As filed with the Securities and Exchange Commission on June 30, 2006

Registration No. 333-132550

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 2
to

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CommVault Systems, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**7372**	**22-3447504**
(State of incorporation)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

2 Crescent Place
Oceanport, New Jersey 07757
(732) 870-4000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

N. Robert Hammer
Chairman, President and Chief Executive Officer
CommVault Systems, Inc.
2 Crescent Place
Oceanport, New Jersey 07757
(732) 870-4000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Common Stock, par value $0.01 per share	$150,000,000	$16,050(2)

(1) Calculated pursuant to Rule 457(o) under the Securities Act of 1933.

(2) Previously paid.

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

The information in this prospectus is not complete and may be changed. We and the selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 30, 2006

Shares

CommVault Systems, Inc.

Common Stock

Prior to this offering, there has been no public market for our common stock. The initial public offering price of our common stock is expected to be between $ and $ per share. We have applied to list our common stock on The NASDAQ National Market under the symbol "CVLT."

We are selling shares of common stock and the selling stockholders are selling shares of common stock. We will not receive any of the proceeds from the shares of common stock sold by the selling stockholders.

The underwriters have an option to purchase a maximum of additional shares from the selling stockholders to cover over-allotments of shares.

Investing in our common stock involves risks. See "Risk Factors" on page 12.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to CommVault	Proceeds to Selling Stockholders
Per Share	$	$	$	$
Total	$	$	$	$

Delivery of the shares of common stock will be made on or about , 2006.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse **Goldman, Sachs & Co.**

Merrill Lynch & Co.

Thomas Weisel Partners LLC

RBC Capital Markets

C.E. Unterberg, Towbin

The date of this prospectus is , 2006.

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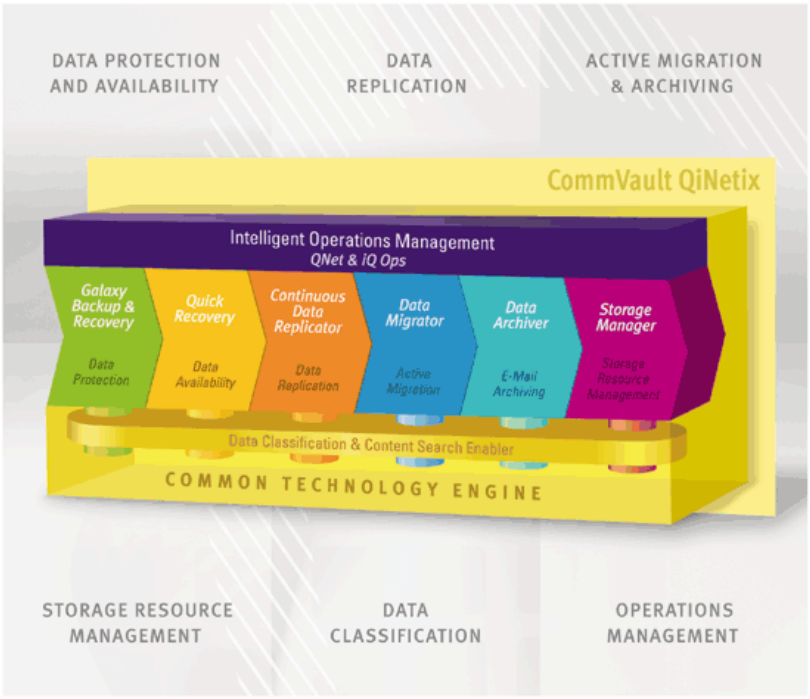
CommVault®
Unified Data Management™

CommVault® QiNetix™ **Unified Suite of Data Management Software** is revolutionizing the way customers manage and protect their data assets.



CommVault QiNetix software is designed to manage, protect and retain data in less time, at lower cost and with fewer resources throughout its lifecycle.

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Dealer Prospectus Delivery Obligation

Until , 2006 (25 days after the commencement of this offering), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as an underwriter with respect to unsold allotments or subscriptions.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully, especially the risks of investing in our common stock discussed under "Risk Factors" and our financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. Unless otherwise indicated, the terms "CommVault Systems," "CommVault," the "Company," "we," "us" and "our" refer to CommVault Systems, Inc. and its subsidiaries.

