value hierarchy levels will be removed and further detail around changes in unrealized gains and losses for the period and unobservable inputs determining Level 3 fair value measurements will be added. This standard is effective for interim and annual reporting periods beginning after December 15, 2019, and early adoption is permitted. The Company is currently evaluating the impact the new standard will have on its condensed consolidated financial statements. This guidance is effective for the Company beginning with its fiscal year 2021, beginning on July 1, 2020.

In August 2018, the FASB issued ASU 2018-15, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40*), which aligns the requirements for capitalizing implementation costs incurred in a service contract hosting arrangement with those of developing or obtaining internal-use software. This standard is effective for interim and annual reporting periods beginning after December 15, 2019, and early adoption is permitted. The Company is currently evaluating the impact the new standard will have on its condensed consolidated financial statements. This guidance is effective for the Company beginning with its fiscal year 2021, beginning on July 1, 2020.

3. Revenues

The Company accounts for revenue in accordance with ASU 2014-09, *Revenue from Contracts from Customers* (Topic 606), which the Company adopted on July 1, 2017, using the retrospective method. The Company derives the majority of its revenue from sales of its networking equipment, with the remaining revenue generated from service fees primarily relating to maintenance contracts with additional revenues from professional services, and training for its products. The Company sells its products and maintenance contracts direct to customers and to partners in two distribution channels, or tiers. The first tier consists of a limited number of independent distributors that stock its products and sell primarily to resellers. The second tier of the distribution channel consists of non-stocking distributors and value-added resellers that sell directly to end-users. Products and services may be sold separately or in bundled packages.

Revenue Recognition

Performance Obligations. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in Topic 606. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Certain of the Company's contracts have multiple performance obligations, as the promise to transfer individual goods or services is separately identifiable from other promises in the contracts and, therefore, is distinct. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation based on its relative standalone selling price. The stand-alone selling prices are determined based on the prices at which the Company separately sells these products. For items that are not sold separately, the Company estimates the stand-alone selling prices using the best estimated selling price approach.

The Company's performance obligations are satisfied at a point in time or over time as work progresses. Substantially all of the Company's product sales revenue is recognized at a point in time. Substantially all of the Company's service revenue is recognized over time. For revenue recognized over time, the Company uses an input measure, days elapsed, to measure progress.

On March 31, 2019, the Company had $187.7 million of remaining performance obligations, which is comprised of deferred maintenance revenue and services not yet delivered. The Company expects to recognize approximately 29 percent of its remaining performance obligations as revenue in fiscal 2019, an additional 49 percent in fiscal 2020 and 22 percent of the balance thereafter.

Contract Balances. The timing of revenue recognition, billings and cash collections results in billed accounts receivable and deferred revenue in the consolidated balance sheet. Services provided under renewable support arrangements of the Company are billed in accordance with agreed-upon contractual terms, which are typically at periodic intervals (e.g., quarterly or annually). The Company sometimes receives payments from its customers in advance of services being provided, resulting in deferred revenues. These liabilities are reported on the consolidated balance sheet on a contract-by-contract basis at the end of each reporting period.

Revenue recognized for the three months ended March 31, 2019 and 2018 that was included in the deferred revenue balance at the beginning of each period was $54.8 million and $50.6 million, respectively. Revenue recognized for the nine months ended March 31, 2019 and 2018 that was included in the deferred revenue balance at the beginning of each period was $110.8 million and $66.7 million, respectively.

Contract Costs. The Company recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. Management expects that commission fees paid to sales representatives as a result of obtaining service contracts and contract renewals are recoverable and therefore the Company's consolidated balance sheets included capitalized balances in the amount of $5.6 million and $4.3 million at March 31, 2019 and June 30, 2018, respectively. Capitalized commission fees are amortized on a straight-line basis over the average period of service contracts of approximately three years, and are included in "Sales and marketing" in the accompanying condensed consolidated statements of operations. Amortization recognized during the three months ended March 31, 2019 and 2018, was $0.8 million and $0.5 million, respectively. Amortization recognized during the nine months ended March 31, 2019 and 2018 was $2.2 million and $1.4 million, respectively. There was no impairment loss in relation to the costs capitalized.

Estimated Variable Consideration. There were no material changes in the current period to the estimated variable consideration for performance obligations which were satisfied or partially satisfied during previous periods.

Revenue by Category

The following table sets forth the Company's revenue disaggregated by sales channel and geographic region based on the customer's ship-to locations (in thousands):

	Three Months Ended					
	March 31, 2019			March 31, 2018		
	Distributor	Direct	Total	Distributor	Direct	Total
Americas:						
United States	$ 72,071	$ 56,096	$ 128,167	$ 76,392	$ 56,929	$ 133,321
Other	4,930	5,589	10,519	4,288	6,165	10,453
Total Americas	77,001	61,685	138,686	80,680	63,094	143,774
EMEA	48,834	35,076	83,910	58,668	36,120	94,788
APAC	4,850	23,418	28,268	3,085	20,357	23,442
Total net revenues	$ 130,685	$ 120,179	$ 250,864	$ 142,433	$ 119,571	$ 262,004

	Nine Months Ended					
	March 31, 2019			March 31, 2018		
	Distributor	Direct	Total	Distributor	Direct	Total
Americas:						
United States	$ 172,752	$ 171,359	$ 344,111	$ 181,415	$ 160,484	$ 341,899
Other	17,893	16,494	34,387	13,417	20,252	33,669
Total Americas	190,645	187,853	378,498	194,832	180,736	375,568
EMEA	190,041	98,687	288,728	165,856	97,647	263,503
APAC:	11,967	64,237	76,204	11,480	54,291	65,771
Total net revenues	$ 392,653	$ 350,777	$ 743,430	$ 372,168	$ 332,674	$ 704,842

Customer Concentrations

The Company performs ongoing credit evaluations of its customers and generally does not require collateral in exchange for credit.

The following table sets forth major customers accounting for 10% or more of the Company's net revenues:

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Tech Data Corporation	14%	14%	17%	13%
Westcon Group Inc.	12%	14%	13%	14%
Jenne Corporation	21%	13%	15%	11%

The following table sets forth major customers accounting for 10% or more of the Company's accounts receivable balance:

	March 31, 2019	June 30, 2018
Westcon Group Inc.	10%	*
Tech Data Corporation	*	17%
Jenne Corporation	31%	13%

* Less than 10% of accounts receivable

4. Business Combinations

Fiscal 2018 Acquisitions

Data Center Business

The Company completed its acquisition of the data center business (the "Data Center Business") of Brocade Communication Systems, Inc.'s ("Brocade") on October 27, 2017 (the "Data Center Closing Date"), pursuant to an Asset Purchase Agreement (the "Data Center Business APA") dated as of October 3, 2017, by and between the Company and Brocade for an aggregate purchase consideration of $84.3 million. Under the terms and conditions of the Data Center Business APA, the Company acquired customers, employees, technology and other assets of the Data Center Business as well as assumed certain contracts and other liabilities of the Data Center Business.

The following table below summarizes the final allocation of the tangible and identifiable intangible assets acquired and liabilities assumed (in thousands):

		Final Allocation
Accounts receivables		$ 33,488
Inventories		19,934
Prepaid expenses and other current assets		988
Property and equipment	(a)	19,442
Other assets		4,734
Accounts payable and accrued expenses		(16,494)
Deferred revenue		(33,025)
Net tangible assets acquired		29,067
Identifiable intangible assets		32,800
Goodwill	(a)	22,470
Total intangible assets acquired		55,270
Total net assets acquired		$ 84,337

(a) Includes an adjustment after the measurement period to record $0.5 million of additional property and equipment acquired at an international location.

Campus Fabric Business

The Company completed its acquisition of Avaya Inc.'s ("Avaya") fabric-based secure networking solutions and network security solutions business (the "Campus Fabric Business") on July 14, 2017, (the "Campus Fabric Business Closing Date") pursuant to an Asset Purchase Agreement (the "Campus Fabric Business APA") dated March 7, 2017. Under the terms and conditions of the Campus Fabric Business APA, the Company acquired the customers, employees, technology and other assets of the Campus Fabric Business, as well as assumed certain contracts and other liabilities of the Campus Fabric Business, for total consideration of $79.4 million.

The following table below summarizes the final allocation of the tangible and identifiable intangible assets acquired and liabilities assumed (in thousands):

		Final Allocation
Accounts receivables	$	19,527
Inventories		14,165
Prepaid expenses and other current assets		240
Property and equipment		5,406
Other assets		7,009
Accounts payable and accrued expenses		(31,670)
Deferred revenue		(8,994)
Other long-term liabilities		(5,849)
Net tangible assets acquired		(166)
Identifiable intangible assets		41,300
In-process research and development		2,400
Goodwill		35,892
Total intangible assets acquired		79,592
Total net assets acquired	$	79,426

Capital Financing Business

On December 1, 2017, Company completed its acquisition of a capital financing business (the "CF Business"), pursuant to a Bill of Sale and Assignment and Assumption Agreement (the "Assumption Agreement") between the Company and Broadcom. Under the terms and conditions of the Assumption Agreement, the Company acquired customers, employees, contracts and lease equipment of the CF Business equal to the earn out payments to Broadcom of 90% of acquired financing receivables to be collected commencing at the closing date.

Net assets acquired included financing receivables of $13.7 million, lease equipment of $3.5 million and identifiable intangible assets of $0.8 million, and the fair value of the contingent consideration was $13.0 million. As the preliminary fair value of the net assets acquired exceeded the fair value of the purchase consideration, the Company recorded a bargain purchase gain of $5.0 million.

Pro forma financial information

The following unaudited pro forma results of operations are presented as though the acquisitions of the Data Center Business, CF Business and Campus Fabric Business had occurred as of the beginning of fiscal 2017, after giving effect to purchase accounting adjustments relating to inventories, deferred revenue, depreciation and amortization on acquired property and equipment and intangibles, acquisition costs, interest income and expense and related tax effects.

The pro forma results of operations are not necessarily indicative of the combined results that would have occurred had the acquisition been consummated as of the beginning of fiscal 2017, nor are they necessarily indicative of future operating results. The unaudited pro forma results do not include the impact of synergies, nor any potential impacts on current or future market conditions which could alter the unaudited pro forma results.

The unaudited pro forma financial information for the nine months ended March 31, 2018 combines the historical results for Extreme for those periods, which include the results of the Data Center Business, CF Business and Campus Fabric business subsequent to the acquisition date, with their historical results up to the acquisition date.

Pro forma results of operations from the Data Center Business, CF Business and Campus Fabric Business acquisitions included in the pro forma results of operations for the three and nine months ended March 31, 2018, have not been adjusted for the adoption of Topic 606 because the Company determined it is impractical to estimate the impact of the adoption.

The following table summarizes the unaudited pro forma financial information (in thousands, except per share amounts):

	Nine Months Ended March 31, 2018
Net revenues	$ 799,044
Net income (loss)	$ (21,235)
Net income (loss) per share - basic	$ (0.19)
Net income (loss) per share - diluted	$ (0.19)
Shares used in per share calculation - basic	113,641
Shares used in per share calculation - diluted	113,641

5. Balance Sheet Accounts

Cash and Marketable Securities

The following is a summary of cash and marketable securities (in thousands):

	March 31, 2019	June 30, 2018
Cash	$ 156,813	$ 121,139
Marketable securities (consisting of available-for-sale securities)	262	1,459
Total cash and marketable securities	$ 157,075	$ 122,598

Marketable equity securities are recorded in "Prepaid expense and other current assets" in the accompanying condensed consolidated balance sheets as these securities are publicly-traded with readily determinable values. Marketable equity securities are classified as available-for-sale and reported at fair value with unrealized gains and losses included in "Other (expense) income, net" in the accompanying condensed consolidated statements of operations.

Inventories

The Company values its inventory at lower of cost or net realizable value. Cost is computed using standard cost, which approximates actual cost, on a first-in, first-out basis. The Company adjusts the carrying value of its inventory when conditions exist that suggest that inventory may be in excess of anticipated demand or is obsolete based upon assumptions about future demand. At the point of the loss recognition, a new, lower-cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis. Any written down or obsolete inventory subsequently sold has not had a material impact on gross margin for any of the periods presented.

Inventories consist of the following (in thousands):

	March 31, 2019	June 30, 2018
Finished goods	$ 42,727	$ 49,393
Raw materials	14,918	14,474
Total Inventories	$ 57,645	$ 63,867

Property and Equipment, Net

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

	March 31, 2019	June 30, 2018
Computers and equipment	$ 72,201	$ 60,677
Purchased software	25,501	21,389
Office equipment, furniture and fixtures	11,710	14,980
Leasehold improvements	51,183	50,070
Total property and equipment	160,595	147,116
Less: accumulated depreciation and amortization	(87,538)	(68,597)
Property and equipment, net	$ 73,057	$ 78,519

Deferred Revenue

Deferred revenue represents amounts for (i) deferred maintenance and support revenue and (ii) other deferred revenue including professional services and training when the revenue recognition criteria have not been met.

Guarantees and Product Warranties

The Company's standard hardware warranty period is typically 12 months from the date of shipment to end-users and 90 days for software. For certain products, the Company offers a limited lifetime hardware warranty commencing on the date of shipment from the Company and ending five (5) years following the Company's announcement of the end of sale of such product. Upon shipment of products to its customers, the Company estimates expenses for the cost to repair or replace products that may be returned under warranty and accrues a liability in cost of product revenue for this amount. The determination of the Company's warranty requirements is based on actual historical experience with the product or product family, estimates of repair and replacement costs and any product warranty problems that are identified after shipment. The Company estimates and adjusts these accruals at each balance sheet date in accordance with changes in these factors.

The following table summarizes the activity related to the Company's product warranty liability during the three and nine months ended March 31, 2019 and 2018 (in thousands):

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Balance beginning of period	$ 12,808	$ 13,010	$ 12,807	$ 10,584
Warranties assumed due to acquisitions	—	—	—	3,682
New warranties issued	4,510	2,872	12,377	6,801
Warranty expenditures	(4,112)	(3,070)	(11,978)	(8,255)
Balance end of period	$ 13,206	$ 12,812	$ 13,206	$ 12,812

To facilitate sales of its products in the normal course of business, the Company indemnifies its resellers and end-user customers with respect to certain matters. The Company has agreed to hold the customer harmless against losses arising from a breach of intellectual property infringement or other. These agreements may limit the time within which an indemnification claim can be made and the amount of the claim. It is not possible to estimate the maximum potential amount under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Historically, payments made by the Company under these agreements have not had a material impact on its operating results or financial position.

Other long-term liabilities

The following is a summary of long-term liabilities (in thousands):

	March 31, 2019	June 30, 2018
Acquisition related deferred payments, less current portion	$ 10,526	$ 13,251
Contingent consideration obligations, less current portion	3,025	4,898
Other contractual obligations, less current portion	28,093	31,200
Other	16,045	9,751
Total other long-term liabilities	$ 57,689	$ 59,100

Concentrations

The Company may be subject to concentration of credit risk as a result of certain financial instruments consisting of accounts receivable and marketable securities. The Company does not invest an amount exceeding 10% of its combined cash or cash equivalents in the securities of any one obligor or maker, except for obligations of the United States government, obligations of United States government agencies and money market accounts.

6. Fair Value Measurements

A three-tier fair value hierarchy is utilized to prioritize the inputs used in measuring fair value. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels are defined as follows:

- Level 1 Inputs - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs - quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument; and
- Level 3 Inputs - unobservable inputs reflecting the Company's own assumptions in measuring the asset or liability at fair value.

The following table presents the Company's fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis (in thousands):

March 31, 2019	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Marketable securities	$ 262	$ —	$ —	$ 262
Total assets measured at fair value	$ 262	$ —	$ —	$ 262
Liabilities				
Acquisition-related contingent consideration obligations	$ —	$ —	$ 7,469	$ 7,469
Total liabilities measured at fair value	$ —	$ —	$ 7,469	$ 7,469

June 30, 2018	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Marketable securities	$ 1,459	$ —	$ —	$ 1,459
Total assets measured at fair value	$ 1,459	$ —	$ —	$ 1,459
Liabilities				
Acquisition-related contingent consideration obligations	$ —	$ —	$ 12,749	$ 12,749
Total liabilities measured at fair value	$ —	$ —	$ 12,749	$ 12,749

Level 1 investments:

The Company holds an investment in marketable equity securities which is classified as available-for-sale marketable securities at Level 1 as the investments have readily determinable fair value (see below, Level 3 investments). An unrealized holding gain on the investments of $0.5 million as of June 30, 2018 was reclassified from accumulated other comprehensive loss to accumulated deficit on July 1, 2018 upon the adoption of ASU 2016-01 (see Note 3).

Level 2 assets and liabilities:

The Company includes U.S. government and sovereign obligations, most government agency securities, investment-grade corporate bonds, and state, municipal and provincial obligations for which quoted prices are available as Level 2. There were no transfers of assets or liabilities between Level 1 and Level 2 for the periods presented.

The fair value of the borrowings under the Credit Agreement is estimated based on valuations provided by alternative pricing sources supported by observable inputs which is considered Level 2. Due to the short duration until maturity of the Credit Agreement, the fair value approximates the face amount of the Company's indebtedness of $182.9 million and $200.0 million as of March 31, 2019, and June 30, 2018, respectively.

Level 3 assets and liabilities:

At June 30, 2018, the Company reflected a liability for contingent consideration related to a certain acquisition completed in fiscal 2018. The fair value measurement of the contingent consideration obligation is determined using Level 3 inputs. These fair value measurements represent Level 3 measurements as they are based on significant inputs not observable in the market. Significant judgment is employed in determining the appropriateness of these assumptions as of the acquisition date and for each subsequent period. Accordingly, changes in assumptions could have a material impact on the amount of contingent consideration expense the

Company records in any given period. Changes in the value of the contingent consideration obligations would be recorded in general and administrative expenses in the accompanying condensed consolidated statements of operations.

The change in the acquisition-related contingent consideration obligations is as follows (in thousands):

	Nine Months Ended March 31, 2019
Beginning balance	$ 12,749
Payments	(5,274)
Accretion on discount	183
Adjustments	(189)
Ending balance	$ 7,469

There were no transfers of assets or liabilities between Level 2 and Level 3 during the three and nine months ended March 31, 2019, or 2018. There were no impairments recorded for the three and nine months ended March 31, 2019, or 2018.

7. Goodwill and Intangible Assets

The following table reflects the changes in the carrying amount of goodwill (in thousands):

	March 31, 2019
Balance as of June 30, 2018	$ 139,082
Changes due to additional property and equipment acquired (See Note 4)	(505)
Balance at end of period	$ 138,577

The following tables summarize the components of gross and net intangible asset balances (dollars in thousands):

	Weighted Average Remaining Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
March 31, 2019				
Developed technology	2.6 years	$ 117,000	$ 72,659	$ 44,341
Customer relationships	2.3 years	51,639	43,466	8,173
Maintenance contracts	— years	17,000	17,000	-
Trade names	2.7 years	9,100	5,236	3,864
License agreements	5.5 years	2,232	1,380	852
Other intangibles	0.8 years	1,382	1,250	132
Total intangibles, net		$ 198,353	$ 140,991	$ 57,362

	Weighted Average Remaining Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
June 30, 2018				
Developed technology	3.3 years	$ 117,000	$ 58,299	$ 58,701
Customer relationships	3.0 years	51,639	40,634	11,005
Maintenance contracts	0.3 years	17,000	15,866	1,134
Trade names	3.4 years	9,100	4,141	4,959
Backlogs	— years	1,800	1,800	—
License agreements	5.8 years	2,445	1,390	1,055
Other intangibles	1.6 years	1,382	1,144	238
Total intangibles, net		$ 200,366	$ 123,274	$ 77,092

The amortization expense of intangibles for the periods presented is summarized below (in thousands):

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Amortization in “Cost of revenues: Product”	$ 4,890	$ 4,647	$ 14,726	$ 11,310
Amortization of intangibles in "Operations"	1,292	2,101	5,008	6,461
Total amortization	$ 6,182	$ 6,748	$ 19,734	$ 17,771

The amortization expense that is recognized in “Cost of revenues: Product” is comprised of amortization for developed technology, license agreements and other intangibles.

8. Debt

The Company’s debt is comprised of the following (in thousands):

	March 31, 2019	June 30, 2018
Current portion of long-term debt:		
Term Loan	$ 9,500	$ 9,500
Less: unamortized debt issuance costs	(491)	(493)
Current portion of long-term debt	$ 9,009	$ 9,007
Long-term debt, less current portion:		
Term Loan	$ 173,375	$ 180,500
Revolving Facility	—	10,000
Less: unamortized debt issuance costs	(1,382)	(1,751)
Total long-term debt, less current portion	171,993	188,749
Total debt	$ 181,002	$ 197,756

On May 1, 2018, the Company entered into a Credit Agreement (the “Credit Agreement”), by and among the Company, as borrower, BMO Harris Bank N.A., as an issuing lender and swingline lender, Bank of Montreal, as administrative and collateral agent, and the financial institutions or entities that are a party thereto as lenders. The Credit Agreement provides for i) a $40 million five-year revolving credit facility (the “New Revolving Facility”) ii) a $190 million five-year term loan (the “New Term Loan”) and iii) an uncommitted additional incremental loan facility in the principal amount of up to $100 million (“New Incremental Facility”). On May 1, 2018, the Company borrowed $200 million under the Credit Agreement to pay off existing debt and for general corporate purposes.

Borrowings under the Credit Agreement will bear interest, at the Company’s election, as of May 1, 2018, at a rate per annum equal to LIBOR plus 1.50% to 2.75%, or the adjusted base rate plus 0.50% to 1.75%, based on the Company’s consolidated leverage ratio. In addition, the Company is required to pay a commitment fee of between 0.25% and 0.40% quarterly (currently 0.35%) on the unused portion of the New Revolving Facility, also based on the Company’s consolidated leverage ratio. Principal installments are payable on the New Term Loan in varying percentages quarterly starting September 30, 2018 and to the extent not previously paid, all outstanding balances are to be paid at maturity. The Credit Agreement is secured by substantially all of the Company’s assets.

The Credit Agreement requires the Company to maintain certain minimum financial ratios at the end of each fiscal quarter. The Credit Agreement also includes covenants and restrictions that limit, among other things, the Company’s ability to incur additional indebtedness, create liens upon any of its property, merge, consolidate or sell all or substantially all of its assets. The Credit Agreement also includes customary events of default which may result in acceleration of the outstanding balance.

Financing costs incurred in connection with obtaining long-term financing are deferred and amortized over the term of the Credit Agreement. Amortization of deferred financing costs included in “Interest expense” in the accompanying condensed consolidated statements of operations totaled $0.2 million for each of the three months ended March 31, 2019 and 2018 and totaled $0.5 million for each of the nine months ended March 31, 2019 and 2018, respectively.

The Company had $35.5 million of availability under the New Revolving Facility as of March 31, 2019. The Company had $4.5 million of outstanding letters of credit as of March 31, 2019.

9. Commitments and Contingencies

Purchase Commitments

The Company currently has arrangements with contract manufacturers and suppliers for the manufacture of its products. Those arrangements allow the contract manufactures to procure long lead-time component inventory based upon a rolling production forecast provided by the Company. The Company is obligated to purchase long lead-time component inventory that its contract manufacturer procures in accordance with the Company's forecast, unless the Company gives notice of order cancellation outside of applicable component lead-times. As of March 31, 2019, the Company had commitments to purchase $194.9 million of such inventory. As of March 31, 2019, the Company had commitments to purchase $99.9 million of software and new product support services.

Legal Proceedings

The Company may from time to time be party to litigation arising in the course of its business, including, without limitation, allegations relating to commercial transactions, business relationships or intellectual property rights. Such claims, even if not meritorious, could result in the expenditure of significant financial and managerial resources. Litigation in general, and intellectual property and securities litigation in particular, can be expensive and disruptive to normal business operations. Moreover, the results of legal proceedings are difficult to predict.

In accordance with applicable accounting guidance, the Company records accruals for certain of its outstanding legal proceedings, investigations or claims when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. The Company evaluates, at least on a quarterly basis, developments in legal proceedings, investigations or claims that could affect the amount of any accrual, as well as any developments that would result in a loss contingency to become both probable and reasonably estimable. When a loss contingency is not both probable and reasonably estimable, the Company does not record a loss accrual. However, if the loss (or an additional loss in excess of any prior accrual) is at least a reasonable possibility and material, then the Company would disclose an estimate of the possible loss or range of loss, if such estimate can be made, or disclose that an estimate cannot be made. The assessment whether a loss is probable or a reasonable possibility, and whether the loss or a range of loss is estimable, involves a series of complex judgments about future events. Even if a loss is reasonably possible, the Company may not be able to estimate a range of possible loss, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, or (iii) the matters involve novel or unsettled legal theories or a large number of parties. In such cases, there is considerable uncertainty regarding the ultimate resolution of such matters, including the amount of any possible loss, fine or penalty. Accordingly, for current proceedings, except as noted below, the Company is currently unable to estimate any reasonably possible loss or range of possible loss. However, an adverse resolution of one or more of such matters could have a material adverse effect on the Company's results of operations in a particular quarter or fiscal year.

