

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (date of earliest event reported): November 04, 2021

ALKAMI TECHNOLOGY, INC

(Exact Name of Registrant as Specified in its Charter)

Delaware 001-40321 45-3060776

(State or Other Jurisdiction of Incorporation) (Commission File Number) (I.R.S. Employer Identification Number)

5601 Granite Parkway, Suite 120, Plano, TX 75024

(Address of Principal Executive Offices) (Zip Code)

(877) 725-5264

Registrant's Telephone Number, Including Area Code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, \$0.001 par value per share	ALKT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 2.02. Results of Operations and Financial Condition.

On November 4, 2021, Alkami Technology, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ending September 30, 2021. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated by reference herein.

The information set forth in this Item 2.02, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information in this Item 2.02, including Exhibit 99.1, shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On November 3, 2021, the Board of Directors of the Company (“Board”), appointed Alex Shootman as Chief Executive Officer of the Company, effective November 5, 2021, replacing Michael Hansen who will remain with the Company as Advisor to the Board, effective November 5, 2021, and will continue to serve on the Board.

In connection with the appointment of Mr. Shootman as Chief Executive Officer, the Board increased its size to 11 directors and appointed Mr. Shootman as a Class II director to fill the resulting vacancy and to serve until the Company’s annual meeting of stockholders to be held in 2023. Mr. Shootman will not serve on any committees of the Board.

Mr. Shootman, age 56, previously served as president and chief executive officer of Workfront, a cloud-based enterprise work management software company, from July 2016 until its acquisition by Adobe Inc. in December 2020, after which he continued to lead the Workfront team as Vice President and General Manager of Workfront within Adobe until July 2021. Prior to joining Workfront, from September 2013 to June 2016, he served as president, worldwide field operations at Apptio, Inc., a provider of cloud-based technology business management software. He also served as president of Eloqua Corp., an enterprise SaaS company acquired by Oracle Corporation, from March 2009 to September 2013. Mr. Shootman has also held executive leadership positions at IBM Corporation, BMC Software, Vignette Corporation and TeleTech Holdings.

The Company also entered into an employment agreement with Mr. Shootman that provides the terms and conditions of his employment with the Company. Under the employment agreement, Mr. Shootman will serve as Chief Executive Officer of the Company and a member of the Board. The employment agreement provides for Mr. Shootman to be paid an annual base salary of \$450,000 and an annual target bonus opportunity of 100% of his annual base salary, prorated for 2021. Mr. Shootman is also entitled to be granted 1,000,000 restricted stock units that vest as to 25% of the restricted stock units on December 8, 2022 and in equal quarterly installments over three years thereafter. Under the employment agreement, if the Company terminates Mr. Shootman’s employment without cause or Mr. Shootman resigns for good reason, in each case, more than three months prior to a change in control or more than two years after a change in control, then Mr. Shootman is entitled to (i) continued payment of his base salary for a period of 12 months, (ii) up to 12 months of Company-paid healthcare continuation coverage and (iii) a payment of his prorated target annual bonus. If Mr. Shootman’s employment is terminated by the Company without cause or Mr. Shootman resigns for good reason, in each case, during the period beginning three months before and ending two years after a change in control, Mr. Shootman is entitled to receive (i) a payment equal to the sum of 150% of Mr. Shootman’s annual base salary, 100% of his target annual bonus and a prorated target annual bonus, (ii) up to 18 months of Company-paid healthcare continuation coverage and (iii) full accelerated vesting of his outstanding equity awards. Mr. Shootman must provide a general release of claims against the Company and its affiliates in order to receive severance benefits.

In connection with Mr. Hansen’s departure, the Company entered into a transition and separation agreement with Mr. Hansen. Under the transition and separation agreement, Mr. Hansen will transition to the role of Advisor to the Board and remain employed by the Company through December 17, 2021. The transition and separation agreement provides for Mr. Hansen to be paid an amount equal to the sum of his annual base salary and 12 months’ of the cost of healthcare continuation coverage in a single lump sum in exchange for a release of claims, if any, against the Company and its affiliates. The transition and separation agreement also provides that Mr. Hansen will serve as a member of the Board through December 31, 2022. Mr. Hansen’s sole compensation while serving on the Board will be in the continued vesting of his outstanding equity awards. In the event Mr. Hansen continues to serve on the Board through December 31, 2022, the vesting of all of his outstanding equity awards will be accelerated as of that date. Mr. Hansen will have one year after the end of his Board service date to exercise any vested options.

The foregoing descriptions of Mr. Shootman’s employment agreement and Mr. Hansen’s transition and separation agreement do not purport to be complete, and are qualified in their entirety by reference to the full text of the agreements, which are filed herewith as Exhibits 10.1 and 10.2, respectively, and are incorporated by reference herein.

Item 7.01. Regulation FD Disclosure.

A copy of the press release issued by the Company on November 4, 2021 announcing the appointment of Mr. Shootman as Chief Executive Officer is furnished herewith as Exhibit 99.2 and is incorporated by reference herein.

The information set forth in this Item 7.01, including Exhibit 99.2, is being furnished and shall not be deemed “filed” for purposes of the Exchange Act, or otherwise subject to the liabilities of that Section. The information in this Item 7.01, including Exhibit 99.2, shall not be incorporated by reference into any filing of the Company under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

Exhibit Number

<u>10.1</u>	<u>Employment Agreement, effective November 5, 2021, by and between Alkami Technology, Inc. and Alex Shootman</u>
<u>10.2</u>	<u>Transition and Separation Agreement, dated November 4, 2021, by and between Alkami Technology, Inc. and Michael Hansen</u>
<u>99.1</u>	<u>Earnings Press Release, dated November 4, 2021</u>
<u>99.2</u>	<u>Press Release, dated November 4, 2021</u>
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURE

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.

Alkami Technology, Inc.

Date: November 4, 2021

By: /s/ W. Bryan Hill

W. Bryan Hill

Chief Financial Officer

ALKAMI TECHNOLOGY, INC.

EXECUTIVE EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of November 5, 2021 (the "Effective Date"), by and between Alkami Technology, Inc., a Delaware corporation (the "Company"), and Alex Shootman ("Executive").

R E C I T A L S

WHEREAS, the Company desires to enter into an agreement documenting the terms of Executive's employment with the Company as Chief Executive Officer;

WHEREAS, Executive also desires to document the terms and enter into such an agreement;

WHEREAS, Executive and the Company are contemporaneously herewith entering into an Employee Proprietary Information Agreement (the "EPIA"), the form of which is attached hereto as Exhibit A;

WHEREAS, the Company considers it essential to its best interests and the best interests of its stockholders to employ Executive as the Chief Executive Officer of the Company for the term of this Agreement; and

WHEREAS, Executive is willing to enter into employment with the Company on the terms hereinafter set forth in this Agreement.

A G R E E M E N T

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties agree as follows:

1. *Duties and Scope of Employment.*

(a) *Positions and Duties.* On the Effective Date, Executive will enter into employment with the Company as the Chief Executive Officer of the Company. Executive will report directly to the Company's Board of Directors. Executive shall provide senior leadership and support in the day to day business operations of the Company, shall perform business and professional services as are customarily associated with the position of Chief Executive Officer, and shall perform such other duties and functions as shall from time to time be reasonably assigned or delegated to Executive by Company's Board of Directors (the "Board"). Effective as of the Effective Date, Executive shall also be appointed to serve as a member of the Board. The period of Executive's employment under this Agreement is referred to herein as the "Employment Term."

(b) *Obligations.* During the Employment Term, Executive will perform the assigned duties faithfully and to the best of Executive's ability and will devote Executive's full

business efforts and time to the Company. For the duration of the Employment Term, Executive agrees not to engage in any other employment, occupation or consulting activity for any direct or indirect remuneration without the prior approval of the Board, *provided* that Executive may serve as a compensated member of the boards of directors of third parties of Executive's choosing so long as such third parties do not present a conflict of interest and Executive receives prior written consent of the Board, with such consent not to be unreasonably withheld. Notwithstanding the foregoing, Executive may engage in religious, charitable or other community activities as long as such services and activities do not interfere with Executive's performance of his duties to the Company.

2. *At-Will Employment.* Subject to Sections 7, 8 and 9 below, the Company agrees to employ Executive, and Executive agrees to serve the Company, on an "at-will" basis, which means that either the Company or Executive may terminate Executive's employment with the Company at any time and for any or no reason.

3. *Compensation.*

(a) *Base Salary.* During the Employment Term, the Company will pay Executive as compensation for Executive's services a base salary at a rate of no less than \$450,000 per year, as increased from time to time at the discretion of the Board (the "Base Salary"). The Base Salary will be paid in regular installments in accordance with the Company's normal payroll practices (subject to required withholding).

(b) *Annual Bonus.* Commencing with the Effective Date, Executive will be eligible for a target annual bonus of one-hundred percent (100%) of the Base Salary in each calendar year during the Employment Term as such bonus amount will be determined by the Board based on Executive's achievement of specified performance goals as determined by the Board, with such specified performance goals to be set by the Board at the beginning of each calendar year following consultation with Executive. Executive's target annual bonus for 2021 will be prorated based on the partial year of service. Any bonus pursuant to this Section 3(b) shall be paid to Executive between February 1 and March 15 of the calendar year following the calendar year in which such bonus applies.

(c) *Restricted Stock Unit Award.* At the first regularly scheduled Board meeting on or following the Effective Date, the Company will grant Executive an award (the "RSU Award") of 1,000,000 restricted stock units ("RSUs") under the Company's 2021 Incentive Award Plan (the "Plan"). Each RSU constitutes the right to be issued a share of Company common stock upon vesting of the RSU. The RSU Award shall vest as to twenty-five percent (25%) of the RSUs initially underlying the RSU Award on December 8, 2022 and as to 1/16th of the RSUs initially underlying the RSU Award on each quarterly anniversary of such date thereafter, in each case, subject to Executive's continuous service to the Company through the applicable vesting date. The RSU Award shall be subject to a mandatory sell-to-cover provision pursuant to which that number of RSUs necessary to satisfy Executive's tax withholding obligations in connection with the vesting of the RSUs shall be sold and the proceeds remitted to the Company in satisfaction of such tax withholding obligations. In the event Executive's employment is terminated without Cause (as defined below) by the Company or Executive resigns from Executive's employment for Good Reason (as defined below), if such termination or resignation occurs either three (3) months prior to, or within two years following, the date of a Change of Control (as defined below) (such twenty-seven month period being the

“Protection Period”) and Executive delivers the release of claims in accordance with Section 9(b) below that becomes effective and irrevocable within 60 days following such termination or resignation, then the vesting of the RSU Award and any other equity award granted to Executive by the Company shall accelerate as to one hundred percent (100%) of the shares subject thereto. For avoidance of doubt, the provisions of the preceding sentence supersede and override any conflicting terms set forth in the Plan, the RSU Agreement (as defined below) and any other agreement evidencing an equity award. The RSU Award will otherwise be subject to the Plan and a restricted stock unit agreement substantially in the form most recently approved by the Board for use under the Plan (the “RSU Agreement”).