Our Company

CommVault is a leading provider of data management software applications and related services in terms of product breadth and functionality and market penetration. We develop, market and sell a unified suite of data management software applications under the QiNetix (pronounced "kinetics") brand. QiNetix is specifically designed to protect and manage data throughout its lifecycle in less time, at lower cost and with fewer resources than alternative solutions. QiNetix provides our customers with:

- high-performance data protection, including backup and recovery;
- disaster recovery of data;
- data migration and archiving;
- global availability of data;
- replication of data;
- creation and management of copies of stored data;
- storage resource discovery (the automated recognition of available storage resources allowing more efficient storage and management of data) and usage tracking (tracking the use of available storage resources);
- data classification (the creation and tracking of key data attributes to enable intelligent, automated policy-based data movement and management); and
- management and operational reports and troubleshooting tools.

We also provide our customers with a broad range of highly effective professional services that are delivered by our worldwide support and field operations.

QiNetix addresses the markets for backup and recovery, replication, archival and storage management, offering our customers high-performance and comprehensive solutions for data protection, business continuance, corporate compliance and centralized management and reporting.

QiNetix enables our customers to simply and cost-effectively protect and manage their enterprise data throughout its lifecycle, from data center to remote office, covering the leading operating systems, relational databases and applications. In addition to addressing today's data management challenges, our customers can realize lower capital costs through more efficient use of their enterprise-wide storage infrastructure assets, including the automated movement of data from higher cost to lower cost storage devices throughout its lifecycle and through sharing and better utilization of storage resources across the enterprise. QiNetix can also provide our customers with reduced operating costs through a variety of features, including fast application deployment, reduced training time, lower cost of storage media consumables, proactive monitoring and analysis, simplified troubleshooting and lower administrative costs.

QiNetix is built upon a new innovative architecture and a single underlying code base, which we refer to as our Common Technology Engine. This unified architectural design is unique and differentiates us from our competitors, some of which offer similar applications built upon disparate software architectures, which we refer to as point products. We believe our architectural design provides us with significant competitive advantages, including offering the industry's most granular and automated management of data, tiered classification of all data based on its user-defined value and greater product reliability and ease of installation. In addition, we believe we have lower support and development costs and faster time to market for our new data management software applications.

QiNetix fully interoperates with a wide variety of operating systems, applications, network devices and protocols, storage arrays (methods for storing information on multiple devices), storage formats and tiered storage infrastructures (storage environments in which data is organized and stored on a variety of storage media based on size, age, frequency of access or other factors), providing our customers with the flexibility to purchase and deploy a combination of hardware and software from different vendors. As a result, our customers can purchase and use the optimal hardware and software for their needs, rather than being restricted to the offerings of a single vendor.

We have established a worldwide multi-channel distribution network to sell our software and services to large global enterprises, small and medium sized businesses and government agencies, both directly through our sales force and indirectly through our global network of value-added resellers, system integrators, corporate resellers and original equipment manufacturers. As of March 31, 2006, we had licensed our data management software to more than 3,700 registered customers across a variety of industries. A representative sample of well-known customers with a significant deployment of CommVault software includes Ace Hardware Corporation, Centex Homes, Clifford Chance LLP, Cozen O'Connor, Halcrow Group Ltd., Newell Rubbermaid Inc., North Fork Bank, Ricoh Company, Ltd., the United Kingdom's Department of International Development and Welch Foods Inc. Each of these customers has at least 125 servers protected by our software.

We derive the majority of our software revenue from our data protection software applications, which primarily include Galaxy Backup and Recovery. Sales of our data protection software applications represented approximately 90% of our total software revenue for the year ended March 31, 2006. In addition, we derive substantially all of our services revenue from customer and technical support associated with our data protection software applications.

CommVault's executive management team has led the growth of our business, including the development and release of all our QiNetix software since its introduction in February 2000. Under the guidance of our management team, we have sustained technical leadership with the introduction of eight new data management applications and have garnered numerous industry awards and recognition for our innovative solutions.

Our Industry

The driving forces for the growth of the data management software industry are the rapid growth of data and the need to protect and manage that data.

Data is widely considered to be one of an organization's most valued assets. The increasing reliance on critical enterprise software applications such as e-mail, relational databases, enterprise resource planning, customer relationship management and workgroup collaboration tools is resulting in the rapid growth of data across all enterprises. New government regulations, such as those issued under the Sarbanes-Oxley Act, the Health Insurance Portability and Accountability Act (HIPAA) and the Basel Committee on Banking Supervision (Basel II), as well as company policies requiring data preservation, are expanding the proportion of data that must be archived and easily accessible for future use. In addition, ensuring the security and integrity of data has become a critical task as regulatory compliance and corporate governance objectives affecting many organizations mandate the creation of multiple copies of data with longer and more complex retention requirements. We believe that worldwide disk storage systems exceeded 1.2 million terabytes in 2004 and will grow to nearly 10.6 million terabytes in 2009, representing an estimated annual growth rate of approximately 52%.