Brazilian Tax Assessment Matter

On May 28, 2007, the Public Treasury Department of the State of Sao Paolo, Brazil (the "Tax Authority") assessed the Company's Brazilian subsidiary, Enterasys Networks do Brasil Ltda. ("Enterasys Brasil"), based on an alleged underpayment of taxes. The Tax Authority also charged interest and penalties with respect to the assessment (collectively, the "ICMS Tax Assessment"). The Tax Authority denied Enterasys Brasil the use of certain presumed tax credits granted by the State of Espirito Santo, Brazil under the terms of the FUNDAP program for the period from February 2003 to December 2004. The value of the disallowed presumed tax credits is BRL 3.4 million (USD $0.9 million), excluding interest and penalties. All currency conversions in this Legal Proceedings section are as of March 31, 2019.

Unable to resolve the matter at the administrative level, on October 1, 2014, Enterasys Brasil filed a lawsuit in the 11th Public Treasury Court of the Sao Paolo State Court of Justice (Judiciary District of Sao Paolo) to overturn or reduce the ICMS Tax Assessment. As part of this lawsuit, Enterasys Brasil requested a stay of execution, so that no tax foreclosure could be filed and no guarantee would be required until the court issued its final ruling. On or about October 6, 2014, the court granted a preliminary injunction staying any execution on the assessment, but requiring that Enterasys Brasil deposit the assessed amount with the court. Enterasys Brasil appealed this ruling and, on or about January 28, 2015, the appellate court ruled that no cash deposit (or guarantee) was required. In a decision dated August 28, 2017, and published on October 3, 2017, the court validated the assessment and penalty imposed by the Tax Authority but ruled that the Tax Authority was charging an unlawfully high interest rate on the tax assessment and penalty amounts and ordered the interest rate reduced to the maximum Federal rate. The August 28, 2017, decision, were it to become final, would require Enterasys Brasil to pay a total of BRL 19.9 million (USD $5.2 million), which includes penalties, court costs, attorneys' fees, and accrued interest as of March 31, 2019. The Company believes the ICMS Tax Assessment against Enterasys Brasil is without merit and has appealed the lower court's decision. The appellate court ruled that no cash deposit (or guarantee) is required during the pendency of the appeal.

Based on the currently available information, the Company believes the ultimate outcome of the ICMS Tax Assessment litigation will not have a material adverse effect on the Company's financial position or overall results of operations. However, due to the complexities and uncertainty surrounding the judicial process in Brazil and the nature of the claims asserted, there can be no assurance of a favorable outcome for Enterasys Brasil, which recorded an accrual of BRL 9.4 million (USD $2.4 million) as of the date the Company acquired Enterasys Networks.

The Company made a demand on April 11, 2014, for a defense from, and indemnification by, the former equity holder of Enterasys Networks, Inc. (“Seller”) in connection with the ICMS Tax Assessment. Seller agreed to assume the defense of the ICMS Tax Assessment on May 20, 2014. In addition, through the settlement of an indemnification-related lawsuit with the Seller on June 18, 2015, Seller agreed to continue to defend the Company with respect to the ICMS Tax Assessment and to indemnify the Company for losses related thereto subject to certain conditions. These conditions include the offsetting of foreign income tax benefits realized by the Company in connection with the acquisition of Enterasys. Based upon current projections of the foreign income tax benefits to be realized, and the potential liability in the event of an adverse final judgment in the ICMS Tax Assessment litigation, the Company does not presently anticipate that any amounts under the indemnification will be due from the Seller in connection with the ICMS Tax Assessment.

In re Extreme Networks, Inc. Securities Litigation

On October 23 and 29, 2015, punitive class action complaints alleging violations of securities laws were filed in the U.S. District Court for the Northern District of California against the Company and three of its former officers (Charles W. Berger, Kenneth B. Arola, and John T. Kurtzweil). Subsequently, the cases were consolidated (In re Extreme Networks, Inc. Securities Litigation, No. 3:15-CY-04883-BLF). Plaintiffs allege that defendants violated the securities laws by disseminating materially false and misleading statements and concealing material adverse facts regarding the Company’s financial condition, business operations and growth prospects. Plaintiffs seek unspecified damages on behalf of a purported class of investors who purchased the Company’s common stock from September 12, 2013, through April 9, 2015. On June 28, 2016, the Court appointed a lead plaintiff. On September 26, 2016, the lead plaintiff filed a consolidated complaint. On November 10, 2016, defendants filed a motion to dismiss, which the Court granted with leave to amend on April 27, 2017. On June 2, 2017, the lead plaintiff filed an amended complaint, which, on July 10, 2017, defendants again moved to dismiss. In a March 21, 2018, Order (the “March 2018 Order”), the Court granted in part and denied in part the defendants’ motion. The March 2018 Order narrowed the scope of the case, but allowed certain claims to proceed. The parties have agreed to settle the litigation. On November 30, 2018, plaintiffs filed an unopposed motion for preliminary approval of the settlement, and on December 6, 2018, Extreme filed a statement of non-opposition. The preliminary hearing took place on March 7, 2019, and the final hearing is scheduled for June 20, 2019.

On February 18, 2016, a shareholder derivative case was filed in the Superior Court of California, Santa Clara County (Shaffer v. Kispert et al., No. 16 CV 291726). The complaint names current and former officers and directors as defendants, and seeks recovery on behalf of the Company based on substantially the same allegations as the securities class action litigation described above. As a result of the March 2018 Order, the stipulated stay of the derivative litigation ended. The parties agreed to settle the litigation. On May 3, 2019, the Court gave final approval to the settlement and entered judgment terminating the case.

XR Communications, LLC d/b/a Vivato Technologies v. Extreme Networks, Inc. Patent Infringement Suit

On April 19, 2017, XR Communications, LLC (“XR”) (d/b/a Vivato Technologies) filed a patent infringement lawsuit against the Company in the Central District of California (XR Communications, LLC, dba Vivato Technologies v. Extreme Networks, Inc., No. 2:17-cv-2953-AG). The operative Second Amended Complaint asserts infringement of U.S. Patent Nos. 7,062,296, 7,729,728, and 6,611,231 based on the Company’s manufacture, use, sale, offer for sale, and/or importation into the United States of certain access points and routers supporting multi-user, multiple-input, multiple-output technology. XR seeks unspecified damages, on-going royalties, pre- and post-judgment interest, and attorneys’ fees (but no injunction). In orders dated April 10 and May 22, 2018, the Court stayed the case pending a resolution by the Patent Trial and Appeal Board (“PTAB”) of inter partes review (IPR) petitions filed by several defendants in other XR-related patent lawsuits challenging the validity of the asserted patents. The PTAB has now instituted IPR proceedings as to all three patents and all patent claims asserted in the litigation. Given the stay, the Court took off calendar all previously scheduled events (including a Markman hearing and potential trial date). During a status conference on February 11, 2019, the Court continued the stay and set a status conference for December 2, 2019. The Company believes the claims are without merit and intends to defend them vigorously.

Orckit IP, LLC v. Extreme Networks, Inc., Extreme Networks Ireland Ltd., and Extreme Networks GmbH

On February 1, 2018, Orckit IP, LLC ("Orckit") filed a patent infringement lawsuit against the Company and its Irish and German subsidiaries in the District Court in Dusseldorf, Germany. The lawsuit alleges direct and indirect infringement of the German portion of European Patent EP 1 958 364 B1 based on the offer, distribution, use, possession and/or importation into Germany of certain network switches equipped with the ExtremeXOS operating system. Orckit is seeking injunctive relief, an accounting, and an unspecified declaration of liability for damages and costs of the lawsuit. On May 3, 2018, Extreme Networks GmbH filed a separate nullity action in the Federal Patent Court in Munich, seeking to invalidate the asserted patents, and on May 4, 2018, the defendants answered the complaint, denying any infringement and seeking a stay of the action pending the conclusion of the nullity action. The Company believes the claims are without merit and intends to defend them vigorously.

Global Innovation Aggregators, LLC v. Extreme Networks, Inc.; Extreme Networks China Limited; Extreme Networks Technology (Beijing) Co., Ltd.; and Shenzhen Yingzhixiang Technology Co., Ltd

In January 2019, Global Innovation Aggregators, LLC ("GIA") filed six lawsuits alleging patent infringement against Extreme Networks, Inc.; Extreme Networks China Limited; Extreme Networks Technology (Beijing) Co., Ltd.; and Shenzhen Yingzhixiang Technology Co., Ltd. in Shenzhen Intermediate People's Court in China. The six patents at issue are ZL200610168028.1, ZL200510120823.9, ZL200410057124.X, ZL200410070933.4, ZL200510103486.2, and ZL200610060686.9. The products at issue include the Summit X440-G2 series, X450-G2 series, X460-G2 series, X620 series, X670-G2 series, X770 series, X870 series, X690 series, and X590 series. GIA is a U.S. entity established under the laws of Delaware with its principal office in Pasadena, California. Extreme disputes GIA's claims and intends to defend them vigorously.

Indemnification Obligations

Subject to certain limitations, the Company may be obligated to indemnify its current and former directors, officers and employees. These obligations arise under the terms of its certificate of incorporation, its bylaws, applicable contracts, and applicable law. The obligation to indemnify, where applicable, generally means that the Company is required to pay or reimburse, and in certain circumstances the Company has paid or reimbursed, the individuals' reasonable legal expenses and possibly damages and other liabilities incurred in connection with certain legal matters. For example, the Company currently is paying or reimbursing legal expenses being incurred by certain current and former officers and directors in connection with the shareholder litigation described above. The Company also procures Directors and Officers insurance to help cover its defense and/or indemnification costs, although its ability to recover such costs through insurance is uncertain. While it is not possible to estimate the maximum potential amount that could be owed under these indemnification agreements due to the Company's limited history with prior indemnification claims, indemnification (including defense) costs could, in the future, have a material adverse effect on the Company's consolidated financial position, results of operations and cash flows. As of March 31, 2019, the Company has the outstanding indemnification claims described above.

10. Stockholders' Equity

Stockholders' Rights Agreement

On April 26, 2012, the Company entered into an Amended and Restated Rights Agreement between the Company and Computershare Shareholder Services LLC as the rights agent (the "Restated Rights Plan"). The Restated Rights Plan governs the terms of each right ("Right") that has been issued with respect to each share of common stock of Extreme Networks. Each Right initially represents the right to purchase one one-thousandth of a share of the Company's Preferred Stock. The Restated Rights Plan replaces in its entirety the Rights Agreement, dated as of April 27, 2001, as subsequently amended, between the Company and Mellon Investor Services LLC (the "Prior Rights Plan").

The Company's Board of Directors (the "Board") adopted the Restated Rights Plan to preserve the value of deferred tax assets, including net operating loss carry forwards of the Company, with respect to its ability to fully use its tax benefits to offset future income which may be limited if the Company experiences an "ownership change" for purposes of Section 382 of the Internal Revenue Code of 1986 as a result of ordinary buying and selling of its common stock. Following its review of the terms of the plan, the Board decided it was necessary and in the best interests of the Company and its stockholders to enter into the Restated Rights Plan. The Restated Rights Plan incorporates the Prior Rights Plan and the amendments thereto into a single agreement and extended the term of the Prior Rights Plan to April 30, 2013. Each year since 2013 the Board and stockholders have approved an amendment providing for a one-year extension of the term of the Restated Rights Plan. The Board unanimously approved an amendment to the Restated Rights Plan on May 9, 2018, to extend the Restated Rights Plan through May 31, 2019, which was ratified by the stockholders of the Company at the Company's annual meeting of stockholders held on November 8, 2018.

Employee Stock Purchase Plan

The Board of Directors unanimously approved an amendment to the 2014 Employee Stock Purchase Plan to increase the maximum number of shares that will be available for sale thereunder by 7,500,000 shares which was ratified by the stockholders of the Company at the annual meeting of stockholders held on November 8, 2018.

Common Stock Repurchases

On November 2, 2018, the Company announced that the Board had authorized management to repurchase up to $60.0 million of the Company's common stock for two years from the date of authorization. Purchases may be made from time to time in the open market or in privately negotiated transactions. A maximum of $35.0 million of the Company's common stock may be repurchased in any calendar year. There were no shares repurchased for the three months ended March 31, 2019.

The following table summarizes the Company's shares repurchases under its stock repurchase program (in thousands, except per share amounts):

	Nine Months Ended March 31, 2019
Total number of shares repurchased	2,366
Average price paid per share	$ 6.34
Dollar value of shares repurchased	$ 15,000
Dollar value of shares that may yet be repurchased under program	$ 45,000

11. Employee Benefit Plans

Shares reserved for issuance

The Company had reserved for issuance for the periods noted (in thousands):

	March 31, 2019	June 30, 2018
2013 Equity Incentive Plan shares available for grant	8,092	9,957
Employee stock options and awards outstanding	11,192	12,060
2014 Employee Stock Purchase Plan	10,085	5,365
Total shares reserved for issuance	29,369	27,382

Share-based compensation expense recognized in the condensed consolidated financial statements by line item caption is as follows (in thousands):

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Cost of product revenue	$ 223	$ 163	$ 618	$ 389
Cost of service revenue	648	354	1,670	783
Research and development	2,814	2,367	7,953	5,247
Sales and marketing	3,187	2,735	8,529	7,077
General and administrative	1,942	2,199	5,569	6,150
Total share-based compensation expense	$ 8,814	$ 7,818	$ 24,339	$ 19,646

During the three and nine months ended March 31, 2019, or 2018, the Company did not capitalize any share-based compensation expense in inventory, as the amounts were immaterial.

Stock Awards

Stock awards may be granted under the 2013 Equity Incentive Plan (the "2013 Plan") on terms approved by the Compensation Committee of the Board. Stock awards generally provide for the issuance of restricted stock units ("RSUs") including performance or market-based RSUs which vest over a fixed period of time or based upon the satisfaction of certain performance criteria. The Company uses the straight-line method for expense attribution, and beginning with fiscal 2017, the Company does not estimate forfeitures, but accounts for them as incurred.

The following table summarizes stock award activity for the nine months ended March 31, 2019 (in thousands, except grant date fair value):

	Number of Shares	Weighted- Average Grant Date Fair Value	Aggregate Fair Market Value
Non-vested stock awards outstanding at June 30, 2018	7,764	$ 8.60	$ 61,804
Granted	4,516	6.44	
Released	(2,909)	7.92	
Cancelled	(921)	8.74	
Non-vested stock awards outstanding at March 31, 2019	8,450	$ 7.66	$ 63,280

The following table summarizes stock option activity for the nine months ended March 31, 2019 (in thousands, except per share and contractual term):

	Number of Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Options outstanding at June 30, 2018	2,193	$ 3.88	2.90	$ 8,996
Granted	852	6.40		
Exercised	(216)	3.73		
Cancelled	(87)	6.01		
Options outstanding at March 31, 2019	2,742	$ 4.60	3.48	$ 7,947
Vested and expected to vest at March 31, 2019	2,742	$ 4.60	3.48	$ 7,947
Exercisable at March 31, 2019	1,974	$ 3.90	2.33	$ 7,097

The fair value of each stock option grant under the 2013 Plan and 2005 Equity Incentive Plan is estimated on the date of grant using the Black-Scholes-Merton option valuation model. The Company uses the Monte-Carlo simulation model to determine the fair value and the derived service period of stock awards with market conditions, on the date of the grant. The expected term of options granted is derived from historical data on employee exercise and post-vesting employment termination behavior. The risk-free rate is based upon the estimated life of the option and the U.S. Treasury yield curve in effect at the time of grant. Expected volatility is based on the historical volatility on the Company’s stock.

The fair value of each RSU grant with performance-based vesting criteria (“PSUs”) under the 2013 Plan is estimated on the date of grant using the Monte-Carlo simulation model to determine the fair value and the derived service period of stock awards with market conditions, on the date of the grant.

During the third quarter of fiscal 2019, the Company approved the grant of 474,016 stock awards in the form of RSUs to its employees, but did not approve any grants of stock awards to its named executive officers or directors. During the nine months ended March 31, 2019, the Company approved the grant of 4,515,899 stock awards to employees and directors of which 634,900 were PSU’s with a grant date fair value of $6.40 and 3,880,999 were RSUs. The RSUs vest from the original grant date as to one-third (1/3) on the one-year anniversary and one-twelfth (1/12) each quarter thereafter, subject to continued service to the Company. These awards included 921,434 awards to named executive officers and directors, of which 209,500 were PSUs and 711,934 were RSUs.

For the PSUs referenced in the preceding paragraph, they will be considered performance earned once the Company’s combined earnings per share equals or exceeds $0.20 over two consecutive quarters (the “FY19 Performance Threshold”). Upon satisfying the FY19 Performance Threshold, the PSUs shall vest with respect to the same number of RSUs that have vested which were granted on the same date and thereafter, shall vest on the same schedule as the RSUs, subject to continued service to the Company. If the FY19 Performance Threshold is not met by the third anniversary of the grant date the award is canceled. In addition, the FY19 Performance Threshold shall be deemed satisfied upon the closing of a Change in Control (within the meaning of the Company’s 2013 Equity Incentive Plan) in the event the per share consideration received by the Company’s stockholders equals or exceeds $10.00 per share.

During the third quarter of fiscal 2019, the compensation committee of the Board of Directors modified the FY18 Performance Threshold of $0.32 earnings per share over two consecutive quarters for PSUs issued in fiscal 2018, to $0.20 earnings per share over two consecutive quarters. All other terms of the FY18 PSUs remained the same.

During the nine months ended March 31, 2019, the Performance Thresholds were not achieved for fiscal 2018 or fiscal 2019.

During the first quarter of fiscal 2019, the Company granted 851,700 Performance Stock Options ("PSOs") to certain officers and executive vice presidents that will vest if the Company's stock price achieves a price hurdle of $10.00 during the three-year performance period from August 29, 2018 through August 31, 2021. The price hurdle will be deemed to have been achieved if, at any time over the performance period, the Company's stock maintains a price of $10.00 for 30 consecutive days. If the price hurdle is achieved, the PSOs will vest as follows:

If the price hurdle is met before or on August 31, 2019, one-third of the PSOs will vest on August 31, 2019 and the remainder will vest quarterly over two years.

If the price hurdle is met after August 31, 2019, a number of the PSOs will vest (ratably calculated based upon the time elapsed between August 31, 2018 and the date the hurdle is met) and the remainder will vest quarterly through August 31, 2021. The grant date fair value was $2.62.

No PSOs were granted during the third quarter of fiscal 2019.

2014 Employee Stock Purchase Plan

The fair value of each share purchase option under the Company's 2014 Employee Stock Purchase Plan ("ESPP") is estimated on the date of grant using the Black-Scholes-Merton option valuation model with the weighted average assumptions noted in the following table. The expected term of the ESPP represents the term of the offering period of each option. The risk-free rate is based upon the estimated life and on the U.S. Treasury yield curve in effect at the time of grant. Expected volatility is based on the historical volatility on the Company's stock.

There were 1,499,042 and 1,151,759 shares issued under the ESPP during the three months ended March 31, 2019 and 2018, respectively. There were 2,779,750 and 2,419,689 shares issued under the ESPP during the nine months ended March 31, 2019 and 2018, respectively. The following assumptions were used to calculate the fair value of shares granted under the ESPP during the following periods:

	Employee Stock Purchase Plan Three Months Ended		**Employee Stock Purchase Plan Nine Months Ended**	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Expected life	0.5 years	0.5 years	0.5 years	0.5 years
Risk-free interest rate	2.46%	1.15%	2.35%	1.64%-1.15%
Volatility	75%	42%	70%	42%
Dividend yield	—%	—%	—%	—%

The weighted-average fair value of shares granted under the ESPP during the three months ended March 31, 2019 and 2018 was $2.69 and $4.00, respectively. The weighted-average fair value of shares granted under the ESPP during the nine months ended March 31, 2019 and 2018 was $2.71 and $3.26, respectively.

12. Information about Segments and Geographic Areas

The Company operates in one segment, the development and marketing of network infrastructure equipment. The Company conducts business globally and is managed geographically. Revenue is attributed to a geographical area based on the location of its customers. The Company operates in three geographical areas: Americas, which includes the United States, Canada, Mexico, Central America and South America; EMEA, which includes Europe, Russia, Middle East and Africa; and APAC which includes Asia Pacific, South Asia, India, Australia and Japan. The Company's chief operating decision maker, who is its CEO, reviews financial information presented on a consolidated basis for purposes of allocating resources and evaluating financial performance.

See Note 3 Net Revenues for the Company's revenues by geographic regions and channel based on the customer's ship-to location.

The Company's long-lived assets are attributed to the geographic regions as follows (in thousands):

Long-lived Assets	**March 31, 2019**	**June 30, 2018**
Americas	$ 138,139	$ 178,251
EMEA	32,345	15,106
APAC	11,852	9,896
Total long-lived assets	$ 182,336	$ 203,253

13. Foreign Exchange Forward Contracts

The Company uses derivative financial instruments to manage exposures to foreign currency. The Company's objective for holding derivatives is to use the most effective methods to minimize the impact of these exposures. The Company does not enter into derivatives for speculative or trading purposes. The fair value of the Company's derivatives in a gain position are recorded in "Prepaid expenses and other current assets" and derivatives in a loss position are recorded in "Other accrued liabilities" in the accompanying condensed consolidated balance sheets. Changes in the fair value of derivatives are recorded in "Other income (expense), net" in the accompanying condensed consolidated statements of operations. The Company enters into foreign exchange forward contracts to mitigate the effect of gains and losses generated by foreign currency transactions related to certain operating expenses and re-measurement of certain assets and liabilities denominated in foreign currencies. These derivatives do not qualify as hedges.

As of March 31, 2019, the Company did not have any forward foreign currency contracts. As of March 31, 2018, forward foreign currency contracts had a notional principal amount of $6.7 million and an immaterial unrealized gain. These contracts typically have maturities of less than 90 days. Changes in the fair value of these foreign exchange forward contracts are offset largely by re-measurement of the underlying assets and liabilities.

Foreign currency transactions losses from operations was less than $0.1 million and $0.3 million for the three months ended March 31, 2019 and 2018, respectively. Foreign currency transactions gains and losses from operations was a gain of $0.1 million and a loss of $1.5 million for the nine months ended March 31, 2019 and 2018, respectively.

14. Restructuring Charges, net of reversals

Restructuring liabilities consisted of obligations pertaining to the estimated future obligations for non-cancelable lease payments, as well as severance and benefits obligations. The restructuring liabilities are recorded in "Other accrued liabilities" and "Other long-term liabilities" in the accompanying condensed consolidated balance sheets.

The Company did not record any restructuring charges, net of reversals during the three months ended March 31, 2019. The Company recorded $1.3 million of restructuring charges, net of reversals during the nine months ended March 31, 2019, associated with a reduction-in-force in the fourth quarter of fiscal 2018 and additional excess facilities obligations.

Cash payments of $5.7 million were paid during the nine months ended March 31, 2019. The balance of the severance and benefits obligations are expected to be paid by the end of fiscal 2019. The excess facilities obligations will continue through fiscal year 2023.

Total restructuring and related liabilities consist of (in thousands):

	Excess Facilities	Severance Benefits	Total
Balance as of June 30, 2018	$ 1,797	$ 4,658	$ 6,455
Period charges	104	1,544	1,648
Period reversals	—	(366)	(366)
Period payments	(193)	(5,506)	(5,699)
Balance as of March 31, 2019	$ 1,708	$ 330	$ 2,038
Less: current portion included in Other accrued liabilities			750
Restructuring accrual included in Other long-term liabilities			$ 1,288

15. Income Taxes

For the three months ended March 31, 2019 and 2018, the Company recorded an income tax provision of $1.9 million and $1.7 million, respectively. For the nine months ended March 31, 2019, and 2018, the Company recorded a tax benefit of $2.0 million and a tax provision of $1.8 million, respectively.

The income tax provisions for the three months ended March 31, 2019 and 2018, consisted of (1) taxes on the income of the Company's foreign subsidiaries, (2) tax expense associated with the establishment of a U.S. deferred tax liability for amortizable goodwill resulting from the acquisition of Enterasys Networks, Inc., the WLAN Business, the Campus Fabric Business the Data Center Business, (3) foreign withholding taxes and (4) state taxes in jurisdictions where the Company has no available state Net Operating Losses ("NOLs").

The income tax provisions for the nine months ended March 31, 2019, and 2018 consisted of the components detailed above. Additionally, the tax provision for the nine months ended March 31, 2019, is offset by a tax benefit of $2.6 million resulting from the release of a valuation allowance for the Company's Australian NOLs given consistent and sufficient profitability following the recent acquisitions as well as a tax benefit of $4.7 million for the release of valuation allowance given changes introduced by recently enacted U.S. tax legislation as discussed below. This legislation changed the U.S. NOL rules to afford an indefinite carryforward period for NOLs generated in tax years beginning after December 31, 2017. In evaluating the realizability of Deferred Tax Assets ("DTAs"), historically the Company was unable to consider the Deferred Tax Liability ("DTL") related to amortizable goodwill as a source of future income for reversing deductible differences with fixed lives. The change to the NOL rules creates an indefinite lived DTA and as such the indefinite lived DTL related to goodwill can now be viewed as a source of income for the newly created indefinite lived DTA. These two indefinite lived items can now be netted in determining the amount of valuation allowance needed.