4. *Employee Benefits.* During the Employment Term, Executive will be entitled to participate in the employee benefit plans currently and hereafter maintained by the Company of general applicability to other senior executives of the Company and will be entitled to receive such other benefits as are approved by the Board. The Company reserves the right to cancel or change the benefit plans and programs it offers to its employees at any time. Notwithstanding and without limiting the foregoing, during the Employment Term, Executive shall receive an expense allowance of \$200 per calendar month for Executive’s cell phone/mobile data plan.

5. *Vacation.* Executive will be placed on the Company’s Peak Performance Vacation Plan with the timing and duration of specific vacations mutually and reasonably agreed to by Executive and the Chair of the Board.

6. *Business Expenses.* During the Employment Term, the Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in the furtherance of or in connection with the performance of Executive’s duties hereunder, in accordance with the Company’s expense reimbursement policy as in effect from time to time.

7. *Termination on Death or Disability.*

(a) Executive’s employment will terminate automatically upon Executive’s death or, upon fourteen (14) days prior written notice from the Company, in the event of Disability.

(b) For purposes of this Section 7, “Disability” means that Executive, at the time notice is given, has been unable to substantially perform Executive’s duties under this Agreement for not less than ninety (90) work days within a twelve (12) consecutive month period as a result of Executive’s incapacity due to a physical or mental condition and, if reasonable accommodation is required by law, after any reasonable accommodation. Upon any termination for death or Disability, Executive shall be entitled to: (i) Executive’s Base Salary through the effective date of termination; (ii) a lump sum payment equal to a prorated annual target bonus for the year in which the termination occurs, payable within 30 days of the date of termination; (iii) the right to continue health care benefits under COBRA, at Executive’s cost, to the extent required and available by law; (iv) reimbursement of expenses for which Executive is entitled to be reimbursed pursuant to Section 6 above, but for which Executive has not yet been reimbursed; and (v) no other severance or benefits of any kind, unless required by law or pursuant to any other Company plans or policies, as then in effect.

8. Involuntary Termination for Cause; Resignation without Good Reason.

(a) *Effectiveness.* Notwithstanding any other provision of this Agreement, the Company may terminate Executive's employment at any time for Cause, and Executive may at any time voluntarily resign without Good Reason. Termination for Cause shall be effective on the date the Company gives notice to Executive of such termination in accordance with this Agreement unless otherwise agreed by the parties. Resignation by Executive without Good Reason shall be effective on the date Executive gives notice to the Company of such resignation in accordance with this Agreement unless otherwise agreed by the parties.

(b) *Effect of Termination.* In the case of the Company's termination of Executive's employment for Cause or Executive's resignation from employment without Good Reason, Executive shall be entitled to receive: (i) Base Salary through the effective date of the termination; (ii) reimbursement of all expenses for which Executive is entitled to be reimbursed pursuant to Section 6 above, but for which she has not yet been reimbursed; (iii) the right to continue health care benefits under COBRA, at Executive's cost, to the extent required and available by law; (iv) any earned, but unpaid bonuses owed to Executive according to the normal payout practices; and (v) no other severance or benefits of any kind, unless required by law or pursuant to any other Company plans or policies, as then in effect.

9. Involuntary Termination Without Cause; Resignation for Good Reason.

(a) *Effect of Termination.* The Company shall be entitled to terminate Executive with or without Cause and Executive shall be entitled to resign with or without Good Reason, in each case at any time, subject to the following: If Executive is terminated by the Company involuntarily without Cause (excluding any termination due to death or Disability) or if Executive resigns with Good Reason, then, subject to the conditions and limitations of Sections 9(c) and 26 below (other than clauses (A), (C) and (F) which shall not be subject to such conditions and limitations), Executive shall be entitled to receive: (A) Base Salary through the date of termination; (B) continuing severance pay at a rate equal to one-hundred percent (100%) of Base Salary (provided that in connection with a Change of Control where Executive's employment is terminated without Cause by the Company or Executive's resignation from Executive's employment for Good Reason during the Protection Period then continuing severance pay shall instead be at a rate equal to one-hundred fifty percent (150%) of Base Salary *and* one-hundred percent (100%) of the annual target bonus amount for the year of termination), in each case as then in effect (less applicable withholding), for a period equal to twelve (12) months commencing from the date of such termination, to be paid periodically in accordance with the Company's normal payroll practices (the "Severance Payments"); (C) reimbursement of all expenses for which Executive is entitled to be reimbursed pursuant to Section 6 above, but for which she has not yet been reimbursed; (D) the right to continue health care benefits under COBRA at Company's cost for the first twelve (12) months commencing from the date of termination and at Executive's cost thereafter to the extent required and available by law (provided that in connection with a Change of Control where Executive's employment is terminated without Cause by the Company or Executive's resignation from Executive's employment for Good Reason during the Protection Period then the right to continue health care benefits under COBRA at Company's cost for the first eighteen (18) months commencing from the date of termination and at Executive's cost thereafter); (E) accelerated vesting of any then outstanding stock options, restricted stock unit awards or other equity awards (to the extent not fully-vested) as and to the extent provided in Section 3(c)

hereof, (F) any earned, but unpaid bonuses owed to the Executive according to the normal payout practices, (G) a lump sum payment equal to a prorated annual target bonus for the year in which the termination occurs, payable upon the Payment Commencement Date, and (H) no other severance or benefits of any kind, unless required by law or pursuant to any other Company plans or policies, as then in effect. If (1) any plan pursuant to which COBRA benefits are provided is not, or ceases prior to the expiration of the continuation coverage period to be, exempt from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”) under Treasury Regulation Section 1.409A-1(a)(5), (2) the Company is otherwise unable to continue to cover Executive or Executive’s dependents under its group health plans, or (3) the Company cannot provide the COBRA benefit without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then, in any such case, an amount equal to each remaining Company COBRA subsidy under clause (B) above shall thereafter be paid to Executive in substantially equal monthly installments over the remaining coverage period.

(b) *Conditions Precedent.* Any severance payments and/or benefits contemplated by Section 9(a) above are conditional on Executive: (i) continuing to comply with the terms of this Agreement and the EPIA, which are incorporated herein by reference; (ii) delivering prior to or contemporaneously with the commencement of any such severance payments, and not revoking, a general release of claims relating to Executive’s employment and/or this Agreement against the Company or its successor, its subsidiaries and their respective directors, officers and stockholders and affirmation of obligations hereunder and under the EPIA in the form attached hereto as Exhibit B that becomes effective and irrevocable within sixty (60) days following the applicable termination of employment; and (iii) in the event of a resignation for Good Reason, providing the Board with written notice of the acts or omissions constituting the grounds for Good Reason within sixty (60) days of the initial existence of the grounds for Good Reason and a reasonable opportunity for the Company to cure the conditions giving rise to such Good Reason, which shall not be less than thirty (30) days following the date of notice from Executive. If the Company cures the conditions giving rise to such Good Reason within thirty (30) days of the date of such notice, Executive will not be entitled to severance payments and/or benefits contemplated by Section 9(a) above if Executive thereafter resigns from the Company based on such grounds. Unless otherwise required by law or as determined by the Company, no severance payments and/or benefits under Section 9(a) will be paid and/or provided until after the expiration of any relevant revocation period (according to applicable law), but in no event later than the 60th day following the date of termination and subject to Section 26, if applicable. Notwithstanding the foregoing, this Section 9(b) shall not limit Executive’s ability to obtain expense reimbursements under Section 6 or any other compensation or benefits otherwise required by law or in accordance with Company plans or policies, as then in effect.

(c) *Suspension of Severance Payments Based Upon Detrimental Conduct.* In addition to the Conditions Precedent in subsection (b), above, the Company’s obligation to provide the Severance Payments shall immediately and permanently cease immediately upon Executive’s engagement in Detrimental Conduct. For purposes of this paragraph, “Detrimental Conduct” shall mean: (i) any material violation of the EPIA; (ii) Executive is or becomes a principal, owner, officer, director, stockholder or other equity owner (other than a holder of less than 5% of the outstanding shares or other equity interests of a publicly traded company) of a Competitor (as defined below); or (iii) Executive is or becomes a partner or joint venturer in any business or other enterprise or undertaking with a Competitor. For purposes of this paragraph, “Competitor” shall mean any entity, or other business concern that offers or plans to offer products or services that are competitive in any

way with any of the products or services being manufactured, offered, marketed, or are actively developed by the Company or any of its affiliates as of the date Executive's employment ends; provided, however that it does not include a division or subsidiary of such a business so long as that division or subsidiary does not offer or plan to offer products or services that are competitive with the Company in any way (and provided that Executive does not provide advice or other services to the competing business portion of such business).

10. *Definitions.*

(a) *Cause.* For purposes of this Agreement, "Cause" shall mean (i) the Executive's continued non-performance of his duties and obligations under this Agreement (for reasons other than death or Disability), which non-performance, if curable within the discretion of the Board, is not cured to the reasonable satisfaction of the Board within thirty (30) days after Executive's receipt of written notice from the Board of such non-performance; (ii) Executive's failure or refusal to comply with reasonable written policies, standards and regulations established by the Board from time to time which failure, if curable in the discretion of the Board, is not cured to the reasonable satisfaction of the Board within thirty (30) days after Executive's receipt of written notice of such failure from the Board; (iii) any act of personal dishonesty, fraud, embezzlement, misrepresentation, or other unlawful act committed by Executive that results in a substantial gain or personal enrichment of Executive at the expense of the Company; (iv) Executive's knowing and intentional violation of a federal or state law or regulation applicable to the Company's business, which violation was or is reasonably likely to be materially injurious to the Company's business, financial condition, good will or reputation; (v) Executive's conviction of, or a plea of *nolo contendere* or guilty to, a felony under the laws of the United States or any State; or (vi) Executive's material breach of the terms of this Agreement or the EPIA, which breach, if curable within the discretion of the Board, is not cured to the reasonable satisfaction of the Board within thirty (30) days after Executive's receipt of written notice from the Board of such breach.