The recent innovations in storage and networking technologies, coupled with the rapid growth of data, have caused information technology managers to redesign their data and storage infrastructures to deliver greater efficiency, broaden access to data and reduce costs. The result has been the wide adoption of larger and more complex networked data and storage solutions, such as storage area networks (SANs) (high-speed special-purpose networks (or subnetworks) that interconnect different kinds of data storage devices with associated data servers) and network-attached storage (NAS) (an environment in which one or more servers are dedicated exclusively to file sharing). In addition to those trends, regulatory compliance and corporate governance objectives are creating larger data archives having much longer retention periods that

require information technology managers of organizations affected by these objectives to ensure the integrity, security and availability of data.

We believe that these trends are increasing the demand for software applications that can simplify data management, provide secure and reliable access to all data across a broad spectrum of tiered storage and computing systems and seamlessly scale to accommodate growth, while reducing the total cost of ownership to the customer. We believe that the storage management software market will grow from $5.6 billion in 2004 to $9.4 billion in 2009.

Many of our competitors' products were initially designed to manage smaller quantities of data in server-attached storage environments. As a result, we believe they are not as effective managing data in today's larger and more complex networked (SAN and NAS) environments. Given these limitations, we believe our competitors' products cannot be scaled as easily as ours and are more costly to implement and manage than our solutions.

Most data management software solutions are comprised of many individual point products built upon separate underlying architectures. This often requires the user to administer each individual point product using a separate, different user interface and unique set of dedicated storage resources, such as disk and tape drives. The result can be a costly, difficult to manage environment that requires extensive administrative cross-training, offers little insight into storage resource use across the global enterprise, provides modest operational reporting and commands greater storage use. Given these challenges, we believe that there is and will continue to be significant demand for a unified, comprehensive and scalable suite of data management software applications specifically designed to centrally and cost-effectively manage increasingly complex enterprise data environments.

Our Strategy

Our objective is to enhance our position as a leading supplier of data management software and services. Our key strategic initiatives are to continue:

- *Extending our Technology Leadership, Product Breadth and Addressable Markets.* We plan to continuously enhance existing software applications and introduce new data management software applications that address emerging data and storage management trends, incorporate advances in hardware and software technologies as they become available and take advantage of market opportunities.
- *Enhancing and Expanding our Customer Support and Other Professional Services Offerings.* We plan to continue creating and delivering innovative services offerings and product enhancements that result in faster deployment of our software, simpler system administration and rapid resolution of problems.
- *Expanding Distribution Channels and Geographic Markets Served.* We plan to continue investing in the expansion of our distribution channels, both geographically and across all enterprises.
- *Broadening and Developing Strategic Relationships.* We plan to broaden our existing relationships and develop new relationships with leading technology partners, including software application and infrastructure hardware vendors. We believe that these types of strategic relationships will allow us to package and distribute our data management software to our partners' customers, increase sales of our software through joint-selling and marketing arrangements and increase our insight into future industry trends.

Company Information

We were incorporated in the State of Delaware in 1996. Our principal executive offices are located at 2 Crescent Place, Oceanport, New Jersey 07757, and our telephone number is (732) 870-4000. Our website address is www.commvault.com. Information contained on our website is not incorporated by reference into this prospectus, and you should not consider information contained on our website as part of this prospectus.

"CommVault Systems," "CommVault," "CommVault Galaxy," "QiNetix" and other trademarks or service marks of CommVault appearing in this prospectus are the property of CommVault. This prospectus also contains additional trade names, trademarks and service marks of ours and of other companies. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies.

Transactions in Connection With the Offering

We intend to effectuate a reverse stock split of our outstanding shares of common stock at a ratio of share for each share of common stock outstanding at the time o the reverse stock split. Except as otherwise indicated, all information in this prospectus gives effect to the reverse stock split.