The tax provision for the nine months ended March 31, 2018, is offset by a tax benefit of $2.5 million resulting from the reduction of the U.S. Federal tax rate from 35% to 21% applied to the Company's deferred tax liability related to amortizable goodwill as required by the U.S. tax legislation discussed below. The income tax provisions for both fiscal years were calculated based on the actual results of operations for the three months ended March 31, 2019 and 2018, respectively and therefore may not reflect the annual effective tax rate.

On December 22, 2017, the President of the United States signed and enacted into law H.R. 1, the Tax Cuts and Jobs Act ("TCJA"), which, except for certain provisions, is effective for the Company's fiscal year ended 2019. As a fiscal year taxpayer, the Company was not subject to the majority of the tax law provisions until the first quarter of fiscal year 2019; however, there were certain significant items of impact that were recognized in fiscal year 2018, the year the TCJA was enacted.

The TCJA's primary change was a reduction in the U.S. Federal statutory corporate tax rate from 35% to 21%. As a result, the Company recognized a tax benefit in the amount of $2.5 million in the second quarter of fiscal 2018, due to the revaluation of the Company's deferred tax liability related to amortizable goodwill to reflect the lower statutory rate. Because the U.S. deferred tax assets are offset by a full valuation allowance, the reduction in deferred tax assets for the lower rate was fully offset by a corresponding reduction in valuation allowance resulting in no additional tax provision.

The TCJA moves the U.S. from a global taxation regime to a modified territorial regime. Under the territorial regime, the company's foreign earnings will generally not be subject to tax in the U.S. As part of transitioning to this new regime, U.S. companies were required to pay tax on historical earnings generated offshore that have not been repatriated to the U.S. ("Transition Tax"). The Company has determined there was no incremental tax provision related to the Transition Tax given the Company's ability to utilize existing tax attributes to offset the impact of the deemed repatriation.

The TCJA made broad and complex changes to the U.S. tax code, and in certain instances, lacked clarity and was subject to interpretation until additional U.S. Treasury guidance could be issued. Additional guidance has been released since enactment and has been incorporated into the Company's related computations. On December 22, 2017, the SEC issued guidance under Staff Accounting Bulletin No. 118, *Income Tax Accounting Implications of the Tax Cuts and Jobs Act* ("SAB 118"), which allowed registrants to record provisional amounts during a one year "measurement period" similar to that used when accounting for business combinations. The measurement period was deemed to have ended earlier when the registrant had obtained, prepared and analyzed the information necessary to finalize its accounting. During the measurement period, impacts of the law were expected to be recorded at the time a reasonable estimate for all or a portion of the effects could be made, and provisional amounts could be recognized and adjusted as information became available, prepared or analyzed. SAB 118 summarized a three-step process to be applied at each reporting period to account for and qualitatively disclose: (1) the effects of the change in tax law for which accounting is complete; (2) provisional amounts (or adjustments to provisional amounts) for the effects of the tax law where accounting is not complete, but that a reasonable estimate has been determined; and (3) a reasonable estimate could not yet be made and therefore taxes were reflected in accordance with law prior to the enactment of the TCJA. The measurement period ended in the Company's fiscal quarter ended December 31, 2018 and the Company has finalized all related adjustments.

Amounts recorded pursuant to the TCJA and the provisions of SAB 118 relate to the reduction in the U.S. federal tax rate to 21 percent, which resulted in the Company reporting an income tax benefit of $2.5 million in the fiscal year ended June 30, 2018 to remeasure deferred tax liabilities associated with indefinitely lived intangible assets that will reverse at the new 21% rate. Absent this deferred tax liability, the Company has historically been in a net deferred tax asset position that is offset by a full valuation allowance. The Transition Tax introduced by TCJA was calculated to be zero for the Company given existing tax attributes that were utilized to offset the calculated liability. As discussed below, during the quarter ended December 31, 2018 the Company completed its evaluation of whether to treat global intangible low-taxed income ("GILTI") as a component of tax expense in the period in which it is incurred or as a component of deferred income taxes. In conjunction with this determination and the completion of scheduling the reversal of deferred tax assets and liabilities, the Company reduced the valuation allowance level by $4.7 million to reflect the introduction of an indefinite carryforward period for NOLs expected to be generated in tax years beginning after December 31, 2017 once deferred tax assets reverse. With respect to provisions of the TCJA effective for the Company's fiscal year ended 2019, the Company anticipates several new provisions will impact tax provisions in future periods including limitations on the deductibility of interest expense and certain executive compensation, a minimum tax on certain foreign earnings (i.e., GILTI). The GILTI provisions require the Company to include in its U.S. income tax return foreign subsidiary earnings in excess of an allowable return on the foreign subsidiary's tangible assets. Based on initial assessment and interpretation of the new provision, the Company expects that it will be subject to incremental U.S. tax on GILTI income beginning in fiscal 2019. The Company has elected to account for GILTI tax as a component of tax expense in the period in which it is incurred. The Base Erosion and Anti-Abuse Tax ("BEAT") provisions in the Tax Reform Act eliminate the deduction of certain base-erosion payments made to related foreign corporations and impose a minimum tax if greater than regular tax. There is a reasonable amount of uncertainty surrounding the interpretation of this new provision, however, based on initial assessment and a reasonable interpretation of the new provision, the Company expects that it will not be subject to the incremental U.S. tax on BEAT income beginning in fiscal 2019, due to a realignment of the Company's international structure.

In the three months ended September 30, 2018, the Company adopted ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, which requires an entity to recognize the income tax consequences of an intra-entity transfer of an asset at the time the transfer occurs. Historically, GAAP has prohibited the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset had been sold outside the consolidated group. Effective as of July 1, 2018, the Company adopted ASU 2016-16 on a modified retrospective basis which requires an adjustment of the cumulative-effect of the adoption to retained earnings. However, the adjustment was immaterial to the financial statements and no such adjustment was necessary. As a result of adoption, the income tax consequences of future intra-entity transfer of assets will be recognized in earnings in each period rather than be deferred until the assets leave the consolidated group. In the three months ended September 30, 2018, the Company recognized a deferred tax asset relating to a transfer of certain assets from the U.S. parent company to its wholly-owned Irish subsidiary of $3.7 million, which was fully offset by the establishment of a valuation allowance resulting in no impact to Company's statement of operations.

The Company has provided a full valuation allowance against all its U.S. federal and state deferred tax assets as well as a portion of the deferred tax assets in Ireland. A valuation allowance is determined by assessing both negative and positive evidence to determine whether it is "more likely than not" that the deferred tax assets are recoverable; such assessment is required on a jurisdiction by jurisdiction basis. The Company's inconsistent earnings in recent periods, including a cumulative loss over the last three years, coupled with its difficulty in forecasting future revenue trends as well as the cyclical nature of its business represent sufficient negative evidence to require a full valuation allowance against its U.S. federal and state net deferred tax assets as well as the deferred tax assets of a newly established wholly owned Irish subsidiary. These valuation allowance will be evaluated periodically and can be reversed partially or in whole if business results and the economic environment have sufficiently improved to support realization of some or all of the Company's deferred tax assets.

The acquisition of Enterasys in October 2013, included a U.S. parent company as well as its wholly-owned foreign subsidiaries. The Company elected to treat this stock acquisition as an asset purchase by filing the required election forms under IRC Sec 338(h)(10). In addition, the Company completed asset purchases of the WLAN Business, the Campus Fabric Business and the Data Center Business in October 2016, July 2017, and October 2017, respectively. The Company has estimated the value of the intangible assets from these transactions and is amortizing the amounts for U.S. tax purposes over 15 years. The Company's wholly owned Irish subsidiary is amortizing the intangible portion of the transferred assets referenced above over 6 years. During the three and nine months ended March 31, 2019, the Company deducted $1.8 million and $5.8 million of U.S. tax amortization expense respectively, for each period related to capitalized goodwill resulting from these acquisitions. As of March 31, 2019, the Company recorded a U.S. deferred tax liability of $6.8 million related to this goodwill amortization which now can be partially considered a future source of taxable income in evaluating the need for a valuation allowance against its deferred tax assets.

The Company had $17.4 million of unrecognized tax benefits as of March 31, 2019. The future impact of the unrecognized tax benefit of $17.4 million, if recognized, would result in adjustments to deferred tax assets and corresponding adjustments to the valuation allowance. The Company does not anticipate any events to occur during the next twelve months that would reduce the unrealized tax benefit as currently stated in the Company's balance sheet.

The Company's policy is to accrue interest and penalties related to the underpayment of income taxes as a component of tax expense in the accompanying condensed consolidated statements of operations.

In general, the Company's U.S. federal income tax returns are subject to examination by tax authorities for fiscal years 2001, forward due to net operating losses and the Company's state income tax returns are subject to examination for fiscal years 2000, forward due to net operating losses. The Company recently settled an examination by the state of North Carolina for fiscal years ended 2014, 2015 and 2016. The settlement resulted in an immaterial payment to the state to close all three years.

16. Net Loss Per Share

Basic earnings per share is calculated by dividing net earnings by the weighted average number of common shares outstanding during the period. Dilutive earnings per share is calculated by dividing net earnings by the weighted average number of common shares used in the basic earnings per share calculation plus the dilutive effect of shares subject to repurchase, options and unvested restricted stock units.

The following table presents the calculation of net loss per share of basic and diluted (in thousands, except per share data):

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Net loss	$ (6,932)	$ (13,613)	$ (8,798)	$ (41,160)
Weighted-average shares used in per share calculation - basic and diluted	117,944	115,059	117,619	113,641
Net loss per share - basic and diluted	$ (0.06)	$ (0.12)	$ (0.07)	$ (0.36)

The following securities were excluded from the computation of net loss per diluted share of common stock for the periods presented as their effect would have been anti-dilutive (in thousands):

	Three Months Ended		Nine Months Ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Options to purchase common stock	780	2,379	621	2,649
Restricted stock units	1,907	8,213	888	7,670
Employee Stock Purchase Plan shares	965	972	965	1,101
Total shares excluded	3,652	11,564	2,474	11,420

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This quarterly report on Form 10-Q, including the following sections, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including in particular, our expectations regarding market demands, customer requirements and the general economic environment, future results of operations, and other statements that include words such as "may," "will," "should," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," "continue" and similar expressions. These forward-looking statements involve risks and uncertainties. We caution investors that actual results may differ materially from those projected in the forward-looking statements as a result of certain risk factors identified in the section entitled "Risk Factors" in this Quarterly Report on Form 10-Q for the third quarter ended March 31, 2019, our Annual Report on Form 10-K for the fiscal year ended June 30, 2018, and other filings we have made with the Securities and Exchange Commission. These risk factors, include, but are not limited to: fluctuations in demand for our products and services; a highly competitive business environment for network switching equipment; our effectiveness in controlling expenses; the possibility that we might experience delays in the development or introduction of new technology and products; customer response to our new technology and products; fluctuations in the global economy; risks related to pending or future litigation; a dependency on third parties for certain components and for the manufacturing of our products and our ability to receive the anticipated benefits of acquired businesses.

Business Overview

The following discussion is based upon our unaudited condensed consolidated financial statements included elsewhere in this Report. In the course of operating our business, we routinely make decisions as to the timing of the payment of invoices, the collection of receivables, the manufacturing and shipment of products, the fulfillment of orders, the purchase of supplies, and the building of inventory and service parts, among other matters. Each of these decisions has some impact on the financial results for any given period. In making these decisions, we consider various factors including contractual obligations, customer satisfaction, competition, internal and external financial targets and expectations, and financial planning objectives. For further information about our critical accounting policies and estimates, see "Critical Accounting Policies and Estimates" section included in this "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Extreme Networks, Inc., together with its subsidiaries (collectively referred to as "Extreme" and as "we", "us" and "our") is a leading provider of network infrastructure equipment and software and offers related maintenance contracts for extended warranty and maintenance to our enterprise, data center and service provider customers. We were incorporated in California in May 1996 and reincorporated in Delaware in March 1999. Our corporate headquarters are located in San Jose, California. We derive substantially all of our revenue from the sale of our networking equipment and related maintenance contracts.

Extreme delivers software-driven solutions from the enterprise edge to the cloud that are agile, adaptive, and secure to enable autonomous enterprises of the future. Our 100% in-sourced services and support are number one in the industry. Even with over 30,000 customers globally, including half of the Fortune 50 and some of the world's leading names in business, hospitality, retail, transportation and logistics, education, government, healthcare, and manufacturing, we remain nimble and responsive to ensure customer and partner success. We call this Customer-Driven Networking.

Enterprise network administrators from the data center to the access layer need to respond to the rapid digital transformational trends of cloud, mobility, big data, social business and the ever-present need for network security. Accelerators such as Internet of Things ("IoT"), artificial intelligence ("AI"), bring your own device ("BYOD"), machine learning, cognitive computing, and robotics add complexity to challenge the capabilities of traditional networks. Technology advances have a profound effect across the entire enterprise network placing unprecedented demands on network administrators to enhance management capabilities, scalability, programmability, agility, and analytics of the enterprise networks they manage.

A trend affecting the Enterprise Network Equipment market is the continued adoption of the cloud-managed enterprise WLAN and the interest in adopting the next-generation WLAN standard, 802.11ax, in the enterprise market.

We believe that understanding the following key developments is helpful to an understanding of our operating results for the fiscal quarter ended March 31, 2019.

To facilitate the readers understanding, the following is a list of common terms in our industry used in the discussion of our business:

- **Access**: Network access is the closest point of entry to a network whether it is a wireless access point, Ethernet connection, or Wi-Fi device.
- **Access Point**: A wireless access point, or more generally just access point ("AP"), is a networking hardware device that allows a Wi-Fi device to connect to a wired network. (Source: Industry term)

- **Aggregation**: In computer networking, the term aggregation applies to various methods of combining (aggregating) multiple network connections in parallel in order to increase throughput beyond what a single connection could sustain, and to provide redundancy in case one of the links should fail.
- **Artificial Intelligence**: Artificial Intelligence ("AI") is a set of technologies that enable computers to simulate the cognitive knowledge-processing capabilities of humans. Because it is artificial, the objective of most work in AI is to *augment* the capabilities of humans, not to replace them. Just as computers in general are applied to the tedious and repetitive tasks that humans find tedious, AI-based solutions can deal with often large ("Big Data") volumes of digitally-encoded information dispassionately, unemotionally, rapidly, and, depending upon the parameters of a specific application and implementation, accurately. In network administration, AI can be applied to dealing with the "more-variables-than-equations nature" of radio frequency settings in even very- large-scale Wi-Fi installations. The goal is to achieve optimal network-wide performance more accurately and at lower cost than would be possible with humans alone.
- **Campus Network**: A campus network, or campus area network, or corporate area network ("CAN") is a computer network made up of an interconnection of local area networks ("LANs") within a limited geographical area, such as a college campus, company campus, hospital, hotel, convention center or sports venue.
- **Closed-Loop Automation**: Enables dynamic, efficient, and software-centric networking by reducing manual intervention to improve network efficiency.
- **Core:** A core network, or network core, is the central part of a telecommunications network that provides various services to customers who are connected by the access network.
- **Data Center**: A data center is a facility used to house computer systems and associated components, such as telecommunications and storage systems. It generally includes redundant or backup power supplies, redundant data communications connections, environmental controls (e.g. air conditioning, fire suppression) and various security devices.
- **Data Center Fabric technologies**: Also known as IP Fabric, is the basic topology of how a network is laid out and connected to switch traffic on a data or circuit-switched network.
- **Edge**: An edge device is a device which provides an entry point into enterprise or service provider core networks. Examples include routers, routing switches, integrated access devices ("IADs"), multiplexers, and a variety of metropolitan area network ("MAN") and wide area network ("WAN") access devices.
- **Fabric Attach**: Extreme's Fabric Attach ("FA") fundamentally introduces autonomic/automatic attachment to network services for end user IoT devices to a network infrastructure. Fabric Attach and Fabric Connect are key building blocks of the Extreme Fabric architecture.
- **Fabric Connect**: Fabric Connect is an extended implementation of the IEEE/IEFT standards for Shortest Path Bridging ("SPB"). It offers a full-service network virtualization technology that combines the best of Ethernet and the best of IP using a single network protocol instead of the multiple required for competitive solutions.
- **Flipped Classroom**: Flipped classroom is an instructional strategy and a type of blended learning that reverses the traditional learning environment by delivering instructional content, often online, outside of the classroom.
- **Hybrid Cloud**: Hybrid cloud is a cloud computing environment which uses a mix of on-premises, private cloud, and third-party, public cloud services with orchestration between the two platforms.
- **Internet Protocol**: Internet Protocol ("IP") is the principal set (or communications protocol) of digital message formats and rules for exchanging messages between computers across a single network or a series of interconnected networks, using the Internet Protocol Suite (often referred to as TCP/IP)
- **Layer 3 Data Center Interconnect**: A Data Center Interconnect ("DCI") refers to the networking of two or more different data centers to achieve business or IT objectives. This interconnectivity between separate data centers enables them to work together, share resources and/or pass workloads between one another. A Layer 3 DCI refers to interconnection made through layer 3 of the commonly-referenced multilayered communication model, Open Systems Interconnection.
- **Machine Learning**: Machine Learning ("ML") is a set of technologies, and itself a branch of AI, that enables computers to simulate human learning, with learning defined here as the ability to change behavior and/or essential capabilities (again, simulated as a digital process on a computer) in response to new information suitably encoded for consumption by the algorithms implementing ML. In other words, ML enables AI-based processes to "learn" from past behaviors and consequently to improve future results, in much the same way as experiential education benefits humans.

- **Network Automation**: Network Automation ("NA") is a methodology in which software automatically configures, provisions, manages and tests network devices. It is used by enterprises and service providers to improve efficiency and reduce human error and operating expenses.
- **OpenStack**: OpenStack software controls large pools of compute, storage, and networking resources throughout a datacenter, managed through a dashboard or via the OpenStack API. OpenStack works with popular enterprise and open source technologies making it ideal for heterogeneous infrastructure. (Source: OpenStack.org)
- **Single Pane of Glass**: Single pane of glass is a term used to describe a management display console that integrates all parts of a computer infrastructure.
- **Stackstorm**: A platform for integration and automation across services and tools. It ties existing infrastructure and application environment to automate that environment. It has a particular focus on taking actions in response to events.
- **Wi-Fi**: Wireless Access points using Radio Frequency and protocols to allow computers, smartphones, or other devices to connect to the Internet or communicate with one another wirelessly within an area.
- **Workflow Composer**: Extreme's event-driven automation tool that allows for customizable workflows and automation to drive provisioning, configuration, and troubleshooting actions in a multi-vendor environment

Industry Background

Enterprises are adopting new IT delivery models and applications that require fundamental network alterations and enhancements spanning from device access point to the network core. AI and ML technologies have the potential to vastly improve the network experience. When AI and ML are used in conjunction with an NA technology, administrators can make significant advances in productivity, availability, accessibility, manageability, security and speed of their network infrastructure. These emerging technologies are driving administrators to a mindset of change toward agile processes that allow a versatile workforce to improve the rate of innovation of the enterprise safely, securely and with confidence.

AI, ML and NA have increased the relevance and importance of the network in the enterprise. Traditional network offerings are not well-suited to fulfill enterprise expectations for rapid delivery of new services, more flexible business models, real-time response and massive scalability.

The networking industry appears to be invigorated by this wave of technological change:

- **Ethernet (wired and wireless) has solidified its role in both public and private networks through its scalability, adaptability and cost-effectiveness.** At the same time, the enterprises and service providers expect the technology to follow a price-performance curve that mandates continued innovation by Ethernet vendors.
- **The mobile workforce continues to proliferate.** Employees expect high-quality and secure access to corporate resources in a BYOD world across a diversity of endpoints such as laptops, tablets, smart phones and wearables, whether they are within the corporate firewall or on-the-go. With ExtremeManagement Center, IT departments focus their investment decisions on this mobile workforce, taking a unified view of wireless access, from the campus core and the data center. Extreme offers end-to-end solutions that permit IT managers to meet employee expectations and to maximize IT return on investment.
- **Verticals such as retail, finance, healthcare, education, manufacturing, government and hospitality (which includes sports and entertainment venues) are connecting with their customers and guests beyond the network.** These enterprises are investing in guest and location technologies that connect with their customers via their mobile devices over their WLAN. This allows them to obtain rich analytics for contextual marketing, which in turn, enables them to deliver a personalized brand experience. ExtremeGuest and ExtremeLocation have been built on cloud-based technology for simple implementation and fast release to market to better provide necessary insights into guest demographics and location-based analytics.
- **The Internet of Things.** The Internet of Things is having dramatic effects on network infrastructure in healthcare, education, manufacturing, government and retail as more "smart" devices are entering the networks. These devices pose opportunities as well as threats to the network. Extreme Defender for IoT delivers security for end points which have limited or even no embedded security capabilities. It is especially targeted to aging wired devices; especially medical devices, that need to roam around a room, a building, or even a campus.
- **Growing usage of the cloud.** Enterprises have migrated increasing numbers of applications and services to either private clouds or public clouds offered by third parties. In either case, the network infrastructure must adapt to this new dynamic environment. Intelligence and automation are key if enterprises are to derive maximum benefit from their cloud deployments. Ethernet speeds, scaling from 10 Gigabits per second ("G") to 100G, provide the infrastructure for both private and public clouds.

- **Vendor consolidation is expected to continue.** Consolidation of vendors within the enterprise network equipment market and between adjacent markets (storage, security, wireless & voice software and applications) continues to gain momentum. Further, we believe customers are demanding more end-to-end, integrated networking solutions. To address this demand, we acquired the WLAN Business of Zebra in October 2016, the Campus Fabric Business from Avaya in July 2017, and the Data Center Business from Brocade in October 2017.

Our strategy, product portfolio and research and development are closely aligned with what we have identified as the following trends in our industry:

- **The software segment of the worldwide enterprise network equipment market has continued to evolve and demands for improvements in Network Management will continue.**
  - *We announced our Extreme Management Center in Fiscal 2017. This innovative software helps IT network administrators to navigate the unprecedented demands caused by the surge of IoT devices and technology.*
- **Enterprise adoption of the cloud and open-source options are disrupting traditional license and maintenance business models.**
  - *We announced cloud offerings in April 2016, and enhanced those offerings in 2017. Extreme began participation in the OpenSwitch program in May 2016, and now participates in the StackStorm community with the acquisition from Brocade in November 2017.*
- **Enterprise adoption of new financing solutions allows for increased flexibility, limited investment and zero long-term commitments. These offerings are changing the traditional CAPEX model to (OPEX) models using financing purchases over time are disrupting traditional sell-in business models.**
  - *We announced Extreme Capital Solutions in April 2018. The offering includes subscription, capital leasing and usage business models that provide flexibility for partners and customers.*
- **Growth of wireless devices continues to outpace hardwire switch growth.**
  - *We announced our 802.11ac Wave 2 wireless offering in late 2015, and plans to continue to advance our wireless portfolio of indoor and outdoor access points, supported by the January 2019, announcement of our Wi-Fi 6 (802.11ax) portfolio of access points.*

The Extreme Strategy

We are focused on delivering end-to-end IP networking solutions for today's enterprise environments. From wireless and wired access technologies, through the campus, core and into the datacenter, Extreme is developing solutions to deliver outstanding business outcomes for our customers. Leveraging a unified management approach, both on premise and in the cloud, we continue to accelerate adoption and delivery of new technologies in support of emerging trends in enterprise networking.

In fiscal 2017, we completed the acquisition of the WLAN Business from Zebra. In fiscal 2018, we completed the acquisitions of the Campus Fabric Business from Avaya and the Data Center Business from Brocade. These acquisitions support our growth strategy to lead the enterprise network equipment market with end-to-end software-driven solutions for enterprise customers from the data center to the wireless edge. After the closing of the acquisitions of the Campus Fabric Business and Data Center Business, Extreme immediately became a networking industry leader with more than 30,000 customers. As a network switching leader in enterprise, datacenter and cloud, after closing of the Campus Fabric Business, we combine and extend our world-class products and technologies to provide customers with some of the most advanced, high performance and open solutions in the market as well as a superb overall customer experience. The combination of Extreme, the Campus Fabric Business and the Data Center Business is significant in that it brings together distinct strengths addressing the key areas of the network, from unified wired and wireless edge, to the enterprise core, to the data center and cloud to offer a complete, unified portfolio of software-driven network access solutions.

Provider of high quality, software-driven, secure networking solutions and the industry's #1 customer support organization

- Only multi-vendor network management with "single pane of glass".
- Delivering new releases of next generation portfolio organically and through acquisition.