(b) *Change of Control.* For purposes of this Agreement, "Change of Control" shall mean (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any merger, consolidation or other form of reorganization in which outstanding shares of the Company are exchanged for securities or other consideration issued, or caused to be issued, by the acquiring entity or its subsidiary) (each a "Merger Transaction"), unless the Company's stockholders of record as constituted immediately prior to such Merger Transaction will, immediately after such Merger Transaction, hold at least a majority of the voting power of the surviving or acquiring entity in the same relative proportions, (ii) a sale of all or substantially all of the assets of the Company or the exclusive license of all or substantially all of the Company's intellectual property by means of any transaction or series of related transactions, or (iii) a liquidation, dissolution or winding up of the Company.

(c) *Good Reason.* For purposes of this Agreement, "Good Reason" shall mean, without Executive's written consent: (i) a material reduction of the level of Executive's Base Salary and/or Annual Bonus target amounts (except where there is a general reduction applicable to the entire management team), (ii) a material diminution in Executive's responsibilities, authorities, duties or title; (iii) a requirement that Executive report to someone other than the Board; (iv) a material change in the geographic location at which Executive must perform the services described herein; *provided*, that in no instance will the relocation of Executive to a facility or a location of twenty-five (25) miles or less from

Executive's then current office be deemed material for purposes of this Agreement; or (iv) a material breach by the Company of this Agreement or the RSU Agreement.

11. *Assignment.* This Agreement will be binding upon and inure to the benefit of: (a) the heirs, executors and legal representatives of Executive upon Executive's death, and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of Executive's right to compensation or other benefits will be null and void.

12. *Notices.* All notices, requests, demands and other communications called for under this Agreement shall be in writing and shall be delivered by email or personally by hand or by courier, mailed by United States first-class mail, postage prepaid, or sent by facsimile directed to the party to be notified at the address or facsimile number indicated for such party on the signature page to this Agreement, or at such other address or facsimile number as such party may designate by ten (10) days' advance written notice to the other parties hereto. All such notices and other communications shall be deemed given upon email delivery or personal delivery, three (3) days after the date of mailing, or upon confirmation of facsimile transfer.

13. *Severability.* In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement will continue in full force and effect without said provision.

14. *Confidentiality.* During the Employment Term and thereafter, Executive agrees to use Executive's best efforts to maintain in confidence the existence of this Agreement, the contents and terms of this Agreement, including any documents incorporated by reference, the consideration for this Agreement (hereinafter collectively referred to as "Employment Information"); provided that this section shall not prohibit discussions revealing Employment Information to Executive's family and advisors. Executive agrees to take every reasonable precaution to prevent disclosure of any Employment Information to third parties, and agree that there will be no publicity, directly or indirectly, concerning any Employment Information.

15. *Whistleblower Protections and Trade Secrets.* Notwithstanding anything to the contrary contained herein, nothing in this Agreement prohibits Executive from reporting possible violations of federal law or regulation to any United States governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies). Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in this Agreement: (i) Executive shall not be in breach of this Agreement, 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 Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney, and may use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

16. *Company Matters.*

(a) *Employee Proprietary Information Agreement.* Executive acknowledges and agrees that Executive shall continue to be bound and shall abide by the terms of the EPIA, including the provisions governing the non-disclosure of confidential information and restrictive covenants contained therein.

(b) *Ventures.* If, during employment, Executive is engaged in or associated with planning or implementing of any project, program or venture involving the Company and any third parties, all rights in such project, program or venture shall belong to the Company (or third party, to the extent provided in any agreement between the Company and the third party). Except as formally approved by the Company, Executive shall not be entitled to any interest in such project, program or venture or to any commission, finder's fee or other compensation in connection therewith other than the salary or other compensation to be paid to Executive as provided in this Agreement.

(c) *Resignation on Termination.* On termination of employment, Executive shall immediately (and with contemporaneous effect) be deemed to resign any directorships, offices or other positions that Executive may hold in the Company or any affiliate, unless otherwise agreed in writing by the parties.

(d) *Notification of New Employer.* In the event that Executive leaves the employ of the Company, Executive grants consent to notification by the Company to Executive's new employer about the rights and obligations under this Agreement and the EPIA.

17. *Arbitration.*

(a) *General.* In consideration of Executive's service to the Company, its promise to arbitrate all employment related disputes and Executive's receipt of the compensation and other benefits paid to Executive by the Company, at present and in the future, Executive agrees that any and all controversies, claims, or disputes (with the sole exception of those disputes that may arise from the EPIA, which shall be resolved in accordance with the dispute resolution procedures set forth therein) with Company, including any breach of this Agreement, shall be subject to binding arbitration under the arbitration rules set forth by the American Arbitration Association ("AAA") for the resolution of employment disputes and pursuant to Texas law, which shall be held in Dallas County, Texas. Disputes which Executive agrees to arbitrate, and thereby agrees to waive any right to a trial by jury, include, to the extent permissible by law, any statutory claims under state or federal law, including, but not limited to, claims under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, the Texas Commission on Human Rights Act, claims of harassment, discrimination or wrongful termination and any statutory claims. Executive further

understands that this Agreement to arbitrate also applies to any disputes that the Company may have with Executive.

(b) *Procedure.* Any arbitration will be administered by AAA and a neutral arbitrator will be selected in a manner consistent with its National Rules for the Resolution of Employment Disputes (the “Rules”). The arbitration proceedings will allow for discovery according to the Rules. The arbitrator shall have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication and motions to dismiss and demurrers, prior to any arbitration hearing. The arbitrator shall issue a written decision including findings of fact and conclusions of law on the merits of its award. The arbitrator shall have the power to award any remedies, including attorneys’ fees and costs, available under applicable law. To the extent permitted by law, the Company shall pay the administrative fees associated with the arbitration, except for the first \$200.00 in administrative fees for any arbitration that is initiated by Executive, and Company and Executive shall separately pay independent counsel fees and expenses. The arbitrator shall administer and conduct any arbitration in a manner consistent with the Rules.

(c) *Remedy.* Arbitration shall be the sole, exclusive and final remedy for any dispute (with the sole exception of those disputes that may arise from the EPIA, which shall be resolved in accordance with the dispute resolution procedures set forth therein) between Executive and the Company. Accordingly, except as otherwise provided herein, neither Executive nor the Company will be permitted to pursue court action regarding claims that are subject to arbitration. Notwithstanding, the arbitrator will not have the authority to disregard or refuse to enforce any lawful Company policy, and the arbitrator shall not order or require the Company to adopt a policy not otherwise required by law, which the Company has not adopted.

(d) *Availability of Equitable Relief.* Any party may also petition the court for injunctive or other equitable relief where either party alleges or claims a violation of this Agreement or the EPIA. In the event that either party seeks such relief, no bond shall be required and the prevailing party shall be entitled to recover reasonable costs and attorneys’ fees. Any such relief will be filed in any state or federal court serving Dallas County, Texas.

(e) EXECUTIVE ACKNOWLEDGES AND UNDERSTANDS THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF EXECUTIVE’S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EMPLOYER/EMPLOYEE RELATIONSHIP, INCLUDING BUT NOT LIMITED TO, DISCRIMINATION CLAIMS.

18. *Integration.* This Agreement, together with the EPIA, represents the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral regarding the same, including the Prior Agreement. No waiver, alteration or modification of any of the provisions of this Agreement will be binding unless in writing and signed by duly authorized representatives of the parties hereto.

19. *Tax Withholding.* All payments made pursuant to this Agreement will be subject to withholding of applicable taxes.

20. *Waiver.* No party shall be deemed to have waived any right, power or privilege under this Agreement or any provisions hereof unless such waiver shall have been duly executed in writing and acknowledged by the party to be charged with such waiver. The failure of any party at any time to insist on performance of any of the provisions of this Agreement shall in no way be construed to be a waiver of such provisions, nor in any way to affect the validity of this Agreement or any part hereof. No waiver of any breach of this Agreement shall be held to be a waiver of any other subsequent breach.

21. *Governing Law.* This Agreement will be governed by the laws of the State of Texas, without regard for conflicts of law provisions.

22. *Acknowledgment.* Executive acknowledges that Executive has had the opportunity to discuss this matter with and obtain advice from independent counsel, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

23. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute but one instrument.

24. *Effect of Headings.* The section and subsection headings contained herein are for convenience only and shall not affect the construction hereof.

25. *Construction of Agreement.* This Agreement has been negotiated by the respective parties, and the language shall not be construed for or against either party.

26. *Section 409A.*

(a) Separation from Service. Notwithstanding anything to the contrary in this Agreement, with respect to any amounts payable to Executive under this Agreement in connection with a termination of Executive's employment that would be considered "non-qualified deferred compensation" under Section 409A of the Code, in no event shall a termination of employment be considered to have occurred under this Agreement unless such termination constitutes Executive's "separation from service" with the Company as such term is defined in Treasury Regulation Section 1.409A-1(h), and any successor provision thereto ("Separation from Service").

(b) Section 409A Compliance; Payment Delays.

(i) Notwithstanding anything to the contrary in this Agreement, to the maximum extent permitted by applicable law, the severance payments payable to Executive pursuant to this Agreement shall be made in reliance upon Treasury Regulation Section 1.409A-1(b)(9)(iii) (relating to separation pay plans) or Treasury Regulation Section 1.409A-1(b)(4) (relating to short-term deferrals). However, to the extent any such payments are treated as "non-qualified deferred compensation" subject to Section 409A of the Code, and if Executive is deemed at the time of Executive's Separation from Service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, then to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited payment under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive's

Separation from Service benefits shall not be provided to Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of Executive's Separation from Service or (B) the date of Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 26(b)(i) shall be paid in a lump sum to Executive (or Executive's estate).