In connection with this offering:

- We entered into a new $20 million term loan with Silicon Valley Bank, the terms of which are more fully described under "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources," pursuant to which we intend to borrow $ million on or immediately prior to the closing date of this offering in connection with the payments to the holders of our Series A, B, C, D and E preferred stock described below.
- In accordance with the terms of each series of preferred stock as set forth in our Certificate of Incorporation, the outstanding shares of Series A, B, C, D and E preferred stock will be converted into a total of shares of common stock. A summary of our private placements of preferred stock (and, in the case of the Series A, B, C, D and E preferred stock, common stock that we issued concurrently therewith) is set forth below:

Date of Financing	Preferred Stock Series	Total Amount
		(In millions)
May 1996	A	$ 30.7
July 1997	B	5.2
December 1997	C	5.0
October 1998	D	3.0
March 1999	E	3.0
April 2000	AA	25.0
December 2000	BB	33.4
February 2002	CC	21.3
September 2003	CC	14.7
Total		$ 141.3

In addition, we issued approximately $0.7 million of Series D preferred stock to N. Robert Hammer, our Chairman, President and Chief Executive Officer, in the form of stock in lieu of cash compensation for his services as chief executive officer for the period from December 1998 to December 2000.

- At the time of conversion, holders of Series A, B, C, D and E preferred stock will also receive:
  - $14.85 per share, or $47.0 million in the aggregate; and
  - accumulated and unpaid dividends of $1.788 per share per year since the date the shares of preferred stock were issued, or $ million in the aggregate assuming that this offering closes on , 2006.

  We will pay these amounts with the net proceeds of this offering and the concurrent private placement described below and borrowings under the new term loan referred to above.
- The outstanding shares of Series AA, BB and CC preferred stock will be converted into a total of shares of common stock, in accordance with the terms of such series of preferred stock as set forth in our Certificate of Incorporation.

- We will complete a private placement of shares of our common stock at the public offering price to Aman Ventures, Mark Francis, K. Flynn McDonald, Greg Reyes, Reyes Family Trust, Van Wagoner Capital Partners, L.P., Van Wagoner Crossover Fund, L.P. and Marc Weiss, each an existing stockholder, pursuant to preemptive rights that arise as a result of the offering and terminate upon the closing of the offering. Assuming an offering price of $ per share (the midpoint of the estimated price range shown on the cover page of this prospectus) we will raise $ million in proceeds from the concurrent private placement. This prospectus shall not be deemed to be an offer to sell or a solicitation of an offer to buy any securities in the concurrent private placement.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering and the concurrent private placement by $ million and would decrease (increase) the amount of borrowings on the closing date under our new term loan by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Affiliates of Credit Suisse Securities (USA) LLC, an underwriter in this offering, own approximately % of our common stock as of , 2006 (calculated without giving effect to this offering or the conversion of any shares of preferred stock into common stock), 98.1% of our Series A preferred stock, 89.8% of our Series B preferred stock, 100% of our Series C preferred stock, 80.9% of our Series D preferred stock, 100% of our Series E preferred stock, 13.4% of our Series AA preferred stock, 30.0% of our Series BB preferred stock and 15.4% of our Series CC preferred stock. In connection with this offering, all of the shares of preferred stock held by affiliates of Credit Suisse Securities (USA) LLC will be converted into a total of shares of our common stock. We will also pay to affiliates of Credit Suisse Securities (USA) LLC $ million from the proceeds of this offering, the concurrent private placement and borrowings under our new term loan (or % of the total proceeds of such financings) in satisfaction of the amounts due upon the conversion into common stock of their holdings of our Series A, B, C, D and E preferred stock (including accrued dividends, and assuming the offering is completed on 2006). See “Principal and Selling Stockholders” and “Certain Relationships and Related Party Transactions” for a more complete description of those affiliates’ ownership of our capital stock.

In addition, certain affiliates of Credit Suisse Securities (USA) LLC are selling stockholders in this offering. Those affiliates of Credit Suisse Securities (USA) LLC will sell an aggregate of shares (or shares if the underwriters exercise their over-allotment option in full) in this offering and will receive aggregate sale proceeds of $ million, or $ million if the underwriters exercise their over-allotment option in full (in each case, based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus), less underwriting discounts and commissions. Upon completion of the offering and related transactions, affiliates of Credit Suisse Securities (USA) LLC will own approximately % of our common stock (or approximately % of our common stock if the underwriters exercise their over-allotment option in full). See “Principal and Selling Stockholders.”

These affiliations present a conflict of interest because Credit Suisse Securities (USA) LLC has an interest in the successful completion of this offering beyond its interest as an underwriter in this offering. The conflict of interest arises due to the interests of its affiliates in this offering both as selling stockholders and recipients of proceeds of the offering by CommVault. This offering therefore is being made using a “qualified independent underwriter” in compliance with the applicable provisions of Rule 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc., which are intended to address potential conflicts of interest involving underwriters. See “Underwriting” for a more detailed description of the independent underwriting procedures that are being used in connection with the offering.