Key elements of our strategy include:

- **Focus on being nimble and responsive to customers and partners, we call this "Customer-Driven Networking™."** We work with our customers to deliver software-driven solutions from the enterprise edge to the cloud that are agile, adaptive, and secure to enable digital transformation for our customers. We help our customers move beyond just "keeping the lights on", so they can think strategically and innovate. By allowing customers to access critical decision-making intelligence, we are able reduce their daily tactical work, so they can spend their time on learning and understanding how to innovate their business with IT.
- **Enable a common fabric to simplify and automate the network.** With the acquisition of the Campus Fabric Business, Extreme now has access to field driven Campus and Data Center Fabric technologies. Fabric technologies virtualize the network infrastructure (decoupling network services from physical connectivity) which enables network services to be turned up faster, with lower likelihood of error. They make the underlying network much easier to design, implement, manage and troubleshoot.
- **Software-driven networking services-led solutions.** Our software-driven solutions provide visibility, control and strategic intelligence from the Edge to the Data Center, across networks and applications. Our solutions include wired switching, wireless switching, wireless access points and controllers. We offer a suite of products that are tightly integrated with access control, network and application analytics as well as network management. All can be managed, assessed and controlled from one single pane of glass.
- **Offer customers choice – cloud or on premises.** We leverage cloud where it makes sense for our customers and provide on premise solutions where customers need it. Our hybrid approach gives our customers options to adapt the technology to their business. At the same time, all of our solutions have visibility, control and strategic information built in, all tightly integrated with one single pane of glass. Our customers can understand what's going on across the network and applications in real time – who, when, and what is connected to the network, which is critical for BYOD and IoT.
- **Enable IoT without additional IT resources.** In a recent IoT IT infrastructure survey, enterprise IT decision makers across industry verticals indicated their preference to opt for their existing wireless connectivity infrastructure to support IoT devices. These preferences will place unprecedented demand on network administrators to enhance management capabilities, scalability and programmability of the enterprise networks they manage without additional IT resources. Extreme introduced the Defender for IoT in mid-2018, to address the growing concern of connected things, providing centralized visibility and management and enable IT to analyze traffic flows and pinpoint anomalies. The solution works with the Extreme Fabric Connect solution or over third-party networks to protect IoT devices and is ideal for healthcare environments.
- **Provide a strong value proposition for our customers.** Our cloud-managed wired and wireless networking solutions that provide additional choice and flexibility with on or off premise network, device and application management coupled with our award-winning services and support provide a strong value proposition to the following customers and applications:
  - Enterprises and private cloud data centers use our products to deploy automated next-generation virtualized and high-density infrastructure solutions.
  - Enterprises and organizations in education, healthcare, manufacturing, hospitality, transportation and logistics and government agencies use our solutions for their mobile campus and backbone networks.
  - Enterprises, universities, healthcare and hospitality organizations use our solutions to enable better visibility and control of their data processing and analytics requirements.
- **Provide high-quality customer service and support.** We seek to enhance customer satisfaction and build customer loyalty through high-quality service and support. This includes a wide range of standard support programs that provide the level of service our customers require, from standard business hours to global 24-hour-a-day, 365-days-a-year real-time response support.
- **Extend switching and routing technology leadership.** Our technological leadership is based on innovative switching, routing and wireless products, the depth and focus of our market experience and our operating systems - the software that runs on all of our hardware platforms. Our products reduce operating expenses for our customers and enable a more flexible and dynamic network environment that will help them meet the upcoming demands of IoT, mobile, and cloud, etc. Furthermore, our network operating systems, our primary merchant silicon vendor, and select manufacturing partners permit us to leverage our engineering investment. We have invested in engineering resources to create leading-edge technologies to increase the performance and functionality of our products, and as a direct result, the value of our solution to our current and future customers. We look for maximum synergies from our engineering investment in our targeted verticals.

- **Expand Wi-Fi technology leadership.** Wireless is today's network access method of choice and every business must deal with scale, density and BYOD challenges. The increase in demand being seen today, fueled by more users with multiple devices, increases the expectation that everything will just work. The network edge landscape is changing as the explosion of mobile devices increases the demand for mobile, transparent and always-on wired to wireless edge services. This new "unified access layer" requires distributed intelligent components to ensure that access control and resiliency of business services are available across the entire infrastructure and manageable from a single console. Our unified access layer portfolio provides intelligence for the wired/wireless edge

- **Continue to deliver unified management and a common fabric across the wired/wireless environment from the Data Center to the mobile Edge.** Our rich set of integrated management capabilities provides centralized visibility and highly efficient anytime, anywhere control of enterprise wired and wireless network resources.

- **Offer a superior quality of experience.** Our network-powered application analytics provide actionable business insight by capturing and analyzing context-based data about the network and applications to deliver meaningful intelligence about applications, users, locations and devices. With an easy to comprehend dashboard, our applications help businesses to turn their network into a strategic business asset that helps executives make faster and more effective decisions.

  Data can be mined to show how applications are being used enabling a better understanding of user behavior on the network, identifying the level of user engagement and assuring business application delivery to optimize the user experience. Application adoption can be tracked to determine the return on investment associated with new application deployment.

  Visibility into network and application performance enables our customers to pinpoint and resolve performance bottlenecks in the infrastructure whether they are caused by the network, application or server. This saves both time and money for the business and ensures critical applications are running at the best possible performance.

- **Software-driven networking solutions for the enterprise.** We are a software-driven networking solution company focused on the enterprise. We focus our R&D team and our sales teams to execute against a refined set of requirements for optimized return on investment, faster innovation, and clearer focus on mega trends and changes in the industry. As a software-driven networking company, we offer solutions for the entire enterprise network, the data center, the campus, the core and the WLAN.

- **Expand market penetration by targeting high-growth market segments.** Within the Campus, we focus on the mobile user and connected devices, leveraging our automation capabilities and tracking WLAN growth. Our Data Center approach leverages our product portfolio to address the needs of public and private Cloud Data Center providers. Within the Campus we also target the high-growth physical security market, converging technologies such as Internet Protocol ("IP") video across a common Ethernet infrastructure in conjunction with technology partners.

- **Leverage and expand multiple distribution channels.** We distribute our products through select distributors, a large number of resellers and system-integrators worldwide, and several large strategic partners. We maintain a field sales force to support our channel partners and to sell directly to certain strategic accounts. As an independent Ethernet switch vendor, we seek to provide products that, when combined with the offerings of our channel partners, create compelling solutions for end-user customers.

- **Maintain and extend our strategic relationships.** We have established strategic relationships with a number of industry-leading vendors to both provide increased and enhanced routes to market, but also to collaboratively develop unique solutions.

Key Financial Metrics

During the third quarter of fiscal 2019, we achieved the following results:

- Net revenues of $250.9 million compared to $262.0 million in the third quarter of fiscal 2018.
- Product revenue of $190.8 million compared to $203.5 million in the third quarter of fiscal 2018.
- Service revenue of $60.1 million compared to $58.5 million in the third quarter of fiscal 2018.
- Total gross margin of 55.4% of net revenues compared to 54.6% of net revenues in the third quarter of fiscal 2018.
- Operating loss of $2.2 million compared to an operating loss of $8.2 million in the third quarter of fiscal 2018.
- Net loss of $6.9 million compared to a net loss of $13.6 million in the third quarter of fiscal 2018.

During the first nine months of fiscal 2019, we achieved the following results:

- Cash flow provided by operating activities of $79.5 million compared to cash flow used of $1.7 million in the nine months ended March 31, 2018. Cash and marketable securities of $156.8 million compared to $122.6 million as of June 30, 2018.

Net Revenues

The following table presents net product and service revenue for the periods presented (dollars in thousands):

	Three Months Ended				Nine Months Ended			
	March 31, 2019	March 31, 2018	$ Change	% Change	March 31, 2019	March 31, 2018	$ Change	% Change
Net Revenues:								
Product	$ 190,740	$ 203,527	$ (12,787)	(6.3)%	$ 558,027	$ 543,151	$ 14,876	2.7%
Percentage of net revenue	*76.0%*	*77.7%*			*75.1%*	*77.1%*		
Service	60,124	58,477	1,647	2.8%	185,403	161,691	23,712	14.7%
Percentage of net revenue	*24.0%*	*22.3%*			*24.9%*	*22.9%*		
Total net revenues	$ 250,864	$ 262,004	$ (11,140)	(4.3)%	$ 743,430	$ 704,842	$ 38,588	5.5%

Product revenue decreased $12.7 million or 6.3% for the three months ended March 31, 2019, as compared to the corresponding period of fiscal 2018. We experienced the largest shortfall in the EMEA region, where we experienced lengthening sales cycles in certain Western European countries. To a lesser extent, we believe certain customers in North America were awaiting greater availability of our WiFi6-based access points that began to ship early in our fourth quarter.

Product revenue increased $14.9 million or 2.7% for the nine months ended March 31, 2019 as compared to the corresponding periods of fiscal 2018. The increase in product revenue for the period was primarily attributable to a full period of sales of the Data Center Business and increased sales in EMEA.

Service revenue increased $1.6 million, or 2.8% for the three months ended March 31, 2019 and increased $23.7 million or 14.7% for the nine months ended March 31, 2019as compared to the corresponding periods of fiscal 2018. The increase in service revenue was driven primarily by a higher number of maintenance contracts related to the Data Center Business acquisition.

The following table presents the product and service, gross profit and the respective gross profit percentages for the periods presented (dollars in thousands):

	Three Months Ended				Nine Months Ended			
	March 31, 2019	March 31, 2018	$ Change	% Change	March 31, 2019	March 31, 2018	$ Change	% Change
Gross profit:								
Product	$ 103,864	$ 109,042	$ (5,178)	(4.7)%	$ 301,121	$ 290,149	$ 10,972	3.8%
Percentage of product revenue	54.5%	53.6%			54.0%	53.4%		
Service	35,055	33,941	1,114	3.3%	111,168	94,201	16,967	18.0%
Percentage of service revenue	58.3%	58.0%			60.0%	58.3%		
Total gross profit	$ 138,919	$ 142,983	$ (4,064)	(2.8)%	$ 412,289	$ 384,350	$ 27,939	7.3%
Percentage of net revenues	55.4%	54.6%			55.5%	54.5%		

Product gross profit decrease $5.2 million or 4.7% for the three months ended March 31, 2019, as compared to the corresponding period in fiscal 2018. The decrease in product gross profit were primarily due to lower revenue levels, increased distribution costs of $2.8 million, warranty charges of $1.6 million and excess and obsolete charges of $1.5 million. These increases were partially offset by decreased integration costs from acquisitions of $3.1 million and lower production costs.

Product gross profit increased $11.0 million or 3.8% for the nine months ended March 31, 2019 as compared to the corresponding period in fiscal 2018. The increase in product gross profit was primarily due to higher revenue levels and lower production costs as well as decreased integration costs from acquisitions of $5.8 million. This was offset by higher distribution costs of $9.0 million, warranty charges of $5.6 million, amortization of developed technology intangibles due to the acquisition of the Campus Fabric and Data Center Businesses of $3.4 million and additional operations costs of $3.9 million mainly driven by higher personnel costs due to additional headcount.

Service gross profit increased $1.1 million and $17.0 million or 3.3% and 18.0% for the three and nine months ended March 31, 2019, respectively, as compared to the corresponding periods in fiscal 2018. The increases were primarily due to a higher number of maintenance contracts related to the acquisition of the Data Center Business, partially offset by higher service material costs and personnel costs due to increased headcount to support acquired contracts.

Operating Expenses

The following table presents operating expenses for the periods presented (dollars in thousands):

	Three Months Ended				Nine Months Ended			
	March 31, 2019	**March 31, 2018**	**$ Change**	**% Change**	**March 31, 2019**	**March 31, 2018**	**$ Change**	**% Change**
Research and development	$ 52,081	$ 50,920	$ 1,161	2.3%	$ 155,526	$ 131,112	$ 24,414	18.6%
Sales and marketing	72,321	72,240	81	0.1%	208,245	193,460	14,785	7.6%
General and administrative	15,479	11,707	3,772	32.2%	42,136	35,561	6,575	18.5%
Acquisition and integration costs, net of bargain purchase gain	—	9,316	(9,316)	(100.0)%	2,613	47,675	(45,062)	(94.5)%
Restructuring charges, net of reversals	—	4,920	(4,920)	(100.0)%	1,282	4,920	(3,638)	(73.9)%
Amortization of intangibles	1,292	2,101	(809)	(38.5)%	5,008	6,461	(1,453)	(22.5)%
Total operating expenses	$ 141,173	$ 151,204	$ (10,031)	(6.6)%	$ 414,810	$ 419,189	$ (4,379)	(1.0)%

Research and Development Expenses

Research and development expenses consist primarily of personnel costs (which consists of compensation, benefits and stock-based compensation), consultant fees and prototype expenses related to the design, development, and testing of our products.

Research and development expenses increased by $1.2 million or 2.3% for the three months ended March 31, 2019, as compared to the corresponding period of fiscal 2018. The increased in research and development expenses was due to $3.5 million increase related to third-party design and engineering collaboration charges and $0.7 million in increased facility and information technology costs. The quarterly expenses were partially offset by a $2.2 million reduction in personnel costs primarily due to a reduction in contractor fees and a $0.8 million reduction in supplies and equipment costs.

Research and development expenses increased by $24.4 million or 18.6% for the nine months ended March 31, 2019, as compared to the corresponding period of fiscal 2018. The increase in research and development expenses was due to $10.5 million related to third-party design and engineering collaboration charges, an $8.0 million increase in personnel costs associated with the acquisition of the Data Center Business, $4.9 million in increased facility and information technology costs and $1.0 million in increased supplies and equipment costs.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of personnel costs (which consists of compensation, benefits and stock-based compensation), as well as trade shows and promotional expenses.

Sales and marketing expenses increased by $0.1 million or 0.1% for the three months ended March 31, 2019, as compared to the corresponding period of fiscal 2018, primarily due to $0.4 million of increased software, supplies and equipment costs and $0.3 million of increased in travel, marketing, meeting and conference costs, partially offset by a $0.6 million reduction in personnel costs.

Sales and marketing expenses increased by $14.8 million or 7.6% for the nine months ended March 31, 2019, as compared to the corresponding period of fiscal 2018, primarily as a result of the acquisition of the Data Center Business. The increase consisted of higher personnel costs of $11.4 million, $2.5 million in increased software, supplies and equipment costs, $0.4 million in increased travel, marketing, meeting and conference costs and $0.5 million in increased professional fees.

General and Administrative Expenses

General and administrative expense consists primarily of personnel costs (which consists of compensation, benefits and stock-based compensation), legal and professional service costs, travel and facilities and information technology costs.

General and administrative expenses increased by $3.8 million or 32.2% for the three months ended March 31, 2019, as compared to the corresponding period of fiscal 2018, primarily due to $0.8 million in higher facility and information technology costs, a $1.3 million charge for lease termination costs, a $0.5 million charge for a litigation settlement, a $0.3 million increase in the bad debt provision and $0.2 million in higher personnel costs and other costs. Additionally, in the three months ended March 31, 2018 we recorded a $1.3 million credit to expense related to a change in the fair value of a contingent consideration obligation which did not repeat in the current period. Increases in general and administrative expenses were partially offset by a $0.7 million reduction in professional fees.

General and administrative expenses increased by $6.6 million or 18.5% for nine months ended March 31, 2019, as compared to the corresponding period of fiscal 2018, primarily due to $2.1 million in higher personnel costs, $1.7 million in higher facility and information technology costs, a $0.5 million charge for a litigation settlement, a $1.3 million increase in lease termination costs, and a $0.6 million increase in the bad debt provision and other costs partially offset by a $1.0 million reduction in professional fees. Additionally, in the nine months ended March 31, 2018, we recorded a $1.3 million credit to expense related to a change in the fair value of a contingent consideration obligation which did not repeat in the current period.

Acquisition and Integration Costs, Net of Bargain Purchase Gain

During the three and nine months ended March 31, 2019, we incurred zero and $2.6 million, respectively, of operating integration costs related to the acquisitions of the Campus Fabric and Data Center Businesses.

For the three months ended March 31, 2018, we incurred $3.1 million of acquisition and $1.3 million of integration costs related to the acquisition of the Campus Fabric Business and $3.5 million of acquisition and $1.5 million of integration costs related to the acquisition of the Data Center Business.

For the nine months ended March 31, 2018, we incurred $9.0 million of acquisition and $4.9 million of integration costs related to the acquisition of the Campus Fabric Business and $35.1 million of acquisition and $3.7 million of integration costs related to the acquisition of the Data Center Business. The Data Center Business acquisition costs includes a $25.0 million consent fee paid to Broadcom, to terminate a previous asset purchase agreement we entered into to purchase the Data Center Business from Broadcom, in anticipation of Broadcom's acquisition of Brocade. The fee was paid to Broadcom to allow us to buy the Data Center Business directly from Brocade. We also recorded a gain on bargain purchase of $5.0 million related to the acquisition of the Capital Financing business.

Restructuring Charges, Net of Reversals

For the three months ended March 31, 2019 we did not record any restructuring charges. For the nine months ended March 31, 2019, we recorded restructuring charges of $1.3 million, associated with a reduction-in-force announced in the fourth quarter of fiscal 2018 and additional excess facility charges. For the three and nine months ended March 31, 2018, we recorded restructuring charges of $4.9 million related to a reduction in force. The charges consisted of employee severance and benefits expenses.

Amortization of Intangibles

During the three months ended March 31, 2019 and 2018, we recorded $1.3 million and $2.1 million, respectively, of amortization expense as operating expenses and in the accompanying condensed consolidated statements of operations. The decrease was mainly due to amortization related to the acquired intangibles from the Enterasys acquisition becoming fully amortized.

During the nine months ended March 31, 2019 and 2018, we recorded $5.0 million and $6.5 million, respectively, of amortization expense as operating expenses in the accompanying condensed consolidated statements of operations. The decrease was mainly due to amortization related to the acquired intangibles from the Enterasys acquisition becoming fully amortized.

Interest Expense

During the three months ended March 31, 2019 and 2018, we recorded $3.0 million and $4.0 million, respectively, in interest expense. The decrease in interest expense was due to imputed interest charges associated with various long-term contracts.

During the nine months ended March 31, 2019 and 2018, we recorded $9.6 million and $8.8 million, respectively, in interest expense. The increase in interest expense was due to higher outstanding loan balances and other charges on of our Credit Agreement as compared to the corresponding period of fiscal 2018, partially offset by lower imputed interest charges associated with various long-term contracts.

Other Income (Expense), Net

During the three months ended March 31, 2019 and 2018, we recorded expense of $0.4 million and $0.4 million, respectively, in other income (expense), net. The expense for the three months ended March 31, 2019 was primarily due to losses on equity investments. The expense for the three months ended March 31, 2018 was primarily due to foreign exchange gains and losses from the revaluation of certain assets and liabilities denominated in foreign currencies into U.S. Dollars.

During the nine months ended March 31, 2019 and 2018, we recorded expense of $0.3 million and income of $2.1 million, respectively, in other income (expense), net. For fiscal 2019, the loss was primarily due to losses on equity investments, partially offset by net foreign exchange gains from the revaluation of certain assets and liabilities denominated in foreign currencies into U.S. Dollars. For fiscal 2018, other income (expense), net was primarily driven by a gain of $3.8 million related to the sale of a non-marketable equity investment, partially offset by foreign exchange losses.

Provision for Income Taxes

For the three months ended March 31, 2019 and 2018, we recorded an income tax benefit of $1.9 million and $1.7 million, respectively. For the nine months ended March 31, 2019, and 2018, we recorded a tax benefit of $2.0 million and a tax provision of $1.8 million, respectively.

The income tax provisions for the three months ended March 31, 2019, and 2018, consisted of (1) taxes on the income of our foreign subsidiaries, (2) tax expense associated with the establishment of a U.S. deferred tax liability for amortizable goodwill resulting from the acquisition of Enterasys Networks, Inc., the WLAN Business, the Campus Fabric Business the Data Center Business, (3) foreign withholding taxes and (4) state taxes in jurisdictions where we have no available state Net Operating Losses ("NOLs").

The income tax provisions for the nine months ended March 31, 2019, and 2018 consisted of the components detailed above. Additionally, the tax provision for the nine months ended March 31, 2019, is offset by a tax benefit of $2.6 million resulting from the release of a valuation allowance for our Australian NOLs given consistent and sufficient profitability following the recent acquisitions as well as a tax benefit of $4.7 million for the release of valuation allowance given changes introduced by recently enacted U.S. tax legislation as discussed below. This legislation changed the U.S. NOL rules to afford an indefinite carryforward period for NOLs generated in tax years beginning after December 31, 2017. In evaluating the realizability of Deferred Tax Assets ("DTAs"), historically we were unable to consider the Deferred Tax Liability ("DTL") related to amortizable goodwill as a source of future income for reversing deductible differences with fixed lives. The change to the NOL rules creates an indefinite lived DTA and as such the indefinite lived DTL related to goodwill can now be viewed as a source of income for the newly created indefinite lived DTA. These two indefinite lived items can now be netted in determining the amount of valuation allowance needed.

The tax provision for the nine months ended March 31, 2018, is offset by a tax benefit of $2.5 million resulting from the reduction of the U.S. Federal tax rate from 35% to 21% applied to our deferred tax liability related to amortizable goodwill as required by the U.S. tax legislation discussed below. The income tax provisions for both fiscal years were calculated based on the actual results of operations for the three months ended March 31, 2019, and 2018, respectively and therefore may not reflect the annual effective tax rate.

On December 22, 2017, the President of the United States signed and enacted into law H.R. 1, the Tax Cuts and Jobs Act ("TCJA"), which, except for certain provisions, was effective for tax years beginning on or after January 1, 2018. As a fiscal year taxpayer, we were not subject to the majority of the tax law provisions until fiscal year 2019; however, there were certain significant items of impact that were recognized in fiscal year 2018. Because a change in tax law is accounted for in the period of enactment, the effects of the TCJA, a tax benefit of $2.5 million, was reflected in the second quarter of fiscal 2018. An additional impact was reflected in the second quarter of fiscal year 2019, in the amount of $4.7 million relating to a valuation allowance release in conjunction with the finalization of evaluating the impacts of the TCJA change pursuant to SAB 118. See Note 15 to the condensed consolidated financial statements which includes a detailed discussion of the various provisions of the new U.S. tax legislation.

Critical Accounting Policies and Estimates

Our unaudited condensed consolidated financial statements and the related notes included elsewhere in this report are prepared in accordance with accounting principles generally accepted in the United States. The preparation of these unaudited condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. In many instances, we could have reasonably used different accounting estimates, and in other instances changes in the accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. On an ongoing basis, we evaluate our estimates and assumptions. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected.

As discussed in Part II, Item 7, *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* of our Annual Report on Form 10-K for the year ended June 30, 2018, we consider the following accounting policies to be the most critical in understanding the judgments that are involved in preparing our consolidated financial statements:

- *Revenue Recognition*
- *Business Combinations*
- *Inventory Valuation and Purchase Commitments*

There have been no changes to our critical accounting policies since the filing of our last Annual Report on Form 10-K.

New Accounting Pronouncements

See Note 2 of the accompanying condensed consolidated financial statements for a full description of new accounting pronouncements, including the respective expected dates of adoption and effects on results of operations and financial condition.

Liquidity and Capital Resources

The following summarizes information regarding our cash, marketable securities and working capital (in thousands):

	March 31, 2019	June 30, 2018
Cash	$ 156,813	$ 121,139
Marketable securities	262	1,459
Total cash and marketable securities	$ 157,075	$ 122,598
Working capital	$ 87,850	$ 68,041

As of March 31, 2019, our principal sources of liquidity consisted of cash and marketable securities of $157.1 million, accounts receivable, net of $141.5 million and availability of borrowings from our five-year New Revolving Facility of $35.5 million. Our principal uses of cash include the purchase of finished goods inventory from our contract manufacturers, payroll and other operating expenses related to the development and marketing of our products, purchases of property and equipment, stock repurchase program and repayments of debt and related interest. We believe that our $157.1 million of cash and marketable securities at March 31, 2019 and the availability of borrowings from the New Revolving Facility will be sufficient to fund our principal uses of cash for at least the next 12 months.

On November 2, 2018, our Board of Directors announced that it had authorized management to repurchase up to $60.0 million of its common stock for two years from the date of authorization, of which $15.0 million was used for repurchases in the second quarter of fiscal 2019. Purchases may be made from time to time in the open market or in privately negotiated transactions. The manner, timing and amount of any future purchases will be determined by our management based on their evaluation of market conditions, stock price, Extreme's ongoing determination that it is the best use of available cash and other factors. The repurchase program does not obligate Extreme to acquire any common stock, may be suspended or terminated at any time without prior notice and will be subject to regulatory considerations. During the three months ended March 31, 2019, we did not repurchase any shares. During the nine months ended March 31, 2019, we repurchased 2.4 million shares at an aggregate cost of $15.0 million.