(ii) The determination of whether Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of Executive's Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including, without limitation, Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

(iii) Notwithstanding anything to the contrary in this Agreement, with respect to any amounts payable to Executive under this Agreement that would be considered "non-qualified deferred compensation" under Section 409A of the Code and are payable within sixty days following Executive's termination of employment and conditioned on Executive's delivery of the general release described in Section 9(b) (the "Release"), payment of such amounts will be measured from Executive's date of termination, but shall commence within 60 days following Executive's date of termination (the date such payments commence, "Payment Commencement Date"), provided that on or before the Payment Commencement Date, Executive shall have executed the Release (which form shall be delivered to Executive by the Company within five days following the date of termination) and the revocation period applicable to the Release shall have expired; and provided further, that (x) if such 60-day period begins in one calendar year and ends in a second calendar year, the Payment Commencement Date shall not occur until the second calendar year and (y) the first payment will include an amount equal to all payments that would have been made between the date of termination and the Payment Commencement Date if such payments had commenced on the Company's next regularly scheduled payroll date following the date of termination.

(c) Section 409A; Separate Payments. This Agreement is intended to be written, administered, interpreted and construed in a manner such that no payment or benefits provided under this Agreement become subject to (a) the gross income inclusion set forth within Section 409A(a)(1)(A) of the Code or (b) the interest and additional tax set forth within Section 409A(a)(1)(B) of the Code (collectively, "Section 409A Penalties"), including, where appropriate, the construction of defined terms to have meanings that would not cause the imposition of Section 409A Penalties. To the extent that any provision of this Agreement violates Section 409A of the Code and/or Treasury Regulations issued under Section 409A of the Code, such that amounts would be taxable to Executive prior to payment, the Company and Executive agree to negotiate in good faith to revise or strike such provision (and take any other action reasonably necessary) to preserve the intent hereof to the extent permissible under Section 409A of the Code, Treasury Regulations issued under Section 409A of the Code and applicable guidance issued by the Internal Revenue Service. Notwithstanding anything to the contrary in this Agreement, the Company does not guarantee any particular tax result to Executive relating to amounts payable under this Agreement. For purposes of Section 409A of the Code (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), each payment that Executive may be eligible to receive under this Agreement shall be treated as a separate and distinct payment and shall not collectively be treated as a single payment.

(d) In-kind Benefits and Reimbursements. Notwithstanding anything to the contrary in this Agreement or in any Company policy with respect to such payments, in-kind benefits

and reimbursements provided under this Agreement during any tax year of Executive shall not affect in-kind benefits or reimbursements to be provided in any other tax year of Executive and are not subject to liquidation or exchange for another benefit. Notwithstanding anything to the contrary in this Agreement, reimbursement requests must be timely submitted by Executive and, if timely submitted, reimbursement payments shall be made to Executive as soon as administratively practicable following such submission in accordance with the Company's policies regarding reimbursements, but in no event later than the last day of Executive's taxable year following the taxable year in which the expense was incurred. This Section 26(d) shall only apply to in-kind benefits and reimbursements that would result in taxable compensation income to Executive.

27. Additional Limitation.

(a) If there is a change in ownership or control of the Company that would cause any payment or distribution by the Company or any other Person or entity to Executive or for Executive's benefit (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise) (a "Payment") to be subject to the excise tax imposed by Section 4999 of the Code (such excise tax, together with any interest or penalties incurred by Executive with respect to such excise tax, the "Excise Tax"), then Executive will receive the greatest of the following, whichever gives Executive the highest net after-tax amount (after taking into account federal, state, local and social security taxes): (a) the Payments or (b) one dollar less than the amount of the Payments that would subject Executive to the Excise Tax (the "Safe Harbor Amount"). If a reduction in the Payments is necessary so that the Payments equal the Safe Harbor Amount and none of the Payments constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Code), then the reduction shall occur in the manner Executive elects in writing prior to the date of payment. If any Payment constitutes nonqualified deferred compensation or if Executive fails to elect an order, then the Payments to be reduced will be determined in a manner which has the least economic cost to Executive and, to the extent the economic cost is equivalent, will be reduced in the inverse order of when payment would have been made to Executive, until the reduction is achieved. All determinations required to be made under this Section, including whether and when the Safe Harbor Amount is required and the amount of the reduction of the Payments and the assumptions to be utilized in arriving at such determination, shall be made by a certified public accounting firm mutually agreed to by the Executive and the Company (the "Accounting Firm"). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determination by the Accounting Firm shall be binding upon Company and Executive.

(b) To the extent requested by the Executive, the Company shall cooperate with the Executive in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by the Executive (including, without limitation, the Executive's agreeing to refrain from performing services pursuant to a covenant not to compete or similar covenant, before, on, or after the date of a "change in ownership or control" of the Company (within the meaning of Q&A-2(b) of the final regulations under Section 280G of the Code)), such that payments in respect of such services may be considered reasonable compensation within the meaning of Q&A-9 and Q&A-40 to Q&A-44 of the final regulations under Section 280G of the Code and/or exempt from the definition of the term "parachute payment" within the meaning of Q&A-2(a) of the final regulations under Section 280G of the Code in accordance with Q&A-5(a) of the final regulations under Section 280G of the Code.

[Signature page follows]

IN WITNESS WHEREOF, each of the parties has executed this Executive Employment Agreement as of the day and year first above written.

“COMPANY”

ALKAMI TECHNOLOGY, INC.

By: /s/Brian R. Smith
Brian R. Smith, Chairperson

Address:

Alkami Technology, Inc.
Attention: Chairperson of Board of Directors
5601 Granite Parkway, Suite 120
Plano, TX 75024

“EXECUTIVE”

By: /s/Alex Shootman
Alex Shootman

Address:

5601 Granite Parkway, Suite 120
Plano, TX 75024

ALKAMI TECHNOLOGY, INC.
EXECUTIVE EMPLOYMENT AGREEMENT
SIGNATURE PAGE

EXHIBIT A

EMPLOYEE PROPRIETARY INFORMATION AGREEMENT

EXHIBIT B

RELEASE

TRANSITION AND SEPARATION AGREEMENT

This Transition and Separation Agreement (this "Agreement") by and between Mike Hansen ("Executive") and Alkami Technology, Inc., a Delaware corporation (the "Company"), is made effective as of the eighth day after the date Executive signs this Agreement if not revoked in accordance with Section 7(c) (the "Effective Date") with reference to the following facts:

- A. Executive's employment with the Company will end effective upon the Separation Date (as defined below).
- B. Executive and the Company want to end Executive's employment relationship amicably and also to establish the obligations of the parties including, without limitation, the transition of Executive's duties, all amounts due and owing to Executive, and Executive's willingness to render certain continuing service on the Company's board of directors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. **Separation Date.** Executive's role as Chief Executive Officer and status as an executive officer of the Company and each of its affiliates shall end effective as of November 5, 2021 (the "Transition Date"). Executive acknowledges and agrees that his status as an employee of the Company shall end effective as of the earliest of (i) December 17, 2021, (ii) the date Executive takes any action that constitutes Cause (as defined in the Amended and Restated Executive Employment Agreement entered into between Executive and the Company effective as of March 22, 2021 (the "Employment Agreement")) or (iii) the date Executive voluntarily terminates his employment with the Company (such earliest date, the "Separation Date").
2. **Continued Employment.**
 - (a) *Transitional Employment Period.* From the Transition Date through the Separation Date (the "Transitional Employment Period"), Executive shall remain employed by the Company in a non-executive capacity as Advisor to the Board of Directors of the Company (the "Board"), and Executive shall provide transition services on an as-needed basis in Executive's areas of expertise and work experience and responsibility, as may be requested by the Board or its Chair.
 - (b) *Salary and Benefits Continuation.* During the Transitional Employment Period, Executive will continue to be paid base salary at the rate in effect on the date of this Agreement and continue to be eligible for the employee benefit plans made available to similarly situated employees of the Company on the terms and conditions set forth in such employee benefit plans. For clarification, notwithstanding the fact that Executive's employment ends hereunder before year end and before the regular date for payment of executive bonuses for 2021, Executive will receive an annual bonus

for 2021 at the same time and at the same rate of deemed achievement of Company bonus targets, as other senior executives. All payments made to Executive during the Transitional Employment Period will be subject to any required withholding taxes and authorized deductions.

- (c) *Equity Awards.* During the Transitional Employment Period, each Company equity award held by Executive shall remain outstanding and continue to vest in accordance with its terms. Executive acknowledges that each option held by Executive that constitutes an “incentive stock option” within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”), shall, notwithstanding any Board service as contemplated in Section 3, cease to qualify as an incentive stock option as of the three month anniversary of the Separation Date and if exercised after such date will not be eligible for the favorable tax consequences associated with incentive stock options.
- (d) *Protection of Information.* Executive agrees that, during the Transitional Employment Period and thereafter, Executive will not, except for the purposes of performing Executive’s duties to the Company, seek to obtain any confidential or proprietary information or materials of the Company. Executive reaffirms his commitment to remain in compliance with Executive’s Employee Proprietary Information Agreement (the “Confidentiality Agreement”) during the Transitional Employment Period and, to the extent provided therein, thereafter.

3. **Continued Board Service.**

- (a) *Transitional Board Service Period.* Executive will continue to make himself available to serve as a member of the Board, from the Separation Date through the earliest of (i) December 31, 2022, (ii) the date Executive takes any action that constitutes Cause, and (iii) the date Executive voluntarily resigns as a member of the Board (the “Transitional Board Service Period”).
- (b) *Compensation.* During the Transitional Board Service Period, Executive’s sole compensation shall be the vesting of equity awards in accordance with their vesting schedules, as in effect as of the Separation Date. In the event the end of the Transitional Board Service Period coincides with December 31, 2022, then the vesting of each unvested equity award held by Executive as of such date shall thereupon be accelerated as to 100% of the underlying shares. Executive shall also receive such vesting acceleration in the event that his Transitional Board Service Period ends due to Executive’s death, disability (as determined in the reasonable discretion of the Board), or a failure to be re-elected to the Board.
- (c) *Waiver.* During the Transitional Board Service Period, Executive shall not be paid cash compensation or granted equity compensation in accordance with the Company’s Non-Employee Director Compensation Program and hereby expressly waives any right thereto.