The Offering

Common stock offered to the public	shares by us shares by the selling stockholders
Total offering	shares (or shares if the underwriters exercise their over-allotment option in full)
Common stock offered in the concurrent private placement	shares
Common stock to be outstanding after the offering and the concurrent private placement	shares
Proposed NASDAQ National Market symbol	"CVLT"
Use of proceeds	We intend to use the estimated net proceeds from the sale of shares by us in this offering of $ million (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus), together with the estimated proceeds of $ million from the concurrent private placement (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus) and estimated borrowings of $ million under our new term loan, to pay $ million in satisfaction of amounts due on our Series A, B, C, D and E preferred stock upon its conversion into common stock. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering and the concurrent private placement by $ million and would decrease (increase) the amount of borrowings on the closing date under our new term loan by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of common stock by the selling stockholders.

The number of shares to be outstanding after this offering and the concurrent private placement is based on shares outstanding as of , 2006, and excludes:

- shares of common stock available for issuance under our 1996 Stock Option Plan, including shares of common stock issuable upon exercise of outstanding stock options as of , 2006 at a weighted average exercise price of $ per share; and
- shares of common stock initially available for issuance under our 2006 Long-Term Stock Incentive Plan.

Except as otherwise indicated, all information in this prospectus gives effect to the conversion of all shares of our preferred stock into common stock immediately prior to the closing of this offering.

Summary Historical and Pro Forma Financial Data

The following table sets forth a summary of our historical and pro forma financial data for the periods ended or as of the dates indicated. You should read this table together with the discussion under the headings "Use of Proceeds," "Capitalization," "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the related notes included elsewhere in this prospectus.

We derived the summary historical financial data for each of the three years in the period ended March 31, 2006 from our audited consolidated financial statements included elsewhere in this prospectus. We derived the summary historical financial data for each of the two years in the period ended March 31, 2003 from our audited consolidated financial statements that are not included in this prospectus. The historical results set forth below do not necessarily indicate results expected for any future period.

The following table also sets forth summary unaudited pro forma and pro forma as adjusted consolidated financial data, which gives effect to the transactions described in the footnotes to the table. The unaudited pro forma and pro forma as adjusted consolidated financial data is presented for informational purposes only and does not purport to represent what our results of operations or financial position actually would have been had the transactions reflected occurred on the dates indicated or to project our financial position as of any future date or our results of operations for any future period.

	For the Year Ended March 31,				
	2002	2003	2004	2005	2006
	(In thousands, except per share data)				
Statement of Operations Data:					
Revenues:					
Software:					
QiNetix	$ 17,460	$ 29,485	$ 39,474	$ 49,598	$ 62,422
Vault 98	314	—	—	—	—
Total software	17,774	29,485	39,474	49,598	62,422
Services	11,677	14,840	21,772	33,031	47,050
Hardware, supplies and other	1,397	94	—	—	—
Total revenues	30,848	44,419	61,246	82,629	109,472
Cost of revenues:					
QiNetix software	255	932	1,168	1,497	1,764
Vault 98 software	1	—	—	—	—
Services	6,449	6,095	8,049	9,975	13,231
Hardware, supplies and other	1,146	72	—	—	—
Total cost of revenues	7,851	7,099	9,217	11,472	14,995
Gross margin	22,997	37,320	52,029	71,157	94,477
Operating expenses:					
Sales and marketing	27,352	29,842	37,592	43,248	51,326
Research and development	15,867	16,153	16,214	17,239	19,301
General and administrative	6,291	6,332	8,599	8,955	12,275
Depreciation and amortization	3,021	1,752	1,396	1,390	1,623
Goodwill impairment	1,194	—	—	—	—
Income (loss) from operations	(30,728)	(16,759)	(11,772)	325	9,952
Interest expense	(22)	—	(60)	(14)	(7)
Interest income	631	297	134	346	1,262
Income (loss) before income taxes	(30,119)	(16,462)	(11,698)	657	11,207
Income tax (expense) benefit	232	52	—	(174)	(451)
Net income (loss)	(29,887)	(16,410)	(11,698)	483	10,756
Less: accretion of preferred stock dividends	(5,661)	(5,661)	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders	$ (35,548)	$ (22,071)	$ (17,374)	$ (5,178)	$ 5,095
Net income (loss) attributable to common stockholders per share:					
Basic	$ (0.98)	$ (0.60)	$ (0.47)	$ (0.14)	$ 0.09
Diluted	$ (0.98)	$ (0.60)	$ (0.47)	$ (0.14)	$ 0.08
Weighted average shares used in computing per share amounts:					
Basic	36,224	36,741	37,201	37,424	37,678
Diluted	36,224	36,741	37,201	37,424	61,866
Pro forma as adjusted net income (loss) attributable to common stockholders per share(1):					
Basic					$
Diluted					$
Pro forma as adjusted weighted average shares used in computing per share amounts(1):					
Basic					
Diluted					