On May 1, 2018, we entered into a Credit Agreement (the "Credit Agreement"), BMO Harris Bank N.A., as an issuing lender and swingline lender, Bank of Montreal, as administrative and collateral agent, and the financial institutions or entities that are a party thereto as lenders. The Credit Agreement provides for i) a $40 million five-year revolving credit facility (the "New Revolving Facility"), ii) a $190 million five-year term loan (the "New Term Loan") and, iii) an uncommitted additional incremental loan facility in the principal amount of up to $100 million ("New Incremental Facility"). On May 1, 2018, we borrowed $200 million under the Credit Agreement.

Borrowings under the Credit Agreement will bear interest, at our election, as of May 1, 2018, at a rate per annum equal to LIBOR plus 1.50% to 2.75%, or the adjusted base rate plus 0.50% to 1.75%, based on our consolidated leverage ratio. In addition, we are required to pay a commitment fee of between 0.25% and 0.40% quarterly (currently 0.35%) on the unused portion of the New Revolving Facility, also based on our consolidated leverage ratio. Principal installments are payable on the New Term Loan in varying percentages quarterly starting September 30, 2018 and to the extent not previously paid, all outstanding balances are to be paid at maturity. The obligations under the Credit Agreement is secured by substantially all of our assets.

Financial covenants under the Credit Agreement require us to maintain a minimum consolidated fixed charge and consolidated leverage ratio at the end of each fiscal quarter through maturity. The Credit Agreement also includes covenants and restrictions that limit, among other things, our ability to incur additional indebtedness, create liens upon any of our property, merge, consolidate or sell all or substantially all of our assets. The Credit Agreement also includes customary events of default which may result in acceleration of the outstanding balance. At March 31, 2019, we were in compliance with the covenants of the Credit Agreement.

Key Components of Cash Flows and Liquidity

A summary of the sources and uses of cash and cash equivalents is as follows (in thousands):

	Nine Months Ended	
	March 31, 2019	March 31, 2018
Net cash provided by (used in) operating activities	$ 79,502	$ (1,730)
Net cash used in investing activities	(15,454)	(114,658)
Net cash (used in) provided by financing activities	(28,178)	89,214
Foreign currency effect on cash	(196)	(99)
Net increase (decrease) in cash	$ 35,674	$ (27,273)

Net Cash Provided by (Used in) Operating Activities

Cash flows provided by operations in the nine months ended March 31, 2019, were $79.5 million, including our net loss of $8.8 million and non-cash expenses of $61.8 million for items such as amortization of intangibles, stock-based compensation, depreciation, deferred income taxes and imputed interest. Other sources of cash for the current quarter included a decrease in accounts receivables, and inventories and increases in deferred revenues. This was partially offset by decreases in accounts payable, accrued compensation and other current and long-term liabilities, and increases in prepaid expenses and other current assets.

Cash flows used in operations in the nine months ended March 31, 2018, were $1.7 million, including our net loss of $41.2 million and non-cash expenses of $46.2 million for items such as amortization of intangibles, stock-based compensation, depreciation, deferred income taxes, gain on bargain purchase and gain on sale of non-marketable equity investment as well as increases in accounts receivables, prepaid expenses and decreases in accrued compensation and benefits. This was partially offset by a decrease in inventories and increases in accounts payable, deferred revenue and other current and long-term liabilities.

Net Cash Used in Investing Activities

Cash flows used in investing activities in the nine months ended March 31, 2019 were $15.5 million which consisted of purchases of property and equipment of $16.2 million partially offset by proceeds of $0.7 million related to the sale of investments.

Cash flows used in investing activities in the nine months ended March 31, 2018, were $114.7 million which consisted of expenditures for acquisitions of $97.6 million including $69.6 million for the acquisition of the Campus Fabric Business and $29.5 million for the acquisition of the Data Center Business, less receipt of $1.6 million as final settlement of a working capital adjustment related to the WLAN Business acquisition, purchases of property and equipment of $22.0 million and proceeds of $4.9 million related to the sale of a non-marketable equity investment.

Net Cash Provided by (Used in) Financing Activities

Cash flows used in financing activities in the nine months ended March 31, 2019 were $28.2 million consisting of repayments of debt totaling $17.4 million, contingent consideration of $5.3 million, and $3.0 million for deferred payments on acquisitions. This was partially offset by $13.0 million of proceeds from the issuance of shares of our common stock under our Employee Stock Purchase Plan (“ESPP”), the exercise of stock options and net of taxes paid on vested and released stock awards.

Cash flows used in financing activities for the period also included repurchasing of our common shares valued at $15.0 million during the nine months ended March 31, 2019, in accordance with our approved share repurchase plan. The share repurchases were executed through open market purchases, and future share repurchases may be completed through the combination of individually negotiated transactions, accelerated share buyback, and/or open market purchases. As of March 31, 2019, we have $45.0 million available under our share repurchase plan. Our Credit Facility does not contain any restrictions on the amount of borrowings that can be used to make share repurchases, as long as we are in compliance with our financial and non-financial covenants.

Cash flows provided by financing activities in the nine months ended March 31, 2018 were $89.2 million, including new borrowings of $100.0 million to fund our acquisitions of the Campus Fabric Business and the Data Center Business, $4.7 million proceeds from issuance of shares of our common stock under our Employee Stock Purchase Plan (“ESPP”) and the exercise of stock options, net of taxes paid on vested and released stock awards, partially offset by repayments of debt totaling $13.3 million and $1.5 million of loan fees incurred in connection with the Second Amendment of our Credit Facility.

Foreign Currency Effect on Cash

Foreign currency effect on cash decreased in the nine months ended March 31, 2019 and 2018, primarily due to changes in foreign currency exchange rates between the U.S. Dollar and particularly the Brazilian Real, Indian Rupee and the EURO.

Contractual Obligations

The following summarizes our contractual obligations as of March 31, 2019, and the effect such obligations are expected to have on our liquidity and cash flow in future periods (in thousands):

	Total	Less than 1 Year	1-3 years	3-5 years	More than 5 years
Contractual Obligations:					
Debt obligations	$ 182,875	$ 9,500	$ 27,313	$ 146,062	$ —
Interest on debt obligations	28,850	8,783	15,883	4,184	—
Inventory purchase commitments	194,858	194,858	—	—	
Contractual commitments	99,875	23,500	47,000	29,375	—
Non-cancellable operating lease obligations	104,942	22,401	40,311	25,990	16,240
Deferred payments for an acquisition	16,000	4,000	8,000	4,000	—
Contingent consideration for an acquisition	7,469	4,514	2,458	497	
Other liabilities	410	124	249	37	
Total contractual cash obligations	$ 635,279	$ 267,680	$ 141,214	$ 210,145	$ 16,240

The contractual obligations referenced above are more specifically defined as follows:

Debt obligations relate to amounts owed under our Credit Agreement.

Inventory purchase commitments represent the purchase of long lead-time component inventory that our contract manufacturers procure in accordance with our forecast. We expect to honor the inventory purchase commitments within the next 12 months.

Contractual commitments to suppliers for future services.

Non-cancelable operating lease obligations represent base rents and operating expense obligations to landlords for facilities we occupy at various locations.

Deferred payments for the acquisition of the Data Center Business represent a $1.0 million per quarter.

Contingent consideration for the Capital Financing Business acquisition, at fair value. Actual payments could be different.

Other liabilities include our commitments towards debt related fees and specific arrangements other than inventory.

The amounts in the table above exclude immaterial income tax liabilities related to uncertain tax positions as we are unable to reasonably estimate the timing of settlement.

We did not have any material commitments for capital expenditures as of March 31, 2019.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of March 31, 2019.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Sensitivity

Our exposure to market risk for changes in interest rates relates primarily to our financial investments and debt. We usually invest our cash in investments with short maturities or with frequent interest reset terms. Accordingly, our interest income fluctuates with short-term market conditions. As of March 31, 2019, we did not have any financial investments that were exposed to interest rate risk.

Debt

At certain points in time we are exposed to the impact of interest rate fluctuations, primarily in the form of variable rate borrowings from our credit facility.

At certain points in time we are exposed to the impact of interest rate fluctuations, primarily in the form of variable rate borrowings from our Credit Agreement. Our debt and Credit Agreement are described in the Note 8. Debt, of our Notes to the Consolidated Financial Statements in our annual report on Form 10-K. At March 31, 2019, we had $182.9 million of debt outstanding, all of which was from our Credit Agreement. Through the quarter ended March 31, 2019, the average daily outstanding amount was $185.2 million with a high of $185.3 million and a low of $182.9 million.

The following table presents hypothetical changes in interest expense for the quarter ended March 31, 2019, on outstanding Credit Agreement borrowings as of March 31, 2019, that are sensitive to changes in interest rates (in thousands):

Change in interest expense given a decrease in interest rate of X bps*		Average daily outstanding debt	Change in interest expense given an increase in interest rate of X bps	
(100 bps)	(50 bps)		100 bps	50 bps
$ (457)	$ (229)	$ 185,171	$ 457	$ 229

* Underlying interest rate was 4.84% during the quarter.

Exchange Rate Sensitivity

A majority of our sales and expenses are denominated in United States Dollars. While we conduct some sales transactions and incur certain operating expenses in foreign currencies and expect to continue to do so, we do not anticipate that foreign exchange gains or losses will be significant, in part because of our foreign exchange risk management process discussed below.

Foreign Exchange Forward Contracts

We record all derivatives on the balance sheet at fair value. Changes in the fair value of derivatives are recognized in earnings as Other expense, net. From time to time, we enter into foreign exchange forward contracts to mitigate the effect of gains and losses generated by the foreign currency forecast transactions related to certain operating expenses and re-measurement of certain assets and liabilities denominated in foreign currencies. These derivatives do not qualify as hedges. Changes in the fair value of these foreign exchange forward contracts are offset largely by re-measurement of the underlying assets and liabilities. At March 31, 2019, we did not have any forward foreign currency contracts outstanding.

Foreign currency transaction gains and losses from operations was an immaterial loss and a l**oss** of $0.3 million for the three months ended March 31, 2019 and 2018, respectively. Foreign currency transaction gains and losses from operations was a gain of $0.1 million and a loss of $1.5 million for the nine months ended March 31, 2019 and 2018, respectively.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as such term is defined under Rules 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) are controls and procedures designed to reasonably assure that information required to be disclosed in our reports filed under the Exchange Act, such as this Report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and to reasonably assure that such information is accumulated and communicated to our management, including the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our CEO and CFO, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Report. Based on this evaluation, our CEO and CFO concluded that, as of March 31, 2019, our disclosure controls and procedures were not effective as a result of the material weakness in our internal control over financial reporting described below.

Changes in Internal Control over Financial Reporting

During our third quarter ended March 31, 2019, management identified control deficiencies related to the ineffective design of certain process level controls addressing the accuracy of sales orders entered by the Company. These control design deficiencies arose following an enhancement, implemented during our second fiscal quarter ended December 31, 2018, to our Order Entry system. These deficiencies resulted from inadequate risk assessment associated with the system changes and inadequate communication of those changes to Order Entry personnel.

These control deficiencies created a reasonable possibility that a material misstatement to our consolidated financial statements would not be prevented or detected on a timely basis, and accordingly management assessed these control deficiencies as a material weakness.

These control deficiencies resulted in immaterial misstatements to our condensed consolidated financial statements as of and for the three-month period ended December 31, 2018, that were corrected in our condensed consolidated financial statements as of and for the three-month period ended March 31, 2019.

We have initiated a plan to remediate the material weakness identified above, including (i) redesigning controls to validate all sales orders are processed accurately, and (ii) augmenting user training with respect to the enhancements to the Order Entry system. We expect the material weakness to be fully remediated before the end of our fiscal 2019.

Except for the foregoing, there was no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) in the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within Extreme Networks have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events. Projections of any evaluation of the effectiveness of controls in future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Notwithstanding these limitations, our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives.

PART II. Other Information

Item 1. Legal Proceedings

For information regarding litigation matters required by this item, refer to Part I, Item 3, Legal Proceedings of our Annual Report on Form 10-K for the fiscal year ended June 30, 2018, and Note 9 to our Notes to Condensed Consolidated Financial Statements, included in Part I, Item 1 of this Report which are incorporated herein by reference.

Item 1A. Risk Factors

Our operations and financial results are subject to various risks and uncertainties, including those described in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended June 30, 2018, and in Part II, Item 1A, “Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, which could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our common stock. There have been no material changes to our risk factors since our Annual Report on Form 10-K for the year ended June 30, 2018 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, other than as described in the updated risk factors provided below.

We are required to evaluate the effectiveness of our internal control over financial reporting and publicly disclose any material weaknesses in our controls. Any adverse results from such evaluation could result in a loss of investor confidence in our financial reports and significant expense to remediate, and ultimately could have an adverse effect on our stock price.

Section 404 of the Sarbanes-Oxley Act of 2002 requires our management to assess the effectiveness of our internal control over financial reporting and to disclose if such controls were unable to provide assurance that a material error would be prevented or detected in a timely manner. We have an ongoing program to review the design of our internal controls framework in keeping with changes in business needs, implement necessary changes to our controls design and test the system and process controls necessary to comply with these requirements. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within our Company will have been detected. If we or our independent registered public accounting firm identifies material weaknesses in our internal controls, the disclosure of that fact, even if quickly remedied, may cause investors to lose confidence in our financial statements and its stock price may decline.

For example, during our third fiscal quarter ended March 31, 2019, management identified control deficiencies related to the ineffective design of certain process level controls addressing the accuracy of sales orders entered by us. These control design deficiencies arose following an enhancement, implemented during our second fiscal quarter ended December 31, 2018, to our Order Entry system. These deficiencies resulted from inadequate risk assessment associated with the system changes and inadequate communication of those changes to Order Entry personnel. These control deficiencies created a reasonable possibility that a material misstatement to our consolidated financial statements would not be prevented or detected on a timely basis, and accordingly management assessed these control deficiencies as a material weakness.

These control deficiencies resulted in immaterial misstatements to our condensed consolidated financial statements as of and for the three-month period ended December 31, 2018, that were corrected in our condensed consolidated financial statements as of and for the three-month period ended March 31, 2019. We have initiated a plan to remediate the material weakness identified above, including (i) redesigning controls to validate all sales orders are processed accurately, and (ii) augmenting user training with respect to the enhancements to the Order Entry system. We expect the material weakness to be fully remediated before the end of our fiscal 2019.

Despite our expectations regarding our remediation plan, our remediation plan may not be effective to fully remediate the internal control weakness described above. We cannot assure that you our remediation efforts will be successful or that a similar material weakness will not recur, nor that we will able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC.

Remediation of a material weakness (such as the material weakness described above) could require us to incur significant expenses and, if we fail to remedy any material weakness, our ability to report our financial results on a timely and accurate basis may be adversely affected, our stock price may decline, and we may be subject to sanctions or investigation by regulatory authorities, including the SEC or the Nasdaq Stock Market LLC. We may also be required to restate our financial statements from prior periods. Execution of restatements create a significant strain on our internal resources and could cause delays in our filing of quarterly or annual financial results, increase our costs and cause management distraction. Restatements may also significantly affect our stock price in an adverse manner.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds – Not Applicable

Item 3. Defaults Upon Senior Securities - Not Applicable

Item 4. Mine Safety Disclosure - Not Applicable

Item 5. Other Information

The information set forth below is included herein for the purpose of providing the disclosure required under "Item 5.02 - Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers" of Form 8-K.

On May 7, 2019, the Compensation Committee of the Board approved, an amendment and restatement of the Company's Executive Change in Control Severance Plan (as amended, the "Change in Control Plan"), in which the Company's executive officers, including each of the Company's "named executive officers," participate. The Change in Control Plan, as amended, supersedes the predecessor version of such plan. In connection with the adoption of the Change in Control Plan, each named executive officer entered into a new Participation Agreement under the Change in Control Plan, which supersedes the Participation Agreement previously in effect for the named executive officer.

The Change in Control Plan provides each participating executive with the following severance payments and benefits in the event that the executive's employment is terminated by the Company without "Cause" (other than due to death or disability) or by the executive for "Good Reason" (as each such term is defined in the Change in Control Plan) during the period commencing three months prior to the signing of a definitive agreement contemplating a Change in Control (as defined in the Change in Control Plan) and ending on the 18-month anniversary of the Change in Control :

- a lump-sum cash payment equal to the sum of the executive's annual base salary plus target bonus, multiplied by 2 (for our Chief Executive Officer), 1.5 (for our officers who report directly to our Chief Executive Officer.
- a pro-rata portion of the executive's annual bonus for the fiscal year in which the termination occurs (based on target performance);
- a lump sum payment equal to the health insurance premiums the executive would have been required to pay for continuing coverage under COBRA for 24 months (for our Chief Executive Officer), 18 months (for our officers who report directly to our Chief Executive Officer;
- accelerated vesting of outstanding equity awards; and
- eligibility for outplacement services for 24 months (for our Chief Executive Officer), 18 months (for our officers who report directly to our Chief Executive Officer.

Additionally, if the Company undergoes a Change in Control and the successor or acquirer does not assume or substitute a participating executive's outstanding Company equity awards, then except as otherwise provided in the applicable award agreement, the vesting of such awards will accelerate as of immediately prior to the Change in Control (with vesting of performance-based awards determined based on the greater of target or actual performance).

None of our executive officers are entitled to any "gross-up" payments under the Change in Control Plan with respect to any excise taxes which may be imposed on payments and benefits provided under the Change in Control Plan. Under certain circumstances, an executive's payments and benefits under the Change in Control Plan may be reduced in order to avoid the imposition of "golden parachute" excise taxes. The right to receive severance payments under the Change in Control Plan is subject to the executive's execution of a release of claims in favor of the Company.

Generally, for purposes of the Change in Control Plan, a "Change in Control" occurs if: (i) a person unaffiliated with the Company acquires control of more than fifty percent of the combined voting power of the Company's outstanding securities; (ii) there is a change in a majority of the Company's directors during a one-year period which is not approved by a vote of a majority of the incumbent directors; (iii) there is a merger of the Company with an unrelated entity that results in the Company's shareholders owning fifty percent or less of the voting securities of the merged entity; or (iv) there is a sale of substantially all of the Company's assets to an unrelated third party or consummation of a transaction having a similar effect.

"Cause" for purposes of the Change in Control Plan generally means: (i) the executive's theft, dishonesty, misconduct, breach of fiduciary duty for personal profit, or falsification of Company records; (ii) the executive's material failure to abide by the Company's code of conduct or other policies; (iii) misconduct by the executive within the scope of Section 304 of the Sarbanes-Oxley Act of 2002 as a result of which the Company is required to prepare an accounting restatement; (iv) the executive's unauthorized use, misappropriation, destruction or diversion of any asset or corporate opportunity of the Company; (v) any intentional act by the executive which has a material detrimental effect on the reputation or business of the Company; (vi) the executive's repeated failure or inability to perform any reasonable assigned duties after written notice and a reasonable opportunity to cure such failure or inability; (vii) any uncured material breach by the executive of any employment, non-disclosure, non-competition, non-solicitation or other similar agreement between the executive and the Company; or (viii) the executive's conviction (including any plea of guilty or *nolo contendere*) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the executive's ability to perform his or her duties with the Company.

"Good Reason" for purposes of the Change in Control Plan generally means: (i) a material, adverse change in the executive's position, duties, substantive functional responsibilities or reporting relationships; (ii) a reduction in the executive's annual base salary or target bonus; (iii) the relocation of the executive's principal place of employment to a location that increases the executive's one-way commute by more than 30 miles; (iv) the Company's failure to continue to provide certain employee benefits on terms no less favorable than such benefits provided to similarly situated executives; or (v) the Company's material breach of the Change in Control Plan with respect to the executive.

Under the Participation Agreement entered into with each named executive officer, an executive's participation in the Change in Control Plan has an initial three-year term and will thereafter automatically renew for additional three-year periods, absent delivery of notice of non-renewal by either party more than 90 days prior to the end of the then applicable term.

The preceding summary of the Change in Control Plan is qualified in its entirety by reference to the full text of the Executive Change in Control Severance Plan and the form of Participation Agreement thereunder, complete copies of which are included as Exhibits 10.2 and 10.3 to this Quarterly Report on Form 10-Q and are incorporated herein by reference.

Item 6. Exhibits

(a) Exhibits:

Exhibit Number	Description of Document	Incorporated by Reference			Filed Herewith
		Form	Filing Date	Number	
10.1*	Form of Indemnification Agreement for directors and officers				X
10.2*	Extreme Networks, Inc. Executive Change in Control Severance Plan Amended and Restated April 30, 2019.				X
10.3*	Agreement to Participate in the Extreme Networks, Inc. Executive Change in Control Severance Plan.				X
31.1	Section 302 Certification of Chief Executive Officer.				X
31.2	Section 302 Certification of Chief Financial Officer.				X
32.1**	Section 906 Certification of Chief Executive Officer.				X
32.2**	Section 906 Certification of Chief Financial Officer.				X
101.INS	XBRL Instance Document.				X
101.SCH	XBRL Taxonomy Extension Schema Document.				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.				X

* Indicates management or board of directors contract or compensatory plan or arrangement.

** Furnished herewith. Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be “filed” for purposes of section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise specifically stated in such filing.

SIGNATURES

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

EXTREME NETWORKS, INC.
(Registrant)

/ s /   REMI THOMAS

Remi Thomas
Executive Vice President, Chief Financial Officer
(Principal Accounting Officer)

May 10, 2019

EXTREME NETWORKS, INC.

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement") is effective as of «Date» by and between Extreme Networks, Inc., a Delaware corporation (the "Company"), and «Indemnitee» ("Indemnitee").

A. The Company recognizes the difficulty in obtaining liability insurance for its directors, officers, employees, controlling persons, fiduciaries and other agents and affiliates, the significant cost of such insurance and the general limitations in the coverage of such insurance.

B. The Company further recognizes the substantial increase in corporate litigation in general, subjecting directors, officers, employees, controlling persons, fiduciaries and other agents and affiliates to expensive litigation risks at the same time as the availability and coverage of liability insurance has been severely limited.

C. The current protection available to directors, officers, employees, controlling persons, fiduciaries and other agents and affiliates of the Company may not be adequate under the present circumstances, and directors, officers, employees, controlling persons, fiduciaries and other agents and affiliates of the Company (or persons who may be alleged or deemed to be the same), including the Indemnitee, may not be willing to serve or continue to serve or be associated with the Company in such capacities without additional protection.

D. The Company (a) desires to attract and retain the involvement of highly qualified persons, such as Indemnitee, to serve and be associated with the Company, and (b) accordingly, wishes to provide for the indemnification and advancement of expenses to the Indemnitee to the maximum extent permitted by law.

E. In view of the considerations set forth above, the Company desires that Indemnitee shall be indemnified and advanced expenses by the Company as set forth herein.

AGREEMENT:

In consideration of the mutual promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Certain Definitions.

(a) "*Change in Control*" shall be deemed to have occurred if, on or after the date of this Agreement, (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company acting in such capacity or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then outstanding Voting Securities, (ii) during any period of two (2) consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two- thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least eighty percent (80%) of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation or (iv) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of related transactions) all or substantially all of the Company's assets.

(b) "*Claim*" shall mean with respect to a Covered Event: any threatened, asserted, pending or completed action, suit, proceeding or alternative dispute resolution mechanism, or any hearing, inquiry or investigation (formal or informal) that Indemnitee in good faith believes might lead to the institution of any such action, suit, proceeding or alternative dispute resolution mechanism, whether civil, criminal, administrative, investigative or other, including any appeal therefrom.

(c) References to the "*Company*" shall include, in addition to Extreme Networks, Inc., any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger to which Extreme Networks, Inc. (or any of its wholly owned subsidiaries) is a party, which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees, agents or fiduciaries, so that if Indemnitee is or was a director, officer, employee, agent or fiduciary of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

(d) "*Covered Event*" shall mean any event or occurrence by reason of the fact that Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or any subsidiary of the Company, direct or indirect, whether before or after the date of this Agreement, or is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action or inaction on the part of Indemnitee while serving in such capacity, whether before or after the date of this Agreement.

(e) "*Expense Advance*" shall mean a payment to Indemnitee for Expenses pursuant to Section 3 hereof, in advance of the settlement of or final judgment in any action, suit, proceeding or alternative dispute resolution mechanism, hearing, inquiry or investigation, which constitutes a Claim.

(f) "*Expenses*" shall mean any and all direct and indirect costs, losses, claims, damages, fees, expenses and liabilities, joint or several (including reasonable attorneys' fees and all other costs, expenses and obligations reasonably incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, to be a witness in or to participate in, any action, suit, proceeding, alternative dispute resolution mechanism, hearing, inquiry or investigation), judgments, fines, penalties and amounts paid in settlement (if such settlement is approved in advance by the Company, which approval shall not be unreasonably withheld) actually and reasonably incurred, of any Claim and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement.