4. **Final Paycheck; Payment of Accrued Wages and Expenses.**

- (a) *Final Paycheck.* As soon as administratively practicable on or after the Separation Date, the Company will pay Executive all accrued but unpaid base salary and all accrued and unused vacation earned through the Separation Date, subject to standard payroll deductions and withholdings. Executive is entitled to these payments regardless of whether Executive executes this Agreement or the Release of Claims (as defined below).
 - (b) *Business Expenses.* The Company shall reimburse Executive for all outstanding expenses incurred prior to the Separation Date which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company's requirements with respect to reporting and documenting such expenses. Executive is entitled to these reimbursements regardless of whether Executive executes this Agreement or the Release of Claims.
5. **Separation Payments.** Without admission of any liability, fact or claim, the Company hereby agrees, subject to (i) the timely execution and non-revocation of this Agreement, (ii) the delivery to the Company of a signed copy of the General Release of Claims attached hereto as Exhibit A (the "Release of Claims") that becomes effective and irrevocable during the 30-day period immediately following the Separation Date, (iii) Executive's performance of Executive's continuing obligations pursuant to this Agreement and the Confidentiality Agreement and (iv) Executive's employment hereunder not being terminated by the Company for Cause, to provide Executive the severance payments set forth below. Specifically, the Company and Executive agree as follows:
- (a) *Severance Pay.* The Company shall pay Executive an amount equal to his annual base salary, at the rate in effect immediately prior to the Separation Date. Such payment shall be made on the Company's first regular payroll date following the date the Release of Claims becomes effective and irrevocable.
 - (b) *COBRA Coverage.* The Company shall pay to Executive a lump sum cash payment in an amount equal to the Company's estimated cost for Executive's COBRA premiums over a 12-month period based on rates in effect on the Separation Date. Such payment shall be made on the Company's first regular payroll date following the date the Release of Claims becomes effective and irrevocable.
 - (c) *Withholding.* All amounts payable under this Agreement shall be subject to applicable tax withholdings and deductions.
 - (d) *Sole Separation Benefit.* Executive agrees that the payments provided by this Section 5 are not required under the Company's normal policies and procedures and are provided as a severance solely in connection with this Agreement. Executive acknowledges and agrees that the payments referenced in this Section 5 constitute adequate and valuable consideration for the promises contained in this Agreement and the Release of Claims.

6. **Full Payment.** Executive acknowledges that the payment and arrangements herein shall constitute full and complete satisfaction of any and all amounts properly due and owing to Executive as a result of Executive's employment with the Company and the termination thereof.
7. **Executive's Release of the Company.** Executive understands that by agreeing to the release provided by this Section 7, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its employees or other agents for any reason whatsoever based on anything that has occurred as of the date Executive signs this Agreement.
- (a) On behalf of Executive and Executive's heirs, assigns, executors, administrators, trusts, spouse and estate, Executive hereby releases and forever discharges the "Releasees" hereunder, consisting of the Company and each of its owners, affiliates, subsidiaries, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or resignation by the Releasees, or any of them, Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, including any Claims arising under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000, et seq.; Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 et seq.; the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq.; the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621, et seq.; Civil Rights Act of 1866, and Civil Rights Act of 1991; 42 U.S.C. § 1981, et seq.; Equal Pay Act, as amended, 29 U.S.C. § 206(d); regulations of the Office of Federal Contract Compliance, 41 C.F.R. Section 60, et seq.; the Family and Medical Leave Act, as amended, 29 U.S.C. § 2601 et seq.; the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq.; the Employee Retirement Income Security Act, as amended, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, as amended, 29 U.S.C. § 2101 et seq.; the Texas Labor Code, including the Texas Payday Act, the Texas Anti-Retaliation Act, the Texas Commission on Human Rights Act and § 451.001 of the Texas Workers' Compensation Act, and all of their respective implementing regulations; claims for wages under the Texas Labor Code and any other federal, state or local laws of similar effect; the employment and civil rights laws of Texas; Claims for breach of contract; Claims arising in tort, including, without limitation, Claims of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, libel, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing;

and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

- (b) Notwithstanding the generality of the foregoing, Executive does not release the following claims:
- (i) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;
 - (ii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;
 - (iii) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;
 - (iv) Claims to any benefit entitlements vested as the date of Executive's employment termination, pursuant to written terms of any Company employee benefit plan;
 - (v) Claims for indemnification under Executive's indemnification agreement with the Company, the Company's Bylaws, or applicable law; and
 - (vi) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; *provided, however*, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.
- (c) *Acknowledgement.* In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:
- (i) Executive should consult with an attorney before signing this Agreement;
 - (ii) Executive has been given at least 21 days to consider this Agreement;
 - (iii) Any changes made to this Agreement do not restart the 21-day period in which Executive has to consider this Agreement; and
 - (iv) Executive has seven days after signing this Agreement to revoke it. If Executive wishes to revoke this Agreement, Executive must deliver notice of Executive's revocation in writing, no later than 5:00 p.m. on the 7th day following Executive's execution of this Agreement to Brian R. Smith, Chairperson of the Board, email: Brian@s3vc.com. Executive understands that if Executive revokes this Agreement, it will be null and void in its entirety, and Executive will not be entitled to any payments or benefits provided in this Agreement, other than as provided in Section 4.

8. Non-Disparagement, Transition, and Transfer of Company Property. Executive further agrees that:

- (a) *Non-Disparagement.* Executive shall not disparage or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, stockholders, employees, products, services, technology or business, either publicly or privately in any manner reasonably likely to injure its or their business or personal reputation. The Company shall not, and shall instruct its directors and officers to not, disparage or defame Executive, either publicly or privately, in any manner reasonably likely to injure Executive's business or personal reputation. Nothing in this Section 8(a) shall have application to any evidence or testimony required by any court, arbitrator or government agency, or any statement otherwise required by law.
 - (b) *Transition.* Each of the Company and Executive shall use their respective reasonable efforts to cooperate with each other in good faith to facilitate a smooth transition of Executive's duties.
 - (c) *Return of Company Property.* Executive warrants and represents that, no later than the Separation date, Executive will turn over to the Company all files, memoranda, records, and other documents, and any other physical or personal property that are the property of the Company and that Executive has in Executive's possession, custody or control, with the exception of any such materials or property necessary to Board service or otherwise provided to non-employee Board members. Company will provide technical assistance to Executive with any downloading and transferring of electronically-recorded information necessary under this paragraph (unless Company agrees in writing that Executive may maintain possession of such electronically-recorded information on the condition that he shall not make any disclosure or use thereof that is not authorized in writing by the Company).
9. **Executive Representations.** Executive warrants and represents that (a) Executive has not filed or authorized the filing of any complaints, charges or lawsuits against the Company or any affiliate of the Company with any governmental agency or court, and that if, unbeknownst to Executive, such a complaint, charge or lawsuit has been filed on Executive's behalf, Executive will immediately cause it to be withdrawn and dismissed, (b) Executive has reported all hours worked as of the date of this Agreement and has been paid all compensation, wages, bonuses, commissions, and/or benefits to which Executive may be entitled and no other compensation, wages, bonuses, commissions and/or benefits are due to Executive, except as provided in this Agreement, (c) Executive has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act or any similar state law, (d) the execution, delivery and performance of this Agreement by Executive does not and will not conflict with, breach, violate or cause a default under any agreement, contract or instrument to which Executive is a party or any judgment, order or decree to which Executive is subject, and (e) upon the execution and delivery of this Agreement by the Company and Executive, this Agreement will be a valid and binding obligation of Executive, enforceable in accordance with its terms.
10. **No Assignment by Executive.** Executive warrants and represents that no portion of any of the matters released herein, and no portion of any recovery or settlement to which Executive might be entitled, has been assigned or transferred to any other person, firm or

corporation not a party to this Agreement, in any manner, including by way of subrogation or operation of law or otherwise. If any claim, action, demand or suit should be made or instituted against the Company or any other Releasee because of any actual assignment, subrogation or transfer by Executive, Executive agrees to indemnify and hold harmless the Company and all other Releasees against such claim, action, suit or demand, including necessary expenses of investigation, attorneys' fees and costs. In the event of Executive's death, this Agreement shall inure to the benefit of Executive and Executive's executors, administrators, heirs, distributees, devisees, and legatees. None of Executive's rights or obligations may be assigned or transferred by Executive, other than Executive's rights to payments hereunder, which may be transferred only upon Executive's death by will or operation of law.

11. **Restrictive Covenants.** Executive reaffirms Executive's continuing obligations under the Confidentiality Agreement, including, without limitation, the restrictive covenants under Sections 5, 6 and 7 thereof.
12. **Governing Law.** This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Texas or, where applicable, United States federal law, in each case, without regard to any conflicts of laws provisions or those of any state other than Texas.
13. **Final Agreement; Amendment; Counterparts.** This Agreement, together with the Confidentiality Agreement and the agreements evidencing Executive's equity awards, comprises the entire agreement between the parties with regard to the subject matter hereof and supersedes, in their entirety, any other agreements between Executive and the Company with regard to the subject matter hereof. Executive acknowledges that there are no other agreements, written, oral or implied, and that Executive may not rely on any prior negotiations, discussions, representations or agreements. This Agreement may be modified only in writing, and such writing must be signed by both parties and recited that it is intended to modify this Agreement. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.
14. **Company Assignment and Successors.** The Company shall assign its rights and obligations under this Agreement to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise). This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns, personnel and legal representatives.
15. **Maintaining Confidential Information.** Executive reaffirms Executive's obligations under the Confidentiality Agreement. Executive acknowledges and agrees that the payments provided in Section 5 above shall be subject to Executive's continued compliance with Executive's obligations under the Confidentiality Agreement. For the avoidance of doubt, nothing in the Confidentiality Agreement or this Agreement will be construed to prohibit Executive 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. Executive does not need the prior authorization of the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in the Confidentiality Agreement or this Agreement: (i) Executive shall not be in breach of this Agreement, 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 Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney, and may use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

16. **Executive's Cooperation.** After the Separation Date, Executive shall cooperate with the Company and its affiliates, upon the Company's reasonable request, with respect to any internal investigation or administrative, regulatory or judicial proceeding involving matters within the scope of Executive's duties and responsibilities to the Company or its affiliates during Executive's employment with the Company (including, without limitation, Executive being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's reasonable request to give truthful and complete testimony without requiring service of a subpoena or other legal process, and turning over to the Company all relevant Company documents which are or may have come into Executive's possession during Executive's employment); *provided, however*, that any such request by the Company shall not be unduly burdensome or interfere with Executive's personal schedule or ability to engage in gainful employment and Executive shall be compensated at the rate of \$300 per documented hour spent on such request.
17. **Section 409A of the Code.** This Agreement is intended, to the greatest extent permitted under law, to comply with the short-term deferral exemption and the separation pay exemption provided in Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and other interpretative guidance issued thereunder ("Section 409A") such that no benefits or payments under this Agreement are subject to Section 409A. Notwithstanding anything herein to the contrary, the timing of any payments under this Agreement shall be made consistent with such exemption. Executive's right to receive a series of installment payments under this Agreement, if any, shall be treated as a right to receive a series of separate payments. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A, including without limitation any such regulations or other guidance that may be issued after the Separation Date. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any amounts payable hereunder may be subject to Section 409A, the Company may, to the extent permitted under Section 409A cooperate in good

faith to adopt such amendments to this Agreement or adopt other appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company determines are necessary or appropriate to avoid the imposition of taxes under Section 409A; provided, however, that this paragraph shall not create an obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action, nor shall the Company have any liability for failing to do so. To the extent that any reimbursements payable pursuant to this Agreement are subject to the provisions of Section 409A, such reimbursements shall be paid to Executive 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 Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(Signature page(s) follow)

The undersigned have caused this Transition and Separation Agreement to be duly executed and delivered as of the date indicated next to their respective signatures below.