	As of March 31, 2006		
	Actual	Pro Forma(2)	Pro Forma As Adjusted(3)
		(In thousands)	
Balance Sheet Data:			
Cash and cash equivalents	$ 48,039		
Working capital	24,139		
Total assets	72,568		
Term loan, less current portion	—		
Cumulative redeemable convertible preferred stock: Series A through E, at liquidation value	99,168		
Total stockholders' deficit	(73,664)		

(1) Pro forma as adjusted net income (loss) attributable to common stockholders per share for the year ended March 31, 2006 gives effect to:

- The issuance on June 15, 2006 of a total of shares of common stock upon the cashless exercise of a warrant held by Dell Ventures, L.P. and pursuant to preemptive rights held by the holders of Series AA, BB and CC preferred stock that were triggered by the exercise of the warrant;
- the conversion of all outstanding shares of our preferred stock into a total of shares of common stock upon the closing of this offering;
- the payment of $ million in satisfaction of the cash amount due to holders of Series A, B, C, D and E preferred stock upon its conversion into common stock (including accrued dividends, and assuming the offering is completed on , 2006) with:
  - the net proceeds of this offering and the concurrent private placement (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus); and
  - the borrowing of $ million under our new term loan at an interest rate equal to 30-day LIBOR plus 1.50%, and assumed to be % per year (assuming that this offering and the concurrent private placement are priced at $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus);

as if each had occurred at April 1, 2005.

The following table shows the adjustments to net income (loss) attributable to common stockholders for the periods shown to arrive at the corresponding pro forma as adjusted net income (loss) attributable to common stockholders:

	Year Ended March 31, 2006 (In thousands)
Net income attributable to common stockholders	$ 5,095
Plus:	
Elimination of accretion of preferred stock dividends	5,661
Less:	
Interest expense associated with term loan borrowings, net of income taxes of $	
Pro forma as adjusted net income attributable to common stockholders	$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering and the concurrent private placement by $ million, would decrease (increase) the amount of borrowings on the closing date under our new term loan by $ million, would increase (decrease) the pro forma as adjusted net income (loss)

attributable to common stockholders by $ million in the year ended March 31, 2006 and would increase (decrease) the pro forma as adjusted net income (loss) attributable to common stockholders per share by $ in the year ended March 31, 2006, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A 0.125% increase (decrease) in assumed interest rate on $ million of borrowings under our new term loan would increase (decrease) interest expense by $ million in the year ended March 31, 2006, would decrease (increase) pro forma as adjusted net income (loss) attributable to common stockholders by $ million in the year ended March 31, 2006, and would decrease (increase) pro forma as adjusted net income (loss) attributable to common stockholders per share by $ in the year ended March 31, 2006.

The following tables show the adjustments to the basic and diluted weighted average number of shares used in computing pro forma as adjusted per share amounts:

	Year Ended March 31, 2006 (In thousands)
Basic weighted average number of shares used in computing per share amounts	
Plus:	
Shares issued upon conversion of outstanding preferred stock	
Shares issued in this offering	
Shares issued in the concurrent private placement	
Shares issued upon warrant exercise and related shares issued pursuant to preemptive rights	
Basic pro forma as adjusted weighted average number of shares used in computing per share amounts	

	Year Ended March 31, 2006 (In thousands)
Diluted weighted average number of shares used in computing per share amounts	
Less:	
Dilutive effect of common stock warrants	
Plus:	
Shares issued upon conversion of outstanding preferred stock	
Shares issued in this offering	
Shares issued in the concurrent private placement	
Shares issued upon warrant exercise and related shares issued pursuant to preemptive rights	
Diluted pro forma as adjusted weighted average number of shares used in computing per share amounts	

(2) The pro forma balance sheet data as of March 31, 2006 gives effect to each of the following as if each had occurred at March 31, 2006:

- The issuance on June 15, 2006 of a total of shares of common stock upon the cashless exercise of a warrant held by Dell Ventures, L.P. and pursuant to preemptive rights held by the holders of Series AA, BB and CC preferred stock that were triggered by the exercise of the warrant;
- the conversion of all outstanding shares of our preferred stock into a total of shares of common stock;