(g) "*Independent Legal Counsel*" shall mean an attorney or firm of attorneys, selected in accordance with the provisions of Section 2(d) hereof, who shall not have otherwise performed services for (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the rights of Indemnitee under this Agreement, or of other indemnitees under similar indemnity agreements) or (ii) any other party to the Claim giving rise to a claim for indemnification hereunder, within the last three (3) years. Notwithstanding the foregoing, the term "Independent Legal Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(h) References to "*other enterprises*" shall include employee benefit plans; references to "*fines*" shall include any excise taxes assessed on Indemnitee with respect to an employee benefit plan; and references to "*serving at the request of the Company*" shall include any service as a director, officer, employee, agent or fiduciary of the Company which imposes duties on, or involves services by, such director, officer, employee, agent or fiduciary with respect to an employee benefit plan, its participants or its beneficiaries; and if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan, Indemnitee shall be deemed to have acted in a manner "*not opposed to the best interests of the Company*" as referred to in this Agreement.

(i) "*Reviewing Party*" shall mean, subject to the provisions of Section 2(d), any person or body appointed by the Board of Directors in accordance with applicable law to review the Company's obligations hereunder and under applicable law, which may include a member or members of the Company's Board of Directors, Independent Legal Counsel or any other person or body not a party to the particular Claim for which Indemnitee is seeking indemnification, exoneration or hold harmless rights. In the absence of the appointment of another Reviewing Party, but subject to the provisions of Section 2(d), the full Board of Directors shall be deemed to be the "Reviewing Party" within the meaning of this Agreement.

(j) "*Section*" refers to a section of this Agreement unless otherwise indicated.

(k) "*Voting Securities*" shall mean any securities of the Company that vote generally in the election of directors.

2. Indemnification.

(a) Indemnification of Expenses. Subject to the provisions of Section 2(b) below, the Company shall indemnify, exonerate or hold harmless Indemnitee for Expenses to the fullest extent permitted by law if Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, any Claim (whether by reason of or arising in part out of a Covered Event), including all interest, assessments and other charges incurred in connection with or in respect of such Expenses.

(b) Review of Indemnification Obligations.

(i) Notwithstanding the foregoing, in the event any Reviewing Party shall have determined (in a written opinion, in any case in which Independent Legal Counsel is the Reviewing Party) that Indemnitee is not entitled to be indemnified, exonerated or held harmless hereunder under applicable law, (A) the Company shall have no further obligation under Section 2(a) to make any payments to Indemnitee not made prior to such determination by such Reviewing Party and (B) the Company shall be entitled to be reimbursed by Indemnitee (who hereby agrees to reimburse the Company) for all Expenses theretofore paid in indemnifying, exonerating or holding harmless Indemnitee (within thirty (30) days after such determination); *provided*, *however*, that if Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee is entitled to be indemnified, exonerated or held harmless hereunder under applicable law, any determination made by any Reviewing Party that Indemnitee is not entitled to be indemnified hereunder under applicable law shall not be binding and Indemnitee shall not be required to reimburse the Company for any Expenses theretofore paid in indemnifying, exonerating or holding harmless Indemnitee until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed). Indemnitee's obligation to reimburse the Company for any Expenses shall be unsecured and no interest shall be charged thereon.

(ii) Subject to Section 2(b)(iii) below, if the Reviewing Party shall not have made a determination within forty-five (45) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (A) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification or (B) a prohibition of such indemnification under applicable law; *provided*, *however*, that such 45-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto.

(iii) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement of Indemnitee to indemnification under this Agreement shall be required to be made prior to the final disposition of the Claim.

(c) Indemnitee Rights on Unfavorable Determination; Binding Effect. If any Reviewing Party determines that Indemnitee substantively is not entitled to be indemnified, exonerated or held harmless hereunder in whole or in part under applicable law, Indemnitee shall have the right to commence litigation seeking an initial determination by the court or challenging any such determination by such Reviewing Party or any aspect thereof, including the legal or factual bases therefor, and, subject to the provisions of Section 15 hereof, the Company hereby consents to service of process and to appear in any such proceeding. Absent such litigation, any determination by any Reviewing Party shall be conclusive and binding on the Company and Indemnitee.

(d) Selection of Reviewing Party; Change in Control. If there has not been a Change in Control, any Reviewing Party shall be selected by the Board of Directors, which may be the full Board of Directors in the absence of the selection of another Reviewing Party, and if there has been such a Change in Control (other than a Change in Control which has been approved by a majority of the Company's Board of Directors who were directors immediately prior to such Change in Control), any Reviewing Party with respect to all matters thereafter arising concerning Indemnitee's indemnification, exoneration or hold harmless rights for Expenses under this Agreement or any other agreement or under the Company's Certificate of Incorporation or bylaws as now or hereafter in effect, or under any other applicable law, if desired by Indemnitee, shall be Independent Legal Counsel selected by the Indemnitee and approved by Company (which approval shall not be unreasonably withheld). Such counsel, among other things, shall render its written opinion to the Company and Indemnitee as to whether and to what extent Indemnitee would be entitled to be indemnified, exonerated or held harmless hereunder under applicable law and the Company agrees to abide by such opinion. The Company agrees to pay the reasonable fees of the Independent Legal Counsel referred to above and to fully indemnify, exonerate and hold harmless such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto. Notwithstanding any other provision of this Agreement, the Company shall not be required to pay Expenses of more than one Independent Legal Counsel in connection with all matters concerning a single Indemnitee, and such Independent Legal Counsel shall be the Independent Legal Counsel for any or all other Indemnitees unless (i) the Company otherwise determines or (ii) any Indemnitee shall provide a written statement setting forth in detail a reasonable objection to such Independent Legal Counsel representing other Indemnitees.

(e) Mandatory Payment of Expenses. Notwithstanding any other provision of this Agreement other than Section 10 hereof, to the fullest extent permitted by applicable law and to the extent that Indemnitee was a party to (or participant in) and has been successful on the merits or otherwise, including, without limitation, the dismissal of an action without prejudice, in defense of any Claim, Indemnitee shall be indemnified, exonerated and held harmless against all Expenses actually and reasonably incurred by Indemnitee in connection therewith. If Indemnitee is not wholly successful in such Claim but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Claim, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Claim by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(f) Contribution. If the indemnification, exoneration or hold harmless rights provided for in this Agreement is for any reason held by a court of competent jurisdiction to be unavailable to an Indemnitee, then in lieu of indemnifying, exonerating or holding harmless Indemnitee thereunder, the Company shall contribute to the amount paid or required to be paid by Indemnitee as a result of such Expenses (i) in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Claim or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with the action or inaction which resulted in such Expenses, as well as any other relevant equitable considerations. In connection with the registration of the Company's securities, the relative benefits received by the Company and Indemnitee shall be deemed to be in the same respective proportions that the net proceeds from the offering (before deducting expenses) received by the Company and Indemnitee, in each case as set forth in the table on the cover page of the applicable prospectus, bear to the aggregate public offering price of the securities so offered. The relative fault of the Company and Indemnitee shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and Indemnitee agree that it would not be just and equitable if contribution pursuant to this Section 2(f) were determined by pro rata or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. In connection with the registration of the Company's securities, in no event shall Indemnitee be required to contribute any amount under this Section 2(f) in excess of the net proceeds received by Indemnitee from its sale of securities under such registration statement. No person found guilty of fraudulent misrepresentation (within the meaning of Section 11(a) of the Securities Act of 1933, as amended) shall be entitled to contribution from any person who was not found guilty of such fraudulent misrepresentation.

3. Expense Advances.

(a) Obligation to Make Expense Advances. The Company shall make Expense Advances to Indemnitee upon receipt of a written undertaking, in the form attached hereto as Exhibit A, by or on behalf of the Indemnitee to repay such amounts if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified, exonerated or held harmless therefor by the Company.

(b) Form of Undertaking. Any written undertaking by the Indemnitee to repay any Expense Advances hereunder shall be unsecured and no interest shall be charged thereon.

4. Procedures for Indemnification and Expense Advances.

(a) Timing of Payments. All payments of Expenses (including without limitation Expense Advances) by the Company to the Indemnitee pursuant to this Agreement shall be made to the fullest extent permitted by law as soon as practicable after written demand by Indemnitee therefor is presented to the Company, but in no event later than forty-five (45) days after such written demand by Indemnitee is presented to the Company, except in the case of Expense Advances, which shall be made no later than twenty (20) days after such written demand by Indemnitee is presented to the Company. If the Company disputes a portion of the amounts for which indemnification is requested, the undisputed portion shall be paid and only the disputed portion withheld pending resolution of any such dispute.

(b) Notice/Cooperation by Indemnitee. Indemnitee shall, as a condition precedent to Indemnitee's right to be indemnified, exonerated or held harmless or Indemnitee's right to receive Expense Advances under this Agreement, give the Company notice in writing as soon as practicable of any Claim made against Indemnitee for which indemnification, exoneration or hold harmless rights will or could be sought under this Agreement. Notice to the Company shall be directed to the President and the Secretary of the Company at the address shown on the signature page of this Agreement (or such other address as the Company shall designate in writing to Indemnitee) and shall include a description of the nature of the Claim and the facts underlying the Claim, in each case to the extent known to Indemnitee. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such Claim. In addition, Indemnitee shall give the Company such information and cooperation as the Company may reasonably require and as shall be within Indemnitee's power. The failure by Indemnitee to notify the Company hereunder will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement, except to the extent (solely with respect to the indemnity hereunder) that such failure or delay materially prejudices the Company.

(c) No Presumptions; Burden of Proof. For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification, exoneration or hold harmless right is not permitted by this Agreement or applicable law. In addition, neither the failure of any Reviewing Party to have made a determination as to whether Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by any Reviewing Party that Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnitee to secure a judicial determination that Indemnitee should be indemnified, exonerated or held harmless under this Agreement or applicable law, shall be a defense to Indemnitee's claim or create a presumption that Indemnitee has not met any particular standard of conduct or did not have any particular belief. In connection with any determination by any Reviewing Party or otherwise as to whether the Indemnitee is entitled to be indemnified, exonerated or held harmless hereunder, the burden of proof shall be on the Company to establish that Indemnitee is not so entitled.

(d) Notice to Insurers. If, at the time of the receipt by the Company of a notice of a Claim pursuant to Section 4(b) hereof, the Company has liability insurance in effect which may cover such Claim, the Company shall give prompt notice of the commencement of such Claim to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all reasonably necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Claim in accordance with the terms of such policies.

(e) Selection of Counsel. In the event the Company shall be obligated hereunder to provide indemnification, exoneration or hold harmless rights for or make any Expense Advances with respect to the Expenses of any Claim, the Company, if appropriate, shall be entitled to assume the defense of such Claim with counsel approved by Indemnitee (which approval shall not be unreasonably withheld) upon the delivery to Indemnitee of written notice of the Company's election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees or expenses of separate counsel subsequently employed by or on behalf of Indemnitee with respect to the same Claim; *provided, however*, that (i) Indemnitee shall have the right to employ Indemnitee's separate counsel in any such Claim at Indemnitee's expense and (ii) if (A) the employment of separate counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense or (C) the Company shall not continue to retain such counsel to defend such Claim, then the fees and expenses of Indemnitee's separate counsel shall be Expenses for which Indemnitee may receive indemnification, exoneration or hold harmless rights or Expense Advances hereunder. The Company shall have the right to conduct such defense as it sees fit in its sole discretion, including the right to settle any claim, action or proceeding against Indemnitee without the consent of Indemnitee, provided that the terms of such settlement include either: (i) a full release of Indemnitee by the claimant from all liabilities or potential liabilities under such claim or (ii), in the event such full release is not obtained, the terms of such settlement do not limit any indemnification, exoneration or hold harmless rights Indemnitee may now, or hereafter, be entitled to under this Agreement, the Company's Certificate of Incorporation, bylaws, any agreement, any vote of stockholders or disinterested directors, the General Corporation Law of the State of Delaware (the "DGCL") or otherwise.

5. Additional Indemnification Rights; Nonexclusivity.

(a) Scope. The Company hereby agrees to indemnify, exonerate and hold harmless the Indemnitee to the fullest extent permitted by law, notwithstanding that such indemnification, exoneration or hold harmless right is not specifically authorized by the other provisions of this Agreement, the Company's Certificate of Incorporation, the Company's bylaws or by statute, a vote of stockholders or a resolution of directors, or otherwise. The rights of indemnification and to receive Expense Advances as provided by this Agreement shall be interpreted independently of, and without reference to, any other such rights to which Indemnitee may at any time be entitled. In the event of any change after the date of this Agreement in any applicable law, statute or rule which expands the right of a Delaware corporation to indemnify, exonerate or hold harmless a member of its board of directors or an officer, employee, agent or fiduciary, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits afforded by such change. In the event of any change in any applicable law, statute or rule which narrows the right of a Delaware corporation to indemnify, exonerate or hold harmless a member of its board of directors or an officer, employee, agent or fiduciary, such change, to the extent not otherwise required by such law, statute or rule to be applied to this Agreement, shall have no effect on this Agreement or the parties' rights and obligations hereunder except as set forth in Section 10(a) hereof.

(b) Nonexclusivity. The indemnification, exoneration or hold harmless rights and the payment of Expense Advances provided by this Agreement shall be in addition to any rights to which Indemnitee may be entitled under the Company's Certificate of Incorporation, its bylaws, any other agreement, any vote of stockholders or disinterested directors, the DGCL, or otherwise. The indemnification, exoneration or hold harmless rights and the payment of Expense Advances provided under this Agreement shall continue as to Indemnitee for any action taken or not taken while serving in an indemnified, exonerated or held harmless capacity even though subsequent thereto Indemnitee may have ceased to serve in such capacity.

6. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any Claim made against Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy, provision of the Company's Certificate of Incorporation, bylaws or otherwise) of the amounts otherwise payable hereunder, except as provided in Section 18 below.

7. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification, exoneration or hold harmless rights by the Company for some or a portion of Expenses incurred in connection with any Claim, but not, however, for the total amount thereof, the Company shall nevertheless indemnify, exonerate or hold harmless Indemnitee for the portion of such Expenses to which Indemnitee is entitled.

8. Mutual Acknowledgment. Both the Company and Indemnitee acknowledge that in certain instances, federal law or applicable public policy may prohibit the Company from indemnifying, exonerating or holding harmless its directors, officers, employees, agents or fiduciaries under this Agreement or otherwise. Indemnitee understands and acknowledges that the Company may be required in the future to undertake with the Securities and Exchange Commission to submit the question of indemnification, exoneration or hold harmless rights to a court in certain circumstances for a determination of the Company's right under public policy to indemnify, exonerate or hold harmless Indemnitee.

9. Liability Insurance. To the extent the Company maintains liability insurance applicable to directors, officers, employees, agents or fiduciaries, Indemnitee shall be covered by such policies in such a manner as to provide Indemnitee the same rights and benefits as are provided to the most favorably insured of the Company's directors who are not employees of the Company, if Indemnitee is a director who is not employed by the Company; or of the Company's officers, if Indemnitee is a director of the Company and is also employed by the Company, or is not a director of the Company but is an officer; or in the Company's sole discretion, if Indemnitee is not an officer or director but is an employee, agent or fiduciary.

10. **Exceptions.** Notwithstanding any other provision of this Agreement, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) Excluded Action or Omissions. To indemnify, exonerate or hold harmless Indemnitee for Expenses resulting from acts, omissions or transactions for which Indemnitee is prohibited from receiving indemnification, exoneration or hold harmless rights under this Agreement or applicable law; *provided, however*, that notwithstanding any limitation set forth in this Section 10(a) regarding the Company's obligation to provide indemnification, exoneration or hold harmless rights to Indemnitee, Indemnitee shall be entitled under Section 3 to receive Expense Advances hereunder with respect to any such Claim unless and until a court having jurisdiction over the Claim shall have made a final judicial determination (as to which all rights of appeal therefrom have been exhausted or lapsed) that Indemnitee has engaged in acts, omissions or transactions for which Indemnitee is prohibited from receiving indemnification under this Agreement or applicable law.

(b) Claims Initiated by Indemnitee. To indemnify, exonerate or hold harmless or make Expense Advances to Indemnitee with respect to Claims initiated or brought voluntarily by Indemnitee and not by way of defense, counterclaim or cross claim, except (i) with respect to actions or proceedings brought to establish or enforce an indemnification, exoneration or hold harmless right under this Agreement or any other agreement or insurance policy or under the Company's Certificate of Incorporation or bylaws now or hereafter in effect relating to Claims for Covered Events, (ii) in specific cases if the Board of Directors has approved the initiation or bringing of such Claim or (iii) as otherwise required under Section 145 of the DGCL, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, exoneration, hold harmless right, Expense Advances or insurance recovery, as the case may be.

(c) Lack of Good Faith. To indemnify, exonerate or hold harmless Indemnitee for any Expenses incurred by Indemnitee with respect to any action instituted (i) by Indemnitee to enforce or interpret this Agreement, if a court having jurisdiction over such action determines as provided in Section 13 hereof that each of the material assertions made by Indemnitee as a basis for such action was not made in good faith or was frivolous or (ii) by or in the name of the Company to enforce or interpret this Agreement, if a court having jurisdiction over such action determines as provided in Section 13 hereof that each of the material defenses asserted by Indemnitee in such action was made in bad faith or was frivolous.

(d) Claims Under Section 16(b) or Sarbanes-Oxley Act. To indemnify, exonerate or hold harmless Indemnitee for expenses and the payment of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); *provided, however,* that notwithstanding any limitation set forth in this Section 10(d) regarding the Company's obligation to provide indemnification or exoneration or hold harmless, Indemnitee shall be entitled under Section 3 hereof to receive Expense Advances hereunder with respect to any such Claim unless and until a court having jurisdiction over the Claim shall have made a final judicial determination (as to which all rights of appeal therefrom have been exhausted or lapsed) that Indemnitee has violated said statute.

11. **Counterparts.** This Agreement may be executed in counterparts and by facsimile or electronic transmission, each of which shall constitute an original and all of which, together, shall constitute one instrument.

12. **Binding Effect; Successors and Assigns.** This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company), spouses, heirs, and personal and legal representatives. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all, or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. This Agreement shall continue in effect regardless of whether Indemnitee continues to serve as a director, officer, employee, agent or fiduciary (as applicable) of the Company or of any other enterprise at the Company's request.

13. **Expenses Incurred in Action Relating to Enforcement or Interpretation.** In the event that any action is instituted by Indemnitee under this Agreement or under any liability insurance policies maintained by the Company to enforce or interpret any of the terms hereof or thereof, Indemnitee shall be entitled to be indemnified for all Expenses incurred by Indemnitee with respect to such action (including without limitation attorneys' fees), regardless of whether Indemnitee is ultimately successful in such action, unless as a part of such action a court having jurisdiction over such action makes a final judicial determination (as to which all rights of appeal therefrom have been exhausted or lapsed) that each of the material assertions made by Indemnitee as a basis for such action was not made in good faith or was frivolous; *provided*, *however*, that until such final judicial determination is made, Indemnitee shall be entitled under Section 3 to receive payment of Expense Advances hereunder with respect to such action. In the event of an action instituted by or in the name of the Company under this Agreement to enforce or interpret any of the terms of this Agreement, Indemnitee shall be entitled to be indemnified, exonerated or held harmless for all Expenses incurred by Indemnitee in defense of such action (including without limitation costs and expenses incurred with respect to Indemnitee's counterclaims and cross-claims made in such action), unless as a part of such action a court having jurisdiction over such action makes a final judicial determination (as to which all rights of appeal therefrom have been exhausted or lapsed) that each of the material defenses asserted by Indemnitee in such action was made in bad faith or was frivolous; *provided*, *however*, that until such final judicial determination is made, Indemnitee shall be entitled under Section 3 to receive payment of Expense Advances hereunder with respect to such action.

14. **Notices.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed duly given (i) if delivered by hand and signed for by the party addressed, on the date of such delivery or (ii) if mailed by domestic certified or registered mail with postage prepaid, on the third business day after the date postmarked. Addresses for notice to either party are as shown on the signature page of this Agreement or as subsequently modified by written notice.

15. **Consent to Jurisdiction.** The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the courts of the State of Delaware for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be commenced, prosecuted and continued only in the Court of Chancery of the State of Delaware in and for New Castle County, which shall be the exclusive and only proper forum for adjudicating such a claim.

16. **Severability.** The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including without limitation each portion of this Agreement containing any provision held to be invalid, void or otherwise unenforceable, that is not itself invalid, void or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

17. **Choice of Law.** This Agreement, and all rights, remedies, liabilities, powers and duties of the parties to this Agreement, shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflicts of laws.

18. **Primacy of Indemnification; Subrogation.**

(a)

(b) In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee from any insurance policy purchased by the Company, who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company effectively to bring suit to enforce such rights. In no event, however, shall the Company or any other person have any right of recovery, through subrogation or otherwise, against (i) Indemnitee, or (ii) any insurance policy purchased or maintained by Indemnitee.

19. **Amendment and Termination.** No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in writing signed by both the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver.

20. **Integration and Entire Agreement.** This Agreement sets forth the entire understanding between the parties hereto and supersedes and merges all previous written and oral negotiations, commitments, understandings and agreements relating to the subject matter hereof between the parties hereto, including any existing director or officer indemnification agreement; *provided*, *however*, that this Agreement is a supplement to and in furtherance of the Certificate of

Incorporation, the bylaws, any directors and officers insurance maintained by the Company and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

21. **No Construction as Employment Agreement.** Nothing contained in this Agreement shall be construed as giving Indemnitee any right to employment by the Company or any of its subsidiaries or affiliated entities.

22. **Additional Acts.** If for the validation of any of the provisions in this Agreement any act, resolution, approval or other procedure is required, the Company undertakes to cause such act, resolution, approval or other procedure to be affected or adopted in a manner that will enable the Company to fulfill its obligations under this Agreement.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement as of the date first above written.

EXTREME NETWORKS, INC.

By:

Authorized Officer

Address:

Agreed to and accepted by:

INDEMNITEE:

By:

«Indemnitee»

Date: «Date»

Address:
«Address»

EXHIBIT A

Form of Undertaking

AFFIRMATION AND UNDERTAKING FOR ADVANCE OF EXPENSES PURSUANT TO SECTION 145(e) OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

Pursuant to Section 145(e) of the General Corporation Law of the State of Delaware (the "***DGCL***"), Section 8.1 of the Amended and Restated Bylaws (the "***Bylaws***") of Extreme Networks, Inc. (the "***Company***"), and Section 3(a) of my Indemnification Agreement with the Company (the "***Indemnification Agreement***"), I understand that I must provide a written undertaking in order for the Company to make Expense Advances to me in connection with [NAME OF PROCEEDING], as well as in any related action, suit or proceeding that is threatened, pending or may be filed in the future in which I am a party, a witness or other participant.

The capitalized terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I hereby affirm my good-faith belief that I have met the standard of conduct for indemnification imposed by Section 145(d) of the DGCL. I affirm that in connection with the matters for which I seek Expense Advances, I have acted in good faith and in a manner I reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe that such conduct was unlawful.

I hereby undertake to repay the Expense Advances if it is ultimately determined that I am not entitled to be indemnified, exonerated or held harmless therefor by the Company under Section 145 of the DGCL, Article VIII of the Bylaws or the Indemnification Agreement.

This undertaking is a general, unsecured obligation, and no interest shall be charged hereon.

I have executed this Affirmation and Undertaking on this ___ day of __________, 20__.

____

Exhibit 10.2

EXTREME NETWORKS, INC.
EXECUTIVE CHANGE IN CONTROL SEVERANCE PLAN
Amended and Restated April 30, 2019

1. Establishment and Purpose

The Extreme Networks, Inc. Executive Severance Plan (the "***Plan***") was established by the Board of Directors of Extreme Networks, Inc., effective February 8, 2006, and amended and restated as of August 7, 2008, February 12, 2014, May 4, 2016 and November 1, 2016. Effective as of April 30, 2019, the Plan is hereby further amended and restated as set forth herein.

2. Definitions and Construction

2.1 **Definitions**. Whenever used in this Plan, capitalized terms shall have the same meaning as set forth in Appendix A.

2.2 **Construction.** Captions and titles contained in this Plan are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

3. Eligibility and Participation

The Company's Chief Executive Officer and Officers shall automatically be eligible to become Participants in the Plan, and Vice Presidents must be designated by the Committee before they can become eligible to become Participants in the Plan. As a condition to become a Participant in the Plan, an eligible person must first sign an Agreement to Participate in the Extreme Networks, Inc. Executive Change in Control Severance Plan in a form provided by the Company, which will set forth the period of time during which a Participant may participate in the Plan.

4. Effect of a Change in Control on Equity Awards

To the extent any Equity Award (currently outstanding or granted in the future) that would otherwise be subject to this Section 4 is subject to a written agreement duly executed by the Company and a Participant that provides treatment more favorable to the Participant than this Section 4 shall be governed by the more favorable terms of such agreement rather than this Section 4.