DATED: November 4, 2021

By: /s/ Mike Hansen

Mike Hansen

Address:

Alkami Technology, Inc.
Attention: President & CEO
5601 Granite Parkway, Suite 120
Plano, TX 75024

DATED: November 4, 2021

By: /s/ Brian R. Smith

Brian R. Smith
Chairperson of the Board

Address:

Alkami Technology, Inc.
Attention: Chairperson of Board of Directors
5601 Granite Parkway, Suite 120
Plano, TX 75024

[Signature page to Transition and Separation Agreement]

EXHIBIT A

GENERAL RELEASE OF CLAIMS

This General Release of Claims ("Release") is entered into as of _____, 202__, between Mike Hansen ("Executive") and Alkami Technology, Inc., a Delaware corporation (the "Company" and, together with Executive, the "Parties"), effective eight days after Executive's signature hereto, unless Executive revokes Executive's acceptance of this Release as provided in Paragraph 1(c), below.

1. **Executive's Release of the Company.** Executive understands that by agreeing to this Release, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its directors, officers, employees, investors or other agents for any reason whatsoever based on anything that has occurred in connection with his employment or other relationship with the Company and the conclusion of that employment or other relationship that the Company as of the date Executive signs this Release.
 - (a) On behalf of Executive and Executive's heirs, assigns, executors, administrators, trusts, spouse and estate, Executive hereby releases and forever discharges the "Releasees" hereunder, consisting of the Company and each of its owners, affiliates, subsidiaries, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or resignation by the Releasees, or any of them, Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, including any Claims arising under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000, et seq.; Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 et seq.; the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq.; Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621, et seq.; Civil Rights Act of 1866, and Civil Rights Act of 1991; 42 U.S.C. § 1981, et seq.; Equal Pay Act, as amended, 29 U.S.C. § 206(d); regulations of the Office of Federal Contract Compliance, 41 C.F.R. Section 60, et seq.; the Family and Medical Leave Act, as amended, 29 U.S.C. § 2601 et seq.; the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq.; the Employee Retirement Income Security Act, as amended, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, as amended, 29 U.S.C. § 2101 et seq.; the Texas Labor Code, including the Texas Payday Act, the Texas Anti-Retaliation Act, the Texas Commission on Human Rights Act and § 451.001 of the Texas Workers' Compensation Act, and all of their

respective implementing regulations; Claims for wages under the Texas Labor Code and any other federal, state or local laws of similar effect; the employment and civil rights laws of California; Claims for breach of contract; Claims arising in tort, including, without limitation, Claims of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing; and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

- (b) Notwithstanding the generality of the foregoing, Executive does not release the following claims:
- (i) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;
 - (ii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;
 - (iii) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;
 - (iv) Claims to any benefit entitlements vested as the date of Executive's employment termination, pursuant to written terms of any Company or affiliate employee benefit plan, program or policy;
 - (v) Claims for indemnification under Executive's indemnification agreement with the Company, the Company's Bylaws or any other applicable law; and
 - (vi) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; *provided, however*, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.
- (c) *Acknowledgement.* In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:
- (i) Executive should consult with an attorney before signing this Release;
 - (ii) Executive has been given at least 21 days to consider this Release;
 - (iii) Executive has seven days after signing this Release to revoke it. If Executive wishes to revoke this Release, Executive must deliver notice of Executive's revocation in writing, no later than 5:00 p.m. on the 7th day following Executive's execution of this Release to Brian R. Smith, Chairperson of the Board, email: Brian@s3vc.com. Executive understands that if Executive revokes this Release, it will be null and void in its entirety, and Executive will not be entitled to any payments or benefits provided in the Transition and Separation Agreement, other than as provided in Sections 2 and 4 thereof.

2. **Executive Representations.** Executive warrants and represents that (a) he has not filed or authorized the filing of any complaints, charges or lawsuits against the Company or any of its affiliates with any governmental agency or court, and that if, unbeknownst to Executive, such a complaint, charge or lawsuit has been filed on his behalf, he will immediately cause it to be withdrawn and dismissed, (b) he has reported all hours worked as of the date of this Release and has been paid all compensation, wages, bonuses, commissions, and/or benefits to which he may be entitled and no other compensation, wages, bonuses, commissions and/or benefits are due to him, except as provided in Section 4 of the Transition and Separation Agreement, (c) he has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act or any similar state law, (d) the execution, delivery and performance of this Release by Executive does not and will not conflict with, breach, violate or cause a default under any agreement, contract or instrument to which Executive is a party or any judgment, order or decree to which Executive is subject, and (e) upon the execution and delivery of this Release by the Company and Executive, this Release will be a valid and binding obligation of Executive, enforceable in accordance with its terms.
3. **Maintaining Confidential Information.** Executive reaffirms his obligations under the Confidentiality Agreement (within the meaning of the Transition and Separation Agreement). Executive acknowledges and agrees that the payments and benefits provided in Section 5 of the Transition and Separation Agreement shall be subject to Executive's continued compliance with Executive's obligations under the Confidentiality Agreement.
4. **Cooperation With the Company.** Executive reaffirms Executive's obligations to cooperate with the Company pursuant to Section 16 of the Transition and Separation Agreement.
5. **Severability.** The provisions of this Release are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision.
6. **Choice of Law.** This Release shall in all respects be governed and construed in accordance with the laws of the State of Texas, including all matters of construction, validity and performance, without regard to conflicts of law principles.
7. **Integration Clause.** This Release and the Transition and Separation Agreement contain the Parties' entire agreement with regard to the transition and separation of Executive's employment, and supersede and replace any prior agreements as to those matters, whether oral or written. This Release may not be changed or modified, in whole or in part, except by an instrument in writing signed by Executive and the Chief Executive Officer of the Company.
8. **Execution in Counterparts.** This Release may be executed in counterparts with the same force and effectiveness as though executed in a single document. Facsimile signatures shall have the same force and effectiveness as original signatures.

9. **Intent to be Bound.** The Parties have carefully read this Release in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding on all Parties.

(Signature page(s) follow)

Intending to be legally bound, the Parties have executed the foregoing on the dates shown below.

DATED AS OF , 202

By: _____

Mike Hansen

Address:

Alkami Technology, Inc.
Attention: President & CEO
5601 Granite Parkway, Suite 120
Plano, TX 75024

DATED AS OF , 202

By: _____

Brian R. Smith
Chairperson of the Board

Address:

Alkami Technology, Inc.
Attention: Chairperson of Board of Directors
5601 Granite Parkway, Suite 120
Plano, TX 75024

Alkami Announces Third Quarter 2021 Financial Results

PLANO, Texas (November 4, 2021) — Alkami Technology, Inc. (“Alkami”), a leading cloud-based digital banking solutions provider for U.S.-based financial institutions, announced today results for its third quarter ending September 30, 2021.

Third Quarter 2021 Financial Highlights

- GAAP total revenue of \$39.8 million, an increase of 37% year-over-year;
- GAAP gross margin of 56.3%, an expansion of nearly 390 basis points year-over-year;
- Non-GAAP gross margin of 57.9%, an expansion of over 520 basis points year-over-year;
- GAAP net loss of (\$11.2) million compared to a net loss of (\$21.3) million in the prior year; and,
- Adjusted EBITDA loss of (\$6.1) million compared to a loss of (\$5.4) million in the prior year quarter.

Comments on the News

“Third quarter financial results strength underscores our goal of being the best-of-breed digital banking platform for our industry,” said Mike Hansen, Chief Executive Officer. “We continue to focus on our key innovation areas of UI/UX, business banking, open platform capabilities and data solutions. We further strengthened our commitment to these areas with the acquisition of MK Decision which expands our total addressable market by over \$2.5 billion while gaining new cross-selling opportunities among a larger installed base. MK’s solutions unlock digital account opening and loan origination innovations previously reserved for the largest technology companies, megabanks and fintechs in the market. We believe this innovation mindset helped us secure six new digital banking clients during the quarter that possess significantly higher product adoption levels than we’ve seen historically.”

“Third quarter financial results were strong,” said Bryan Hill, Chief Financial Officer. “We added over 675,000 digital banking users to our platform during the third quarter, exited the quarter with 11.4 million digital banking users on our platform, annual recurring revenue of \$155 million and revenue per user of \$13.57.”

2021 Financial Outlook

Alkami’s financial outlook is based on current expectations. The following statements are forward-looking and actual results could differ materially depending on market conditions and the factors set forth under “Cautionary Statement Regarding Forward-Looking Statements.”

Alkami management is providing the following guidance for its fourth quarter ending December 31, 2021.

- GAAP total revenue in the range of \$40.3 million to \$41.3 million;
- Adjusted EBITDA loss in the range of (\$6.0) million to (\$5.0) million.

Alkami management is providing the following guidance for its calendar year ending December 31, 2021.

- GAAP total revenue in the range of \$150.0 million to \$151.0 million;
- Adjusted EBITDA loss in the range of (\$23.5) million to (\$22.5) million.

Conference Call Information

The Company will host a conference call at 5:00 p.m. ET today to discuss its financial results with investors. A live webcast of the event will be available on the Alkami investor relations website at investors.alkami.com. In addition, a live dial-in will be available domestically at 800-708-4540 and internationally at 847-619-6937 using passcode 50201363. A replay will be available on the “News & Events” page of the Alkami investor relations website.