- the payment of $ million in satisfaction of the cash amount due to holders of our Series A, B, C, D and E preferred stock upon its conversion into common stock (including accrued dividends, and assuming the offering is completed on , 2006);
- the borrowing of $ million under our new term loan on or immediately prior to the closing date of this offering in connection with the payments to the holders of our Series A, B, C D and E preferred stock; and
- the completion of the concurrent private placement of shares of our common stock at the public offering price and the application of the proceeds therefrom. Assuming an offering price of $ per share (the midpoint of the estimated price range shown on the cover page of this prospectus) we will raise $ million in proceeds from the concurrent private placement.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering and the concurrent private placement by $ million and would decrease (increase) the amount of borrowings on the closing date under our new term loan by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) The pro forma as adjusted balance sheet data as of March 31, 2006 reflects the issuance of shares of common stock in this offering at an assumed initial offering price of $ per share (the midpoint of the estimated price range shown on the cover page of this prospectus), and our receipt of the net proceeds from this offering, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, as if these events had occurred at March 31, 2006.

RISK FACTORS

This offering involves a high degree of risk. You should carefully consider the following risk factors in addition to the other information contained in this prospectus before purchasing our common stock.

Risks Related to Our Business

We have only recently become profitable and we may be unable to sustain future profitability.

We have only recently become profitable, generating net income of approximately $0.5 million for fiscal 2005 and net income of approximately $10.8 million for fiscal 2006. As of March 31, 2006, we had an accumulated deficit of approximately $165.1 million. We may be unable to sustain or increase profitability on a quarterly or annual basis in the future. We intend to continue to expend significant funds in developing our software and service offerings and for general corporate purposes, including marketing, services and sales operations, hiring additional personnel, upgrading our infrastructure and expanding into new geographical markets. We expect that associated expenses will precede any revenues generated by the increased spending. If we experience a downturn in business, we may incur losses and negative cash flows from operations, which could materially adversely affect our results of operations and capitalization.

Our industry is intensely competitive, and most of our competitors have greater financial, technical and sales and marketing resources and larger installed customer bases than we do, which could enable them to compete more effectively than we do.

The data management software market is intensely competitive, highly fragmented and characterized by rapidly changing technology and evolving standards. Competitors vary in size and in the scope and breadth of the products and services offered. Our primary competitors include CA, Inc. (formerly known as Computer Associates International, Inc.), EMC Corporation, Hewlett-Packard Company, International Business Machines Corporation (IBM) and Symantec Corporation.

The principal competitive factors in our industry include product functionality, product integration, platform coverage, ability to scale, price, worldwide sales infrastructure, global technical support, name recognition and reputation. The ability of major system vendors to bundle hardware and software solutions is also a significant competitive factor in our industry.

Many of our current and potential competitors have longer operating histories and have substantially greater financial, technical, sales, marketing and other resources than we do, as well as larger installed customer bases, greater name recognition and broader product offerings, including hardware. These competitors can devote greater resources to the development, promotion, sale and support of their products than we can and have the ability to bundle their hardware and software products in a combined offering. As a result, these competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements.

It is also costly and time-consuming to change data management systems. Most of our new customers have installed data management software, which gives an incumbent competitor an advantage in retaining a customer because it already understands the network infrastructure, user demands and information technology needs of the customer, and also because some customers are reluctant to change vendors.

Our current and potential competitors may establish cooperative relationships among themselves or with third parties. If so, new competitors or alliances that include our competitors may emerge that could acquire significant market share. In addition, large operating system and application vendors, such as Microsoft Corporation, have introduced products or functionality that include some of the same functions offered by our software applications. In the future, further development by these vendors could cause our software applications and services to become redundant, which could seriously harm our sales, results of operations and financial condition.

New competitors entering our markets can have a negative impact on our competitive positioning. In addition, we expect to encounter new competitors as we enter new markets. Furthermore, many of our existing competitors are broadening their operating systems platform coverage. We also expect increased competition from original equipment manufacturers, including those we partner with, and from systems and network management companies, especially those that have historically focused on the mainframe computer market and have been making acquisitions and broadening their efforts to include data management and storage products. We expect that competition will increase as a result of future software industry consolidation. Increased competition could harm our business by causing, among other things, price reductions of our products, reduced profitability and loss of market share.

We may experience a decline in revenues or volatility in our operating results, which may adversely affect the market price of our common stock.