4.1 **Equity Awards – Not Assumed or Substituted.** Subject to the terms of the award agreement governing the Equity Award and Section 4.3, in the event of a Change in Control in which the Acquiror does not assume or continue any then-outstanding Equity Awards held by the Participant or substitute for any such awards substantially equivalent awards, then the vesting, exercisability and settlement of each such award shall be accelerated in full effective immediately prior to but conditioned upon the consummation of the Change in Control so that each such Equity Award held by the Participant shall be fully vested (and, if applicable, exercisable). Except as otherwise provided in an agreement evidencing a performance-based award, for each such Equity Award that is a performance-based award, the applicable performance goals shall be deemed achieved at the greater of target or actual achievement (with the performance goals equitably adjusted if necessary to reflect a truncated performance period).

4.2 **Equity Awards – Assumed or Substituted.** In the event of a Change in Control in which the Acquiror assumes or continues the Company's rights and obligations under any of the then-outstanding Equity Awards held by the Participant or substitutes for any such Equity Awards substantially equivalent awards, then each such Equity Award shall vest and become exercisable or settleable as determined in accordance with the agreement applicable to such award as in effect immediately prior to the Change in Control.

4.3 **Effect On Equity Award Agreements**. The provisions contained in Section 4.1 of this Plan shall apply notwithstanding any provision to the contrary contained in any agreement evidencing an Equity Award granted to a Participant to the extent such agreement confers lesser rights to the Participant.

5. **Termination Upon a Change in Control**

In the event of a Participant's Termination Upon a Change in Control, the Participant shall be entitled to receive the compensation and benefits described in this Section 5.

5.1 **Accrued Obligations.** The Participant shall be entitled to receive:

(a) all salary, commissions and accrued but unused vacation earned through the date of the Participant's termination of employment;

(b) payment within ten (10) business days following the Participant's termination of employment of any Prior Year Bonus or portion thereof which the Committee determines has been earned by the Participant as of the date of the Participant's termination of employment under the terms of the programs, plans or agreements providing for such bonus, but which remains unpaid as of such date;

(c) reimbursement within ten (10) business days of submission of proper expense reports of all expenses reasonably and necessarily incurred by the Participant in connection with the business of the Company Group and in accordance with Company Group policies prior to his or her termination of employment; and

(d) the benefits, if any, under any Company Group retirement plan, nonqualified deferred compensation plan, stock purchase or other stock-based compensation plan or agreement (other than any such plan or agreement pertaining to Equity Awards whose treatment is prescribed by Section 5.2(c) below), health benefits plan or other Company Group benefit plan to which the Participant may be entitled pursuant to the terms of such plans or agreements.

5.2 **Severance Benefits.** Provided that the Participant executes the Release prior to the Release Deadline and such Release then becomes effective and irrevocable in accordance with its terms, the Participant shall be entitled to receive the following severance payments and benefits:

(a) **Salary and Bonus.** On the first payroll date on or following the date the Release becomes effective and irrevocable, and, in any event, within sixty (60) days after the date of the Participant's Separation from Service, the Company shall pay to the Participant in a lump sum cash payment an amount equal to the product of (1) the Participant's Base Salary Rate plus Annual Bonus, multiplied by (2) the Participant's Severance Multiplier.

(b) **Prorated Bonus**. A prorated annual bonus for the Company's fiscal year in which the Participant's termination of employment occurs, based on target but prorated based on the number of days the Participant was employed by the Company during such fiscal year, and paid in a single cash lump sum on the first payroll date that occurs on or after the Release becomes effective and irrevocable and, in any event, within sixty (60) days after the date of the Participant's Separation from Service.

(c) **COBRA Premiums.** On the first payroll date on or following the date the Release becomes effective and irrevocable and, in any event, within sixty (60) days after the date of the Participant's Separation from Service, the Company shall pay to the Participant in a lump sum cash payment an amount equal to the premiums that the Participant would have been required to pay for continuing coverage under the Consolidated Omnibus Budget Reconciliation Act over the Severance Period, assuming the same premium cost to the Participant and the same coverage level as in effect as of the Participant's termination of employment (without giving effect to any reduction in such benefits constituting Good Reason).

(d) **Accelerated Vesting of Equity Awards.** Notwithstanding any provision to the contrary contained in any agreement evidencing an Equity Award granted to a Participant, the vesting, exercisability and settlement of each of the Participant's outstanding Equity Awards that, as of immediately prior to the Participant's Separation from Service, was scheduled to vest based solely upon the Participant's continued services shall be accelerated in full effective as of the date of the Participant's Separation from Service so that each such Equity Award held by the Participant shall be immediately fully vested (and, if applicable, exercisable). Except as otherwise provided in an agreement evidencing a performance-based Equity Award, the vesting of a Participant's outstanding performance-based Equity Awards shall be accelerated in full effective as of the date of the Participant's Separation from Service, with applicable performance goals deemed achieved at the greater of target or actual achievement (with the performance goals equitably adjusted if necessary to reflect a truncated performance period).

(e) **Outplacement Assistance**. Following the date of termination of a Participant's employment, such Participant shall receive outplacement assistance services from Right Management for the duration of the Participant's Severance Period, and the Company shall pay all costs of such services.

5.3 **Indemnification; Insurance.**

(a) In addition to any rights a Participant may have under any indemnification agreement previously entered into between the Company and such Participant (a ***"Prior Indemnity Agreement"***), from and after the date of the Participant's termination of employment, the Company shall indemnify and hold harmless the Participant against any costs or expenses (including attorneys' fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, by reason of the fact that the Participant is or was a director, officer, employee or agent of the Company Group, or is or was serving at the request of the Company Group as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, whether asserted or claimed prior to, at or after the date of the Participant's termination of employment, to the fullest extent permitted under applicable law, and the Company shall also advance fees and expenses (including attorneys' fees) as incurred by the Participant to the fullest extent permitted under applicable law. In the event of a conflict between the provisions of a Prior Indemnity Agreement and the provisions of this Plan, the Participant may elect which provisions shall govern.

(b) For a period of six (6) years from and after the date of termination of employment of a Participant who was an officer and/or director of the Company at any time prior to such termination of employment, the Company shall maintain a policy of directors' and officers' liability insurance for the benefit of such Participant which provides him or her with coverage no less favorable than that provided for the Company's continuing officers and directors.

6. **Federal Excise Tax Under Section 4999 of the Code**

6.1 **Excess Parachute Payment.** In the event that any payment or benefit received or to be received by the Participant pursuant to this Plan or otherwise (collectively, the ***"Payments"***) would subject the Participant to any excise tax pursuant to Section 4999 of the Code (the ***"Excise Tax"***) due to the characterization of such Payments as an excess parachute payment under Section 280G of the Code, then, notwithstanding the other provisions of this Plan, the amount of such Payments will not exceed the amount which produces the greatest after-tax benefit to the Participant. For purposes of this Section 6.1, if Payments must be reduced, then such reductions shall come first from the cash severance otherwise payable to the Participant.

6.2 **Determination by Accountants.** Upon the occurrence of any event (the ***"Event"***) that would give rise to any Payments pursuant to this Plan, the Company shall promptly request a determination in writing to be made within thirty (30) days of the date of the Event by independent public accountants (the ***"Accountants"***) selected by the Company and reasonably acceptable to the Participant of the amount and type of such Payments which would produce the greatest after-tax benefit to the Participant. For the purposes of such determination, the Accountants may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Participant shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make their required determination. The Company shall bear all fees and expenses the Accountants may reasonably charge in connection with their services contemplated by this Section. In the event that the report of the Accountants is not received within thirty (30) days following the Participant's Termination Upon Change in Control, the Company shall pay to the Participant the cash severance benefits required by Section 5.2 above (subject to any reduction necessary to produce the greatest after-tax benefit to the Participant) within ten (10) days of the later of the date of the Accountants' report of their determination or the payment date determined in accordance with Section 5.2(a) above.

7. **Conflict in Benefits; Noncumulation of Benefits**

7.1 **Effect of Plan.** The terms of this Plan, when an individual becomes a Participant in this Plan, shall supersede all prior arrangements, whether written or oral, and understandings regarding the subject matter of this Plan and shall be the exclusive agreement for the determination of any payments and benefits due to the Participant upon the events described in Sections 4, 5 and 6. However, if a prior plan or agreement requires the consent of the Participant in order for such prior plan or agreement to be modified or amended or superseded by this Plan, such consent must be obtained from such employee in order for this Plan to supersede such prior plan or agreement, it being understood that, in accordance with Section 7.2, the benefits payable hereunder shall be reduced by the benefits payable under such plan or agreement. Subject to the foregoing, any benefits under this Plan will be provided to Participants in lieu of benefits under any other separation plan or agreement.

7.2 **Noncumulation of Benefits.** Except as expressly provided in a written agreement between a Participant and the Company which expressly disclaims this Section 7.2 and is approved by the Board or the Committee, the total amount of payments and benefits that may be received by the Participant as a result of the events described in Sections 4, 5 and 6 pursuant to the Plan, shall be reduced, in whole or in part, by any other severance benefits, pay in lieu of notice, or other similar benefits payable to such Participant by the Company in connection with such Participant's termination, including but not limited to payments or benefits pursuant to (a) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act, or (b) any Company agreement, arrangement, policy or practice relating to such Participant's termination of employment with the Company, including any existing employment agreement between such Participant and the Company. The benefits provided under this Plan are intended to satisfy, to the greatest extent possible, any and all statutory obligations that may arise out of any Participant's termination of employment. Such reductions shall be applied on a retroactive basis, with severance benefits previously paid being recharacterized as payments pursuant to the Company's statutory obligation.

8. **Exclusive Remedy**

The payments and benefits provided pursuant to this Plan (plus any payments and benefits provided pursuant a Prior Indemnity Agreement or an agreement evidencing an Equity Award, subject to such acceleration of vesting, exercisability and settlement provided by this Plan), if applicable, shall constitute the Participant's sole and exclusive remedy for any alleged injury or other damages arising out of the cessation of the employment relationship between the Participant and the Company in the event of the Participant's Termination Upon a Change in Control. The Participant shall be entitled to no other compensation, benefits, or other payments from the Company as a result of any Termination Upon a Change in Control with respect to which the payments and benefits described in this Plan (plus any payments and benefits provided pursuant to a Prior Indemnity Agreement or an agreement evidencing an Equity Award, subject to such acceleration of vesting, exercisability and settlement provided by this Plan), if applicable, have been provided to the Participant, except as expressly set forth in this Plan or, subject to the provisions of Sections 7.1 and 7.2, in a duly executed plan or agreement between Company and the Participant.

9. Proprietary and Confidential Information

The Participant agrees to continue to abide by the terms and conditions of the confidentiality and/or proprietary rights agreement between the Participant and the Company or any other member of the Company Group.

10. Nonsolicitation

If the Company performs its obligations to deliver the payments and benefits set forth in this Plan (plus any payments and benefits provided pursuant a Prior Indemnity Agreement or an agreement evidencing an Equity Award, subject to such acceleration of vesting, exercisability and settlement provided by this Plan), then, for a period equal to the greater of (a) one (1) year following the Participant's Termination Upon a Change in Control, and (b) the Severance Period, the Participant shall not, directly or indirectly, recruit, solicit or invite the solicitation of any employees of the Company to terminate their employment relationship with the Company.

11. No Contract of Employment

Neither the establishment of the Plan, nor any amendment thereto, nor the payment of any benefits shall be construed as giving any person the right to be retained by the Company, a Successor or any other member of the Company Group. Except as otherwise established in an employment agreement between the Company and a Participant, the employment relationship between the Participant and the Company is an "at-will" relationship. Accordingly, either the Participant or the Company may terminate the relationship at any time, with or without cause, and with or without notice except as otherwise provided by Section 15. In addition, nothing in this Plan shall in any manner obligate any Successor or other member of the Company Group to offer employment to any Participant or to continue the employment of any Participant which it does hire for any specific duration of time.

12. Claims for Benefits

12.1 **ERISA Plan.** This Plan is intended to be (a) an employee welfare plan as defined in Section 3(1) of Employee Retirement Income Security Act of 1974 (*"**ERISA**"*) and (b) a "top-hat" plan maintained for the benefit of a select group of management or highly compensated employees of the Company Group. This document is intended to constitute both the Plan document and the Plan's Summary Plan Description. For purposes of ERISA, the Company shall be "Plan Administrator."

12.2 **Application for Benefits.** All applications for payments and/or benefits under the Plan (*"**Benefits**"*) shall be submitted to the Company's Benefits department personnel (the *"**Claims Administrator**"*), with a copy to the Company's General Counsel. Applications for Benefits must be in writing on forms acceptable to the Claims Administrator and must be signed by the Participant or beneficiary. The Claims Administrator reserves the right to require the Participant or beneficiary to furnish such other proof of the Participant's expenses, including without limitation, receipts, canceled checks, bills, and invoices as may be required by the Claims Administrator.

12.3 **Appeal of Denial of Claim.**

(a) If a claimant's claim for Benefits is denied, the Claims Administrator shall provide notice to the claimant in writing of the denial within ninety (90) days after its submission. The notice shall be written in a manner calculated to be understood by the claimant and shall include:

(1) The specific reason or reasons for the denial;

(2) Specific references to the Plan provisions on which the denial is based;

(3) A description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary; and

(4) An explanation of the Plan's claims review procedures and a statement of claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination.

(b) If special circumstances require an extension of time for processing the initial claim, a written notice of the extension and the reason therefor shall be furnished to the claimant before the end of the initial ninety (90) day period. In no event shall such extension exceed ninety (90) days.

(c) If a claim for Benefits is denied, the claimant, at the claimant's sole expense, may appeal the denial to the Committee (the ***"Appeals Administrator"***) within sixty (60) days of the receipt of written notice of the denial. In pursuing such appeal the applicant or his duly authorized representative:

(1) may request in writing that the Appeals Administrator review the denial;

(2) may review pertinent documents; and

(3) may submit issues and comments in writing.

(d) The decision on review shall be made within sixty (60) days of receipt of the request for review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered as soon as possible, but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time is required, written notice of the extension shall be furnished to the claimant before the end of the original sixty (60) day period. The decision on review shall be made in writing, shall be written in a manner calculated to be understood by the claimant, and, if the decision on review is a denial of the claim for Benefits, shall include:

(1) The specific reason or reasons for the denial;

(2) Specific references to the Plan provisions on which the denial is based;

(3) A description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary; and

(4) An explanation of the Plan's claims review procedures and a statement of claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination.

12.4 **Discretionary Authority**. In performing their duties under the Plan, the Company, the Claims Administrator and the Appeals Administrator shall have the discretionary authority to interpret the terms and the eligibility provisions of the Plan.

13. Dispute Resolution

13.1 **Disputes Subject to Arbitration.** Any claim, dispute or controversy arising out of this Plan, the interpretation, validity or enforceability of this Plan or the alleged breach thereof shall be submitted by the parties to binding arbitration by the American Arbitration Association ("AAA") or as otherwise required by ERISA; provided, however, that (a) the arbitrator shall have no authority to make any ruling or judgment that would confer any rights with respect to trade secrets, confidential and proprietary information or other intellectual property; and (b) this arbitration provision shall not preclude the parties from seeking legal and equitable relief from any court having jurisdiction with respect to any disputes or claims relating to or arising out of the misuse or misappropriation of intellectual property. Such arbitration shall be conducted in accordance with the then-existing AAA Employment Arbitration Rules and Mediation Procedures. The rules can be found at https://www.adr.org/employment, or a copy will be provided upon request. Judgment may be entered on the award of the arbitrator in any court having jurisdiction.

13.2 **Site of Arbitration.** The site of the arbitration proceeding shall be in Santa Clara, California or any other site mutually agreed to by the Company and the Participant.

13.3 **Costs and Expenses Borne by Company.** All costs and expenses of arbitration, including but not limited to reasonable attorneys' fees and other costs reasonably incurred by the Participant in connection with an arbitration in accordance with this Section 13, shall be paid by the Company. Notwithstanding the foregoing, if the Participant initiates the arbitration, and the arbitrator finds that the Participant's claims were totally without merit or frivolous, then the Participant shall be responsible for the Participant's own attorneys' fees and costs.

14. Successors and Assigns

14.1 **Successors of the Company.** The Company shall require any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, expressly, absolutely and unconditionally to assume and agree to perform this Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. Failure of the Company to obtain such agreement shall be a material breach of this Plan and shall entitle the Participant to resign for Good Reason and to receive the benefits provided under this Plan in the event of Termination Upon a Change in Control.

14.2 **Acknowledgment by Company.** If, after a Change in Control, the Company fails to reasonably confirm that it has performed the obligation described in Section 14.1 within thirty (30) days after written notice from the Participant, such failure shall be a material breach of this Plan and shall entitle the Participant to resign for Good Reason and to receive the benefits provided under this Plan in the event of Termination Upon a Change in Control.

14.3 **Heirs and Representatives of Participant.** This Plan shall inure to the benefit of and be enforceable by the Participant's personal or legal representatives, executors, administrators, successors, heirs, distributees, devises, legatees or other beneficiaries. If the Participant should die while any amount would still be payable to the Participant hereunder (other than amounts which, by their terms, terminate upon the death of the Participant) if the Participant had continued to live, then all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Plan to the executors, personal representatives or administrators of the Participant's estate.

15. NOTICES

15.1 **General.** For purposes of this Plan, notices and all other communications shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by United States certified mail, return receipt requested, or by overnight courier, postage prepaid, as follows:

(a) if to the Company:

Extreme Networks, Inc.
6480 Via Del Oro
San Jose, CA 95119
Attention: Chief Administrative Officer

(b) if to the Participant, at the home address which the Participant most recently communicated to the Company in writing.

Either party may provide the other with notices of change of address, which shall be effective upon receipt.

15.2 **Notice of Termination.** Any termination by the Company of the Participant's employment during the Change in Control Period or any resignation by the Participant during the Change in Control Period shall be communicated by a notice of termination or resignation to the other party hereto given in accordance with Section 15.1. Such notice shall indicate the specific termination provision in this Plan relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and shall specify the termination date.

16. Termination and Amendment of Plan

The Plan may be terminated or amended in any respect by resolution adopted by two-thirds (2/3) of the Board, provided, that during a Change in Control Period, the Plan may not be terminated or amended until the date all payments and benefits eligible to be received hereunder shall have been paid. Notwithstanding any other provision of the Plan to the contrary, the Board or the Committee may, in its sole and absolute discretion and without the consent of any Participant, amend the Plan, to take effect retroactively or otherwise, as it deems necessary or advisable for the purpose of conforming the Plan to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A), and to the administrative regulations and rulings promulgated thereunder.

17. Section 409A

17.1 **General**. The payments and benefits under the Plan are intended to comply with or be exempt from Section 409A and, accordingly, to the maximum extent permitted, the Plan shall be interpreted to be in compliance with or exempt from Section 409A. If the Company determines that any particular provision of the Plan would cause a Participant to incur any tax or interest under Section 409A, the Company shall take commercially reasonable efforts to reform such provision to the minimum extent reasonably appropriate to comply with or be exempt from Section 409A, *provided* that any such modifications shall not increase the cost or liability to the Company. To the extent that any provision of the Plan is modified in order to comply with or be exempt from Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Participants and the Company of the applicable provision without resulting in the imposition of a tax under Section 409A.

17.2 **Specified Employee**. Notwithstanding anything to the contrary in the Plan, if the Company determines at the time of a Participant's Separation from Service that the Participant is a "specified employee" for purposes of Section 409A, then, to the extent delayed commencement of any portion of the benefits to which a Participant is entitled under the Plan is required to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Participant's benefits shall not be provided to the Participant before the earlier of (i) the expiration of the six-month period measured from the date of the Participant's Separation from Service with the Company or (ii) the date of the Participant's death. On the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump sum to the Participant (or the Participant's estate or beneficiaries), and any remaining payments due to the Participant under the Plan shall be paid as otherwise provided herein.

17.3 **Separation from Service**. Notwithstanding anything to the contrary in the Plan, any compensation or benefit payable under the Plan that constitutes "nonqualified deferred compensation" under Section 409A and is designated under the Plan as payable upon a Participant's termination of employment with the Company shall be payable only upon the Participant's Separation from Service with the Company.

17.4 **Expense Reimbursements**. To the extent that any reimbursements payable under the Plan are subject to Section 409A, any such reimbursements shall be paid to the Participant no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and a Participant's right to reimbursement under the Plan will not be subject to liquidation or exchange for another benefit.

18. **Miscellaneous Provisions**

18.1 **Unfunded Obligation.** Any amounts payable to Participants pursuant to the Plan are unfunded obligations. The Company shall not be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Board or the Company and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participant's creditors in any assets of the Company.

18.2 **No Duty to Mitigate; Obligations of Company.** A Participant shall not be required to mitigate the amount of any payment or benefit contemplated by this Plan by seeking employment with a new employer or otherwise, nor shall any such payment or benefit (except for benefits to the extent described in Section 6.2) be reduced by any compensation or benefits that the Participant may receive from employment by another employer. Except as otherwise provided by this Plan, the obligations of the Company to make payments to the Participant and to make the arrangements provided for herein are absolute and unconditional and may not be reduced by any circumstances, including without limitation any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Participant or any third party at any time.

18.3 **No Representations.** The Participant acknowledges that in becoming a Participant in the Plan, the Participant is not relying and has not relied on any promise, representation or statement made by or on behalf of the Company which is not set forth in this Plan.

18.4 **Waiver.** No waiver by the Participant or the Company of any breach of, or of any lack of compliance with, any condition or provision of this Plan by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

18.5 **Choice of Law.** The validity, interpretation, construction and performance of this Plan shall be governed by the substantive laws of the State of California, without regard to its conflict of law provisions to the extent that ERISA does not govern.

18.6 **Validity.** The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision of this Plan, which shall remain in full force and effect.

18.7 **Benefits Not Assignable.** Except as otherwise provided herein or by law, no right or interest of any Participant under the Plan shall be assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including, without limitation, by execution, levy, garnishment, attachment, pledge or in any other manner, and no attempted transfer or assignment thereof shall be effective. No right or interest of any Participant under the Plan shall be liable for, or subject to, any obligation or liability of such Participant.

18.8 **Tax Withholding.** All payments made pursuant to this Plan will be subject to withholding of applicable income and employment taxes.

18.9 **Consultation with Legal and Financial Advisors.** The Participant acknowledges that this Plan confers significant legal rights, and may also involve the waiver of rights under other agreements; that the Company has encouraged the Participant to consult with the Participant's personal legal and financial advisors; and that the Participant has had adequate time to consult with the Participant's advisors.

APPENDIX A

Definitions

Whenever used in this Plan, the following terms shall have the meanings set forth below:

(a) "***Acquiror***" means, with respect to a Change in Control, the surviving, continuing, successor or purchasing corporation or other business entity or parent thereof, as the case may be.

(b) *"**Annual Bonus**"* means an amount equal to the aggregate of all annual incentive bonuses that would be earned by the Participant at the targeted annual rate (determined as if 100% of all applicable performance goals are met) under the terms of the programs, plans or agreements providing for such bonuses in which the Participant was participating for the fiscal year of the Participant's Termination Upon a Change in Control. For this purpose, annual incentive bonuses shall not include signing bonuses or other nonrecurring cash incentive awards.

(c) *"**Base Salary Rate**"* means the greater of (1) the Participant's annual base salary rate in effect immediately prior to the Participant's Termination Upon a Change in Control or (2) the Participant's annual base salary rate in effect immediately prior to the applicable Change in Control. For this purpose, base salary does not include any bonuses, commissions, fringe benefits, car allowances, other irregular payments or any other compensation except base salary.

(d) *"**Board**"* means the Board of Directors of the Company.

(e) *"**Cause**"* means the occurrence of any of the following: (1) the Participant's theft, dishonesty, misconduct, breach of fiduciary duty for personal profit, or falsification of any documents or records of the Company Group; (2) the Participant's material failure to abide by the code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct) of any member of the Company Group; (3) misconduct by the Participant within the scope of Section 304 of the Sarbanes-Oxley Act of 2002 as a result of which the Company is required to prepare an accounting restatement; (4) the Participant's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a member of the Company Group (including, without limitation, the Participant's improper use or disclosure of the confidential or proprietary information of a member of the Company Group); (5) any intentional act by the Participant which has a material detrimental effect on reputation or business of a member of the Company Group; (6) the Participant's repeated failure or inability to perform any reasonable assigned duties after written notice from a member of the Company Group of, and a reasonable opportunity to cure, such failure or inability; (7) any material breach by the Participant of any employment, non-disclosure, non-competition, non-solicitation or other similar agreement between the Participant and a member of the Company Group, which breach is not cured pursuant to the terms of such agreement; or (8) the Participant's conviction (including any plea of guilty or *nolo contendere*) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Participant's ability to perform his or her duties with a member of the Company Group.