About Alkami

Alkami Technology, Inc. is a leading cloud-based digital banking solutions provider for financial institutions in the United States that enables clients to grow confidently, adapt quickly and build thriving digital communities. The Alkami Platform is the digital banking and fraud mitigation platform of choice for over 280 financial institutions. Alkami’s investments have resulted in a premium platform that has enabled it to replace older, larger and better-funded incumbents and provide clients with world-class experiences reflecting their individual digital strategies.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains “forward-looking” statements relating to Alkami Technology, Inc.’s strategy, goals, future focus areas, and expected, possible or assumed future results, including its future cash flows and its financial outlook for the fourth quarter ending December 31, 2021 and for the full year ending December 31, 2021. These forward-looking statements are based on management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include all statements that are not historical facts and may be identified by terms such as “expects,” “believes,” “plans,” or similar expressions and the negatives of those terms. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements, expressed or implied by the forward-looking statements, including the uncertainty associated with the potential impacts of the COVID-19 pandemic on our business, financial condition, and results of operations. We may be required to revise the results contained herein upon finalizing our review of our quarterly results, which could cause or contribute to such differences. Factors that may materially affect such forward-looking statements include: Our limited operating history and history of operating losses; our ability to manage future growth; our ability to attract new clients and expand existing clients’ use of our solutions; our ability to maintain, protect and enhance our brand; our ability to accurately predict the long-term rate of client subscription renewals or adoption of our solutions; our reliance on third-party software, content and services; our ability to effectively integrate our solutions with other systems used by our clients; intense competition in our industry; any downturn, consolidation or decrease in technology spend in the financial services industry; our ability and the ability of third parties on which we rely to prevent and identify breaches of security measures and resulting disruptions of our systems or operations and unauthorized access to client customer and other data; our ability to successfully integrate acquired companies or businesses; our ability to comply with regulatory and legal requirements and developments; our ability to attract and retain key employees; the political, economic and competitive conditions in the markets and jurisdictions where we operate; our ability to maintain, develop and protect our intellectual property; our ability to respond to evolving technological requirements to develop or acquire new and enhanced products that achieve market acceptance in a timely manner; and our ability to estimate our expenses, future revenues, capital requirements, our needs for additional financing and our ability to obtain additional capital. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Explanation of Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States of America, or GAAP. However, the company believes that, in order to properly understand its short-term and long-term financial, operational and strategic trends, it may be helpful for investors to exclude certain non-cash or non-recurring items when used as a supplement to financial performance measures in accordance with GAAP. These items result from facts and circumstances that vary in both frequency and impact on continuing operations. The company also uses results of operations excluding such items to evaluate the operating performance of Alkami and compare it against prior periods, make operating decisions, determine executive compensation, and serve as a basis for long-term strategic planning. These non-GAAP financial measures provide the company with additional means to understand and evaluate the operating results and trends in its ongoing business by eliminating certain non-cash expenses and other items that Alkami believes might otherwise make comparisons of its ongoing business with prior periods more difficult, obscure trends in ongoing operations, reduce management’s ability to make useful forecasts, or obscure the ability to evaluate the effectiveness of certain business strategies and management incentive structures. In addition, the company also believes that investors and financial analysts find this information to be helpful in analyzing the company’s financial and operational performance and comparing this performance to the company’s peers and competitors.

The company defines “Annual Recurring Revenue (ARR)” by aggregating annualized recurring revenue related to SaaS subscription services recognized in the last month of the reporting period as well as the next 12 months of expected implementation services revenues for all clients on the platform in the last month of the reporting period. We believe ARR provides important information about our future revenue potential, our ability to acquire new clients, and our ability to maintain and expand our relationship with existing clients.

The company defines “Registered Users” as an individual or business related to an account holder of an FI client on our digital banking platform who has registered to use one or more of our solutions and has current access to use those solutions as of the last day of the reporting period presented. We price our digital banking platform based on the number of registered users, so as the number of registered users of our digital banking platform increases, our ARR grows. We believe growth in the number of registered users provides important information about our ability to expand market adoption of our digital banking platform and its associated software products, and therefore to grow revenues over time.

The company defines “Revenue per Registered User (RPU)” by dividing ARR for the reporting period by the number of registered users as of the last day of the reporting period. We believe RPU provides important information about our ability to

grow the number of software products adopted by new clients over time, as well as our ability to expand the number of software products that our existing clients add to their contracts with us over time.

The company defines “Non-GAAP Cost of Revenues” as cost of revenues, excluding (1) amortization of intangible assets and (2) stock-based compensation expense. The company believes that investors and financial analysts find this non-GAAP financial measure to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ability to generate income from ongoing business operations.

The company defines “Non-GAAP Gross Margin” as gross profit, plus (1) amortization of intangible assets and (2) stock-based compensation expense, all divided by revenue. The company believes that investors and financial analysts find this non-GAAP financial measure to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ability to generate income from ongoing business operations.

The company defines “Non-GAAP Product Development Expense” as product development expense, excluding (1) amortization of intangible assets and (2) stock-based compensation expense. The company believes that investors and financial analysts find this non-GAAP financial measure to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ongoing expenditures related to product innovation.

The company defines “Non-GAAP Sales and Marketing Expense” as sales and marketing expense, excluding (1) amortization of intangible assets and (2) stock-based compensation expense. The company believes that investors and financial analysts find this non-GAAP financial measure to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ongoing expenditures related to its sales and marketing strategies.

The company defines “Non-GAAP General and Administrative Expense” as general and administrative expense, excluding (1) amortization of intangible assets, (2) stock-based compensation expense, (3) acquisition-related expenses, and (4) tender offer-related costs. The company believes that investors and financial analysts find this non-GAAP financial measure to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s underlying expense structure to support corporate activities and processes.

The company defines “Non-GAAP Net Income (Loss)” as net income, plus (1) convertible preferred stock deemed and accrued dividends, (2) (gain) loss on financial instruments, (3) amortization of intangible assets, (4) stock-based compensation expense, (5) acquisition-related expenses, and (6) tender offer-related costs. The company believes that investors and financial analysts find this non-GAAP financial measure to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ability to generate income from ongoing business operations.

The company defines “Adjusted EBITDA” as net loss before provision for income taxes, plus (1) (gain) loss on financial instruments, (2) interest (income) expense, net, (3) amortization of intangible assets, (4) depreciation, (5) stock-based compensation expense, (6) acquisition-related costs. The company believes adjusted EBITDA provides investors and other users of our financial information consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations.

ALKAMI TECHNOLOGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)
(UNAUDITED)

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 314,402	\$ 166,790
Accounts receivable, net	20,281	14,103
Deferred implementation costs, current	5,736	4,745
Prepaid expenses and other current assets	10,399	7,598
Total current assets	<u>350,818</u>	<u>193,236</u>
Property and equipment, net	10,891	10,461
Deferred implementation costs, net of current portion	15,478	14,858
Intangibles, net	11,309	8,266
Goodwill	48,391	16,218
Other assets	4,905	6,127
Total assets	<u>\$ 441,792</u>	<u>\$ 249,166</u>
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)		
Current liabilities		
Current portion of long-term debt	\$ 1,250	\$ 313
Accounts payable	2,538	360
Accrued liabilities	24,732	13,099
Deferred rent and tenant allowance, current	691	596
Deferred revenues, current portion	6,893	6,116
Total current liabilities	<u>36,104</u>	<u>20,484</u>
Long-term debt, net	23,668	24,566
Warrant liability	—	2,692
Deferred revenues, net of current portion	13,234	14,424
Deferred rent and tenant allowance, net of current portion	5,375	5,867
Other non-current liabilities	17,893	1,393
Total liabilities	<u>96,274</u>	<u>69,426</u>
Redeemable Convertible Preferred Stock		
Redeemable convertible preferred stock, \$0.001 par, 0 and 72,799,602 shares authorized and 0 and 72,225,916 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	—	443,263
Stockholders' Equity (Deficit)		
Preferred stock, \$0.001 par, 10,000,000 and 0 shares authorized and 0 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	—	—
Common stock, \$0.001 par, 500,000,000 and 101,671,156 shares authorized and 88,147,853 and 4,909,529 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	88	5
Additional paid-in capital	645,934	—
Accumulated deficit	(300,504)	(263,528)
Total stockholders' equity (deficit)	<u>345,518</u>	<u>(263,523)</u>
Total liabilities, redeemable convertible preferred stock and stockholders' equity (deficit)	<u>\$ 441,792</u>	<u>\$ 249,166</u>

ALKAMI TECHNOLOGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)
(UNAUDITED)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Revenues	\$ 39,761	\$ 28,941	\$ 109,724	\$ 78,817
Cost of revenues	17,387	13,776	49,064	38,914
Gross profit	22,374	15,165	60,660	39,903
Operating expenses:				
Research and development	12,877	9,898	35,897	29,367
Sales and marketing	7,309	3,998	18,132	12,548
General and administrative	13,330	7,859	36,525	21,868
Total operating expenses	33,516	21,755	90,554	63,783
Loss from operations	(11,142)	(6,590)	(29,894)	(23,880)
Non-operating income (expense):				
Interest income	223	8	364	46
Interest expense	(300)	(22)	(908)	(225)
Loss on financial instruments	—	(14,743)	(3,035)	(14,810)
Loss before income taxes	(11,219)	(21,347)	(33,473)	(38,869)
Provision for income taxes	—	—	—	—
Net loss	\$ (11,219)	\$ (21,347)	\$ (33,473)	\$ (38,869)
Less: cumulative dividends and adjustments to redeemable convertible preferred stock	—	(4,459)	(277)	(5,013)
Net loss attributable to common stockholders:	\$ (11,219)	\$ (25,806)	\$ (33,750)	\$ (43,882)
Net loss per share attributable to common stockholders:				
Basic and diluted	\$ (0.13)	\$ (5.34)	\$ (0.60)	\$ (9.38)
Weighted average number of shares of common stock outstanding:				
Basic and diluted	87,641,416	4,833,079	56,320,288	4,679,933

ALKAMI TECHNOLOGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(UNAUDITED)