(f) *"**Change in Control**"* means the occurrence of any of the following:

(1) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the *"**Exchange Act**"*)), other than a trustee or other fiduciary holding securities of the Company under an employee benefit plan of the Company, becomes the "beneficial owner" (as defined in Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total combined voting power of the Company's then-outstanding securities entitled to vote generally in the election of directors;

(2) the Company is party to a merger or consolidation which results in the holders of the voting securities of the Company outstanding immediately prior thereto failing to retain immediately after such merger or consolidation direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the securities entitled to vote generally in the election of directors of the Company or the surviving entity outstanding immediately after such merger or consolidation;

(3) the sale or disposition of all or substantially all of the Company's assets or consummation of any transaction having similar effect (other than a sale or disposition to one or more subsidiaries of the Company); or

(4) a change in the composition of the Board within any twelve (12) month period as a result of which fewer than a majority of the directors are Incumbent Directors; provided, however, that to the extent that any amount constituting nonqualified deferred compensation subject to Section 409A would become payable under this Plan by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also constitute a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, within the meaning of Section 409A.

(g) *"**Change in Control Period**"* means the period commencing three (3) months prior to the signing of a definitive agreement that results in a Change in Control and ending on the 18-month anniversary of the consummation of the Change in Control.

(h) *"**Code**"* means the Internal Revenue Code of 1986, as amended, or any successor thereto and any applicable regulations (including proposed or temporary regulations) and other Internal Revenue Service guidance promulgated thereunder.

(i) *"**Committee**"* means the Compensation Committee of the Board.

(j) *"**Company**"* means Extreme Networks, Inc., a Delaware corporation, and, following a Change in Control, a Successor that agrees to assume all of the terms and provisions of this Plan or a Successor which otherwise becomes bound by operation of law to this Plan.

(k) *"**Company Group**"* means the group consisting of the Company and each present or future parent and subsidiary corporation or other business entity thereof.

(l) *"**Disability**"* means a Participant's permanent and total disability within the meaning of Section 22(e)(3) of the Code.

(m) ***"Equity Award"*** means any Option, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units or other stock-based compensation award.

(n) ***"Good Reason"*** means the occurrence during a Change in Control Period of any of the following conditions without the Participant's informed written consent, which condition(s) remain(s) in effect twenty (20) days after written notice to the Company from the Participant of such condition(s):

(1) a material, adverse change in the Participant's position, duties, substantive functional responsibilities or reporting relationships, causing the Participant's position to be of materially lesser rank or responsibility within the Company or an equivalent business unit of its parent as measured by the position occupied by the Participant immediately prior to the Change in Control; or

(2) a decrease in the Participant's base salary rate or a decrease in the Participant's target bonus amount (subject to applicable performance requirements with respect to the actual amount of bonus compensation earned by the Participant); or

(3) any failure by the Company Group to (i) continue to provide the Participant with the opportunity to participate, on terms no less favorable than those in effect for the benefit of any employee group which customarily includes a person holding the employment position or a comparable position with the Company Group then held by the Participant, in any benefit or compensation plans and programs, including, but not limited to, the Company Group's life, disability, health, dental, medical, savings, profit sharing, stock purchase and retirement plans, if any, in which the Participant was participating immediately prior to the Change in Control, or their equivalent, or (ii) provide the Participant with all other fringe benefits (or their equivalent) from time to time in effect for the benefit of any employee group which customarily includes a person holding the employment position or a comparable position with the Company Group then held by the Participant; or

(4) the relocation of the Participant's work place for the Company Group to a location that increases the regular commute distance between the Participant's residence and work place by more than thirty (30) miles (one-way), or, following the consummation of a Change in Control, the imposition of business travel requirements substantially more demanding of the Participant than such travel requirements existing immediately prior to the Change in Control; or

(5) any material breach of this Plan by the Company Group with respect to the Participant.

The existence of Good Reason shall not be affected by the Participant's temporary incapacity due to physical or mental illness not constituting a Disability. The Participant's continued employment for a period not exceeding sixty (60) days following the occurrence of any condition constituting Good Reason shall not constitute consent to, or a waiver of rights with respect to, such condition. For the purposes of any determination regarding the existence of Good Reason, any claim by the Participant that Good Reason exists shall be presumed to be correct unless the Company establishes to the Board that Good Reason does not exist, and the Board, acting in good faith, affirms such determination by a vote of not less than two-thirds of its entire membership (excluding the Participant if the Participant is a member of the Board).

(o) *“**Incumbent Director**”* means a director who either (1) is a member of the Board as of the Effective Date, or (2) is elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination, but (3) was not elected or nominated in connection with an actual or threatened proxy contest relating to the election of directors of the Company.

(p) *“**Officer**”* means an individual who, serves as a vice president of the Company and reports directly to the Company’s Chief Executive Officer.

(q) *“**Option**”* means any option to purchase shares of the capital stock of the Company or of any other member of the Company Group granted to a Participant by the Company or any other Company Group member, whether granted before or after a Change in Control.

(r) *“**Participant**”* means each individual who becomes a participant in the Plan pursuant to Section 3.

(s) *“**Prior Year Bonus**”* means the aggregate of all bonuses earned by the Participant (whether or not actually paid) under the terms of the programs, plans or agreements providing for such bonuses for the fiscal year of the Company immediately preceding the fiscal year of the Participant’s termination of employment.

(t) *“**Release**”* means a general release of all known and unknown claims against the Company and its affiliates and their stockholders, directors, officers, employees, agents, successors and assigns substantially in the form attached hereto as Exhibit A (“General Release of Claims [Age 40 and over]” or Exhibit B (“General Release of Claims [Under age 40]”), whichever is applicable to the Participant, with any modifications thereto determined by legal counsel to the Company to be necessary or advisable to comply with applicable law or to accomplish the intent of Section 8 (Exclusive Remedy) hereof.

(u) “***Release Deadline***: means, with respect to the Release attached as Exhibit A, the date which is forty five (45) days following the Participant’s Separation from Service. With respect to the Release attached as Exhibit B, the “Release Deadline” shall be the date which is twenty one (21) days following the Participant’s Separation from Service.

(v) *“**Restricted Stock**”* means any compensatory award of shares of the capital stock of the Company or of any other member of the Company Group granted to a Participant by the Company or any other Company Group member or acquired upon the exercise of an Option, whether such shares are granted or acquired before or after a Change in Control, including any shares issued in exchange for any such shares by a Successor or any other member of the Company Group.

(w) *“**Restricted Stock Units**”* mean any compensatory award of rights to receive shares of the capital stock or cash in an amount measured by the value of shares of the capital stock of the Company or of any other member of the Company Group at one or more specified future times or upon the satisfaction of one or more specified conditions granted to a Participant by the

Company or any other Company Group member, whether such awards are granted before or after a Change in Control, including any such awards granted in exchange for such awards by a Successor or any other member of the Company Group.

(x) "***Section 409A***" means Section 409A of the Code.

(y) "***Separation from Service***" means a "separation from service" as defined in Section 409A.

(z) "***Severance Multiplier***" means, with respect to any Participant:

(1) If such Participant is the Company's Chief Executive Officer, two (2);

(2) If such Participant is an Officer, one and a half (1.5); and

(3) If such Participant is a Vice President, one (1).

(aa) "***Severance Period***" shall, with respect to any Participant, commence upon such Participant's termination of employment and end after the lapse of:

(1) If such Participant is the Company's Chief Executive Officer, twenty four (24) months;

(2) If such Participant is an Officer, eighteen (18) months; and

(3) If such Participant is a Vice President, twelve (12) months.

(bb) "***Specified Employee***" means a specified employee as defined in Section 409A.

(cc) "***Stock Appreciation Right***" means any award consisting of the right to receive payment, for each share of the capital stock of the Company or of any other member of the Company Group subject to such award, of an amount equal to the excess, if any, of the fair market value of such share on the date of exercise of the award over the exercise price for such share granted to a Participant by the Company or any other Company Group member, whether such awards are granted before or after a Change in Control, including any such awards granted in exchange for such awards by a Successor or any other member of the Company Group.

(dd) "***Successor***" means any successor in interest to substantially all of the business and/or assets of the Company.

(ee) "***Termination Upon a Change in Control***" means the occurrence of any of the following events:

(1) termination by the Company Group of the Participant's employment for any reason other than Cause during the Change in Control Period; or

(2) the Participant's resignation for Good Reason from employment with the Company Group during the Change in Control Period, provided that such resignation occurs within sixty (60) days following the occurrence of the condition constituting Good Reason;

provided, however, that Termination Upon a Change in Control shall not include any termination of the Participant's employment which is (i) for Cause, (ii) a result of the Participant's death or Disability, or (iii) a result of the Participant's voluntary termination of employment other than for Good Reason.

(ff) *"**Vice President**"* means an individual who is a vice president of the Company and who does not report directly to the Company's Chief Executive Officer.

EXHIBIT A

FORM OF

GENERAL RELEASE OF CLAIMS
[Age 40 and over]

GENERAL RELEASE OF CLAIMS
[Age 40 and over]

This Agreement is by and between [**Employee Name**] ("Employee") and [**Extreme Networks, Inc. or successor that agrees to assume the Executive Change in Control Severance Plan following a Change in Control**] (the "Company"). This Agreement will become effective on the eighth (8th) day after it is signed by Employee (the "Effective Date"), provided that the Company has signed this Agreement and Employee has not revoked this Agreement (by written notice to [**Company Contact Name**] at the Company) prior to that date.

RECITALS

A. Employee was employed by the Company as of ___________, ____.

B. Employee and the Company entered into an Agreement to Participate in the Extreme Networks, Inc. Executive Change in Control Severance Plan (such agreement and plan being referred to herein as the "Plan") effective as of __________, ____ wherein Employee is entitled to receive certain benefits in the event of a Termination Upon a Change in Control (as defined by the Plan), provided Employee signs and does not revoke a Release (as defined by the Plan).

C. A Change in Control (as defined by the Plan) has occurred as a result of [**briefly describe change in control**]

D. Employee's employment is being terminated as a result of a Termination Upon a Change in Control. Employee's last day of work and termination are effective as of _______________, ____. Employee desires to receive the payments and benefits provided by the Plan by executing this Release.

NOW, THEREFORE, the parties agree as follows:

1. Commencing on the Effective Date, the Company shall provide Employee with the applicable payments and benefits set forth in the Plan in accordance with the terms of the Plan. Employee acknowledges that the payments and benefits made pursuant to this paragraph are made in full satisfaction of the Company's obligations under the Plan. Employee further acknowledges that Employee has been paid all wages and accrued, unused vacation that Employee earned during his or her employment with the Company.

2. Employee and Employee's successors release the Company, its respective subsidiaries, stockholders, investors, directors, officers, employees, agents, attorneys, insurers, legal successors and assigns of and from any and all claims, actions and causes of action, whether now known or unknown, which Employee now has, or at any other time had, or shall or may have against those released parties based upon or arising out of any matter, cause, fact, thing, act or omission whatsoever directly related to Employee's employment by the Company or the termination of such employment and occurring or existing at any time up to and including the Effective Date, including, but not limited to, any claims of breach of written contract, wrongful termination, retaliation, fraud, defamation, infliction of emotional distress, or national origin, race,

age, sex, sexual orientation, disability or other discrimination or harassment under the Civil Rights Act of 1964, the Age Discrimination In Employment Act of 1967, the Americans with Disabilities Act, the Fair Employment and Housing Act or any other applicable law. Notwithstanding the foregoing, this release shall not apply to any right of the Employee pursuant to Section 5.4 of the Plan or pursuant to a Prior Indemnity Agreement (as such term is defined by the Plan).

3. Employee acknowledges that he or she has read Section 1542 of the Civil Code of the State of California, which states in full:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Employee waives any rights that Employee has or may have under Section 1542 and comparable or similar provisions of the laws of other states in the United States to the full extent that he or she may lawfully waive such rights pertaining to this general release of claims, and affirms that Employee is releasing all known and unknown claims that he or she has or may have against the parties listed above.

4. Employee and the Company acknowledge and agree that they shall continue to be bound by and comply with the terms and obligations under the following agreements: (i) any proprietary rights or confidentiality agreements between the Company and Employee, (ii) the Plan, (iii) any Prior Indemnity Agreement (as such term is defined by the Plan) to which Employee is a party, and (iv) any stock option, stock grant, stock purchase or other equity award agreements between the Company and Employee. For the avoidance of doubt, nothing herein or in any proprietary rights or confidentiality agreements will be construed to prohibit Employee from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the EEOC, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation. Employee does not need the prior authorization of the Company to make any such reports or disclosures, and Employee is not required to notify the Company that Employee has made such reports or disclosures. Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary herein or in any proprietary rights or confidentiality agreements: (i) Employee shall not be in breach of this Agreement or such other agreements, and shall not be held criminally or civilly liable under any federal or state trade secret law (x) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (y) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (ii) if Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to Employee’s attorney, and may use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

5. This Agreement shall be binding upon, and shall inure to the benefit of, the parties and their respective successors, assigns, heirs and personal representatives.

6. The parties agree that any and all disputes that both (i) arise out of the Plan, the interpretation, validity or enforceability of the Plan or the alleged breach thereof and (ii) relate to the enforceability of this Agreement or the interpretation of the terms of this Agreement shall be subject to the provisions of Section 12 and Section 13 of the Plan.

7. The parties agree that any and all disputes that (i) do not arise out of the Plan, the interpretation, validity or enforceability of the Plan or the alleged breach thereof and (ii) relate to the enforceability of this Agreement, the interpretation of the terms of this Agreement or any of the matters herein released or herein described shall be resolved by means of binding arbitration before a sole arbitrator of the American Arbitration Association ("AAA") in Santa Clara, California. Judgment on the award may be entered in any court having jurisdiction. Such arbitration shall be conducted in accordance with the then-existing AAA Employment Arbitration Rules and Mediation Procedures. The rules can be found at https://www.adr.org/employment, or a copy will be provided upon request. The prevailing party shall be entitled to recover from the losing party its attorneys' fees and costs incurred in any action brought to resolve any such dispute.

8. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations and agreements, whether written or oral, with the exception of any agreements described in paragraph 4 of this Agreement. This Agreement may not be modified or amended except by a document signed by an authorized officer of the Company and Employee. If any provision of this Agreement is deemed invalid, illegal or unenforceable, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected.

EMPLOYEE UNDERSTANDS THAT EMPLOYEE SHOULD CONSULT WITH AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT AND THAT EMPLOYEE IS GIVING UP ANY LEGAL CLAIMS EMPLOYEE HAS AGAINST THE PARTIES RELEASED ABOVE BY SIGNING THIS AGREEMENT. EMPLOYEE FURTHER UNDERSTANDS THAT EMPLOYEE MAY HAVE UP TO 45 DAYS TO CONSIDER THIS AGREEMENT, THAT EMPLOYEE MAY REVOKE IT AT ANY TIME DURING THE 7 DAYS AFTER EMPLOYEE SIGNS IT, AND THAT IT SHALL NOT BECOME EFFECTIVE UNTIL THAT 7-DAY PERIOD HAS PASSED. EMPLOYEE ACKNOWLEDGES THAT EMPLOYEE IS SIGNING THIS AGREEMENT KNOWINGLY, WILLINGLY AND VOLUNTARILY IN EXCHANGE FOR THE COMPENSATION AND BENEFITS DESCRIBED IN PARAGRAPH 1.

Dated:

[Employee Name]

[Company]

Dated:

By:

EXHIBIT B

FORM OF

GENERAL RELEASE OF CLAIMS
[Under age 40]

GENERAL RELEASE OF CLAIMS
[Under age 40]

This Agreement is by and between [**Employee Name**] ("Employee") and [**Extreme Networks, Inc. or successor that agrees to assume the Executive Change in Control Severance Plan following a Change in Control**] (the "Company"). This Agreement is effective on the day it is signed by Employee (the "Effective Date").

RECITALS

A. Employee was employed by the Company as of ____________, ____.

B. Employee and the Company entered into an Agreement to Participate in the Extreme Networks, Inc. Executive Change in Control Severance Plan (such agreement and plan being referred to herein as the "Plan") effective as of ___________, ____ wherein Employee is entitled to receive certain benefits in the event of a Termination Upon a Change in Control (as defined by the Plan), provided Employee signs a Release (as defined by the Plan).

C. A Change in Control (as defined by the Plan) has occurred as a result of [**briefly describe change in control**]

D. Employee's employment is being terminated as a result of a Termination Upon a Change in Control. Employee's last day of work and termination are effective as of ______________, ____ (the "Termination Date"). Employee desires to receive the payments and benefits provided by the Plan by executing this Release.

NOW, THEREFORE, the parties agree as follows:

1. Commencing on the Effective Date, the Company shall provide Employee with the applicable payments and benefits set forth in the Plan in accordance with the terms of the Plan. Employee acknowledges that the payments and benefits made pursuant to this paragraph are made in full satisfaction of the Company's obligations under the Plan. Employee further acknowledges that Employee has been paid all wages and accrued, unused vacation that Employee earned during his or her employment with the Company.

2. Employee and Employee's successors release the Company, its respective subsidiaries, stockholders, investors, directors, officers, employees, agents, attorneys, insurers, legal successors and assigns of and from any and all claims, actions and causes of action, whether now known or unknown, which Employee now has, or at any other time had, or shall or may have against those released parties based upon or arising out of any matter, cause, fact, thing, act or omission whatsoever directly related to Employee's employment by the Company or the termination of such employment and occurring or existing at any time up to and including the Termination Date, including, but not limited to, any claims of breach of written contract, wrongful termination, retaliation, fraud, defamation, infliction of emotional distress, or national origin, race, age, sex, sexual orientation, disability or other discrimination or harassment under the Civil Rights Act of 1964, the Age Discrimination In Employment Act of 1967, the Americans with Disabilities Act, the Fair Employment and Housing Act or any other applicable law. Notwithstanding the

foregoing, this release shall not apply to any right of the Employee pursuant to Sections 5.4 of the Plan or pursuant to a Prior Indemnity Agreement (as such terms are defined by the Plan).

3. Employee acknowledges that he or she has read Section 1542 of the Civil Code of the State of California, which states in full:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Employee waives any rights that Employee has or may have under Section 1542 and comparable or similar provisions of the laws of other states in the United States to the full extent that he or she may lawfully waive such rights pertaining to this general release of claims, and affirms that Employee is releasing all known and unknown claims that he or she has or may have against the parties listed above.

4. Employee and the Company acknowledge and agree that they shall continue to be bound by and comply with the terms and his obligations under the following agreements: (i) any proprietary rights or confidentiality agreements between the Company and Employee, (ii) the Plan, (iii) any Prior Indemnity Agreement (as such term is defined by the Plan) to which Employee is a party, and (iv) any stock option, stock grant, stock purchase or other equity award agreements between the Company and Employee. For the avoidance of doubt, nothing herein or in any proprietary rights or confidentiality agreements will be construed to prohibit Employee from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the EEOC, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation. Employee does not need the prior authorization of the Company to make any such reports or disclosures, and Employee is not required to notify the Company that Employee has made such reports or disclosures. Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary herein or in any proprietary rights or confidentiality agreements: (i) Employee shall not be in breach of this Agreement or such other agreements, and shall not be held criminally or civilly liable under any federal or state trade secret law (x) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (y) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (ii) if Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney, and may use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

5. This Agreement shall be binding upon, and shall inure to the benefit of, the parties and their respective successors, assigns, heirs and personal representatives.

6. The parties agree that any and all disputes that both (i) arise out of the Plan, the interpretation, validity or enforceability of the Plan or the alleged breach thereof and (ii) relate to

the enforceability of this Agreement or the interpretation of the terms of this Agreement shall be subject to the provisions of Section 12 and Section 13 of the Plan.

7. The parties agree that any and all disputes that (i) do not arise out of the Plan, the interpretation, validity or enforceability of the Plan or the alleged breach thereof and (ii) relate to the enforceability of this Agreement, the interpretation of the terms of this Agreement or any of the matters herein released or herein described shall be resolved by means of binding arbitration before a sole arbitrator of the American Arbitration Association ("AAA") in Santa Clara, California. Judgment on the award may be entered in any court having jurisdiction. Such arbitration shall be conducted in accordance with the then-existing AAA Employment Arbitration Rules and Mediation Procedures. The rules can be found at https://www.adr.org/employment, or a copy will be provided upon request. The prevailing party shall be entitled to recover from the losing party its attorneys' fees and costs incurred in any action brought to resolve any such dispute.

8. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations and agreements, whether written or oral, with the exception of any agreements described in paragraph 4 of this Agreement. This Agreement may not be modified or amended except by a document signed by an authorized officer of the Company and Employee. If any provision of this Agreement is deemed invalid, illegal or unenforceable, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected.

EMPLOYEE UNDERSTANDS THAT EMPLOYEE SHOULD CONSULT WITH AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT AND THAT EMPLOYEE IS GIVING UP ANY LEGAL CLAIMS EMPLOYEE HAS AGAINST THE PARTIES RELEASED ABOVE BY SIGNING THIS AGREEMENT. EMPLOYEE ACKNOWLEDGES THAT EMPLOYEE IS SIGNING THIS AGREEMENT KNOWINGLY, WILLINGLY AND VOLUNTARILY IN EXCHANGE FOR THE COMPENSATION AND BENEFITS DESCRIBED IN PARAGRAPH 1.

Dated:

[Employee Name]

[Company]

Dated: By:

Exhibit 10.3

AGREEMENT TO PARTICIPATE IN THE
EXTREME NETWORKS, INC.
EXECUTIVE CHANGE IN CONTROL SEVERANCE PLAN

This Agreement to Participate in the Extreme Networks, Inc. Executive Change in Control Severance Plan (this "***Participation Agreement***") confirms the benefits provided to ____________ ("***you***") by Extreme Networks, Inc. (the "***Company***") under the Company's Executive Change in Control Severance Plan (as amended and restated through April 30, 2019) (the "***Plan***"). All references to the "Participant" in the Plan shall be deemed to refer to you. In consideration for the benefits provided through the Plan, you agree that you shall become a Participant in the Plan as of the date signed by the Company set forth below (the "***Effective Date***") and shall be fully bound by and subject to all its provisions.

Unless otherwise defined in this Participation Agreement, capitalized terms in this Participation Agreement shall have the same meaning as in the Plan. Your rights pursuant to this Participation Agreement shall apply for an initial period of three (3) years from the Effective Date, and shall automatically renew for an additional three (3) year period at the end of the initial period and each subsequent period, unless you or the Company delivers a written notice of non-renewal to the other party at least ninety (90) days before the end of the then-current period, in which case your participation in the Plan shall terminate at the end of such period.

You acknowledge and agree that, for purposes of the Plan, you are an ["Officer" **OR** "Vice President"] (as such term is defined by the Plan) as of the date of this Participation Agreement, and entitled to the severance rights under the Plan due to an [Officer **OR** Vice President], subject to the terms of the Plan.

You acknowledge that the Plan confers significant legal rights and, to the extent provided therein, may also constitute a waiver of rights under other agreements with the Company; that the Company has encouraged you to consult with your personal legal and financial advisors; and that you have had adequate time to consult with your advisors before executing this Participation Agreement. You acknowledge that you have received a copy of the Plan and have read, understood and are familiar with the terms and provisions of the Plan.

You further acknowledge that, except as otherwise established in an employment agreement between the Company and you, the employment relationship between you and the Company is an "at-will" relationship.

The Plan contains additional terms and conditions relating to the matters addressed in this Participation Agreement. Such provisions are incorporated into this Participation Agreement by reference. In the event of any conflict between this Participation Agreement and the Plan, the terms of the Plan shall govern.

(Signature page follows)

Executed on _________________________.

PARTICIPANT	EXTREME NETWORKS, INC.
Signature	By:
Name Printed	Title:
Address	Date:__________________________

(the "***Effective Date***")

Exhibit 31.1

SECTION 302 CERTIFICATION OF EDWARD B. MEYERCORD III
AS CHIEF EXECUTIVE OFFICER

I, Edward B. Meyercord III, certify that:

1. I have reviewed this Form 10-Q of Extreme Networks, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent function):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:May 10, 2019

/s/ EDWARD B. MEYERCORD III
Edward B. Meyercord III
President and Chief Executive Officer

Exhibit 31.2

SECTION 302 CERTIFICATION OF REMI THOMAS
AS CHIEF FINANCIAL OFFICER

I, Remi Thomas, certify that:

1. I have reviewed this Form 10-Q of Extreme Networks, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2019

/s/ REMI THOMAS
Remi Thomas
Executive Vice President, Chief Financial Officer
(Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION OF EDWARD B. MEYERCORD III AS CHIEF EXECUTIVE OFFICER, PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Extreme Networks, Inc. on Form 10-Q for the period ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, in the capacities and on the date specified below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2019

/s/ EDWARD B. MEYERCORD III
Edward B. Meyercord III
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF REMI THOMAS AS CHIEF FINANCIAL OFFICER, PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Extreme Networks, Inc. on Form 10-Q for the period ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacities and on the date specified below, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2019

/s/ REMI THOMAS
Remi Thomas
Executive Vice President, Chief Financial Officer
(Principal Accounting Officer)