	Nine months ended September 30,	
	2021	2020
Cash flows from operating activities:		
Net loss	\$ (33,473)	\$ (38,869)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	2,384	1,970
Stock-based compensation expense	7,793	1,348
Amortization of debt issuance costs	39	39
Loss on financial instruments	3,035	14,810
Changes in operating assets and liabilities:		
Accounts receivable	(5,741)	(2,565)
Prepaid expenses and other current assets	(689)	(1,711)
Accounts payable and accrued liabilities	12,758	4,107
Deferred implementation costs	(1,612)	(2,158)
Deferred rent and tenant allowances	(397)	213
Deferred revenues	(899)	(306)
Net cash used in operating activities	<u>(16,802)</u>	<u>(23,122)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(870)	(1,478)
Capitalized software development costs	(1,275)	—
Acquisition of business	(18,326)	—
Net cash used in investing activities	<u>(20,471)</u>	<u>(1,478)</u>
Cash flows from financing activities:		
Borrowings on line of credit	—	13,000
Payments on line of credit	—	(13,000)
Proceeds from stock option exercises	6,417	241
Proceeds from warrant exercises	645	—
Proceeds on sales of preferred stock, net of issuance costs	—	218,040
Deferred IPO issuance costs paid	(4,520)	—
Payments on capital lease obligations	—	(11)
Repurchase of common stock	(3,497)	—
Proceeds from issuance of common stock upon initial public offering, net of underwriting discounts and commissions	192,810	—
Payment of Series B dividend	(4,969)	—
Net cash provided by financing activities	<u>186,886</u>	<u>218,270</u>
Net increase in cash and cash equivalents and restricted cash	149,613	193,670
Cash and cash equivalents and restricted cash, beginning of period	171,663	11,982
Cash and cash equivalents and restricted cash, end of period	<u>\$ 321,276</u>	<u>\$ 205,652</u>

ALKAMI TECHNOLOGY, INC.
RECONCILIATION OF GAAP TO NON-GAAP MEASURES
(In thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP total revenues	\$ 39,761	\$ 28,941	\$ 109,724	\$ 78,817
Annual Recurring Revenue (ARR)	\$ 154,805	\$ 113,916	\$ 154,805	\$ 113,916
Registered Users	11,408	9,048	11,408	9,048
Revenue per Registered User (RPU)	\$ 13.57	\$ 12.59	\$ 13.57	\$ 12.59

Non-GAAP Cost of Revenues

Set forth below is a presentation of the company's "Non-GAAP Cost of Revenues." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP cost of revenues	\$ 17,387	\$ 13,776	\$ 49,064	\$ 38,914
Amortization of intangible assets	(117)	—	(353)	—
Stock-based compensation expense	(544)	(84)	(1,242)	(264)
Non-GAAP cost of revenues	<u>\$ 16,726</u>	<u>\$ 13,692</u>	<u>\$ 47,469</u>	<u>\$ 38,650</u>

Non-GAAP Gross Margin

Set forth below is a presentation of the company's "Non-GAAP Gross Margin." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP gross margin	56.3 %	52.4 %	55.3 %	50.6 %
Amortization of intangible assets	0.2 %	— %	0.3 %	— %
Stock-based compensation expense	1.4 %	0.3 %	1.1 %	0.3 %
Non-GAAP gross margin	<u>57.9 %</u>	<u>52.7 %</u>	<u>56.7 %</u>	<u>50.9 %</u>

Non-GAAP Research and Development Expense

Set forth below is a presentation of the company's "Non-GAAP Research and Development Expense." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP research and development expense	\$ 12,877	\$ 9,898	\$ 35,897	\$ 29,367
Amortization of intangible assets	—	—	—	—
Stock-based compensation expense	(794)	(97)	(1,795)	(303)
Non-GAAP research and development expense	<u>\$ 12,083</u>	<u>\$ 9,801</u>	<u>\$ 34,102</u>	<u>\$ 29,064</u>

Non-GAAP Sales and Marketing Expense

Set forth below is a presentation of the company's "Non-GAAP Sales and Marketing Expense." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP sales and marketing expense	\$ 7,309	\$ 3,998	\$ 18,132	\$ 12,548
Amortization of intangible assets	(92)	—	(274)	—
Stock-based compensation expense	(265)	(35)	(609)	(101)
Non-GAAP sales and marketing expense	<u>\$ 6,952</u>	<u>\$ 3,963</u>	<u>\$ 17,249</u>	<u>\$ 12,447</u>

Non-GAAP General and Administrative Expense

Set forth below is a presentation of the company's "Non-GAAP General and Administrative Expense." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP general and administrative expense	\$ 13,330	\$ 7,860	\$ 36,525	\$ 21,868
Amortization of intangible assets	—	—	—	—
Stock-based compensation expense	(1,749)	(223)	(4,147)	(680)
Acquisition-related expenses	(914)	(112)	(2,177)	(112)
Non-GAAP general and administrative expense	<u>\$ 10,667</u>	<u>\$ 7,525</u>	<u>\$ 30,201</u>	<u>\$ 21,076</u>

Non-GAAP Net Loss

Set forth below is a presentation of the company's "Non-GAAP Net Loss." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP net loss attributable to common stockholders	\$ (11,219)	\$ (25,806)	\$ (33,750)	\$ (43,882)
Convertible preferred stock deemed and accrued dividends	—	4,459	277	5,013
Loss on financial instruments	—	14,743	3,035	14,810
Amortization of intangible assets	209	—	627	—
Stock-based compensation expense	3,352	439	7,793	1,348
Acquisition-related expenses	915	112	2,177	112
Non-GAAP net loss	\$ (6,743)	\$ (6,053)	\$ (19,841)	\$ (22,599)

Adjusted EBITDA

Set forth below is a presentation of the company's "Adjusted EBITDA." Please reference the "Explanation of Non-GAAP Measures" section.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP net loss	\$ (11,219)	\$ (21,347)	\$ (33,473)	\$ (38,869)
Provision for income taxes	—	—	—	—
Loss on financial instruments	—	14,743	3,035	14,810
Interest expense, net	77	14	544	179
Amortization of intangible assets	209	—	627	—
Depreciation	593	653	1,757	1,970
Stock-based compensation expense	3,352	439	7,793	1,348
Acquisition-related expenses	915	112	2,177	112
Adjusted EBITDA	\$ (6,073)	\$ (5,386)	\$ (17,540)	\$ (20,450)

Adjusted EBITDA Guidance

Set forth below is a presentation of the company's "Adjusted EBITDA" for the three months ending December 31, 2021, and the twelve months ending December 31, 2021. Please reference the "Explanation of Non-GAAP Measures" section.

	Guidance Range for the Three Months Ending December 31, 2021		Guidance Range for the Twelve Months Ending December 31, 2021	
	Low	High	Low	High
GAAP net loss	\$ (13,535)	\$ (12,260)	\$ (46,985)	\$ (45,710)
Provision for income taxes	—	—	—	—
(Gain) loss on financial instruments	—	—	3,000	3,000
Interest income, net	50	25	595	570
Amortization of intangible assets	210	210	840	840
Depreciation	625	575	2,425	2,375
Stock-based compensation expense	6,025	5,825	13,825	13,625
Acquisition-related expenses	625	625	2,800	2,800
Adjusted EBITDA	<u>\$ (6,000)</u>	<u>\$ (5,000)</u>	<u>\$ (23,500)</u>	<u>\$ (22,500)</u>

Investor Relations Contact
Rhett Butler
ir@alkami.com

Media Relations Contacts
Jennifer Cortez
jennifer.cortez@alkami.com

Audrey Pennisi
audrey@outlookmarketingsrv.com

Alkami Announces Alex Shootman as Chief Executive Officer

Appointment effective November 5, 2021. Mike Hansen to remain on Board of Directors.

November 4, 2021 (Plano, Texas) – Alkami Technology Inc. (NASDAQ: ALKT) (“Alkami”), announced that its Board of Directors has appointed Alex Shootman to the role of Chief Executive Officer, effective November 5, 2021. Shootman succeeds Mike Hansen, who will remain at Alkami in an advisory role through the end of the year to assist with the transition and continue his role as a Director on Alkami’s board through at least 2022. Shootman will also be appointed to Alkami’s Board of Directors.

Shootman brings to Alkami more than 20 years of executive leadership experience growing and scaling enterprise software companies across multiple industries. Most recently, he served as Chief Executive Officer of Workfront, where he more than doubled revenue over a five-year period by repositioning the company from a departmental project application to an enterprise application platform. Prior to joining Workfront, Shootman served as President of Apptio and before that, he was President of Eloqua and a member of the team that helped bring Eloqua to a successful public offering. Shootman has also held executive leadership positions with Vignette, TeleTech, BMC Software, and IBM.

“I am delighted to join Alkami at this exciting time in their journey,” said Shootman. “Alkami has a demonstrated track record of significant top-line growth, over 30% annually, by delivering regional and community financial institutions a digital banking platform that levels the playing field against established megabanks and disruptive fintechs much larger in scale and resources. I look forward to working with the exceptional talent at Alkami, our clients, and our partners to accelerate and scale growth for the company through innovative financial technology that empowers our clients to meet the growing demands of U.S. consumers and businesses.”

“Alex’s experience in growing and scaling enterprise software companies is essential at this stage of Alkami,” said Brian R. Smith, Founder and Managing Director of S3 Ventures and Chairperson of Alkami’s Board of Directors. “Alkami possesses the vision, strategy, and technology to help our remarkable clients grow faster than the market. With Alex at the helm, Alkami has also acquired an enterprise software veteran with proven success scaling high-growth companies.

“Mike Hansen has been an inspiring leader over his more than eight years with Alkami. During his tenure he has exponentially increased the company’s value and scale including completing the IPO of ALKT on Nasdaq earlier this year. The board and I thank Mike for his service and look forward to continuing to work with him.”

“It has been a privilege and an honor being a part of the alchemy that brought the vision and mission to life for our Alkamists, clients, partners, communities, and owners these last eight years,” said Mike Hansen. “Alex shares the values and ideals that define Alkami, including a belief in culture as a competitive advantage and technology as a catalyst to digital transformation. Add to this his proven success in scaling enterprise SaaS companies, and we have found in Alex an ideal candidate to lead Alkami in its next phase. I am thankful for an amazing journey and am confident that our best days are yet ahead.”

About Alkami

Alkami Technology, Inc. is a leading cloud-based digital banking solutions provider for financial institutions in the United States that enables clients to grow confidently, adapt quickly and build thriving digital communities. The Alkami Platform is the digital banking and fraud mitigation platform of choice for over 280 financial institutions. Alkami’s investments have resulted in a premium platform that has enabled it to replace older, larger and better-funded incumbents and provide clients with world-class experiences reflecting their individual digital strategies.

Media Relations Contact

Jennifer Cortez

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Audrey Pennisi

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