We cannot predict our future revenues or operating results with certainty because of many factors outside of our control. A significant revenue or profit decline, lowered forecasts or volatility in our operating results could cause the market price of our common stock to decline substantially. Factors that could affect our revenues and operating results include the following:

- the unpredictability of the timing and magnitude of orders for our software applications — during fiscal 2005 and 2006, a majority of our quarterly revenues was earned and recorded near the end of each quarter;
- the possibility that our customers may cancel, defer or limit purchases as a result of reduced information technology budgets;
- the possibility that our customers may defer purchases of our software applications in anticipation of new software applications or updates from us or our competitors;
- the ability of our original equipment manufacturers and resellers to meet their sales objectives;
- market acceptance of our new applications and enhancements;
- our ability to control expenses;
- changes in our pricing and distribution terms or those of our competitors;
- the demands on our management, sales force and services infrastructure as a result of the introduction of new software applications or updates; and
- the possibility that our business will be adversely affected as a result of the threat of terrorism or military actions taken by the United States or its allies.

Our expense levels are relatively fixed and are based, in part, on our expectations of our future revenues. If revenue levels fall below our expectations and we are profitable at the time, our net income would decrease because only a small portion of our expenses varies with our revenues. If we are not profitable at the time, our net loss would increase. Therefore, any significant decline in revenues for any period could have an immediate adverse impact on our results of operations for that period. We believe that period-to-period comparisons of our results of operations should not be relied upon as an indication of future performance. In addition, our results of operations could be below expectations of public market analysts and investors in future periods, which would likely cause the market price of our common stock to decline.

We anticipate that an increasing portion of our revenues will depend on our arrangements with original equipment manufacturers that have no obligation to sell our software applications, and the termination or expiration of these arrangements or the failure of original equipment manufacturers to sell our software applications would have a material adverse effect on our future revenues and results of operations.

We have original equipment manufacturer agreements with Dell and Hitachi Data Systems and a reseller agreement with Dell. These original equipment manufacturers sell our software applications and in

some cases incorporate our data management software into systems that they sell. A material portion of our revenues is generated through these arrangements, and we expect this contribution to grow as a percentage of our total revenues in the future. However, we have no control over the shipping dates or volumes of systems these original equipment manufacturers ship and they have no obligation to ship systems incorporating our software applications. They also have no obligation to recommend or offer our software applications exclusively or at all, and they have no minimum sales requirements and can terminate our relationship at any time. These original equipment manufacturers also could choose to develop their own data management software internally and incorporate those products into their systems instead of our software applications. The original equipment manufacturers that we do business with also compete with one another. If one of our original equipment manufacturer partners views our arrangement with another original equipment manufacturer as competing with its products, it may decide to stop doing business with us. Any material decrease in the volume of sales generated by original equipment manufacturers we do business with, as a result of these factors or otherwise, would have a material adverse effect on our revenues and results of operations in future periods.

Sales through our original equipment manufacturer agreements accounted for approximately 3% of our total revenues for fiscal 2005 and 11% of our total revenues for fiscal 2006. Sales through our original equipment manufacturer agreement and our reseller agreement with Dell accounted for approximately 7% and 11%, respectively, of total revenues for fiscal 2006, and a total of approximately 23% of our accounts receivable balance as of March 31, 2006. If we were to see a decline in our sales through Dell and/or an impairment of our receivable balance from Dell, it could have a significant adverse effect on our results of operations.

The loss of key personnel or the failure to attract and retain highly qualified personnel could have an adverse effect on our business.

Our future performance depends on the continued service of our key technical, sales, services and management personnel. We rely on our executive officers and senior management to execute our existing business operations and identify and pursue new growth opportunities. The loss of key employees could result in significant disruptions to our business, and the integration of replacement personnel could be time consuming, cause additional disruptions to our business and be unsuccessful. We do not carry key person life insurance covering any of our employees.

Our future success also depends on our continued ability to attract and retain highly qualified technical, sales, services and management personnel. Competition for such personnel is intense, and we may fail to retain our key technical, sales, services and management employees or attract or retain other highly qualified technical, sales, services and management personnel in the future. Conversely, if we fail to manage employee performance or reduce staffing levels when required by market conditions, our personnel costs would be excessive and our business and profitability could be adversely affected.

Our ability to sell our software applications is highly dependent on the quality of our services offerings, and our failure to offer high quality support and professional services would have a material adverse affect on our sales of software applications and results of operations.

Our services include the assessment and design of solutions to meet our customers' storage management requirements and the efficient installation and deployment of our software applications based on specified business objectives. Further, once our software applications are deployed, our customers depend on us to resolve issues relating to our software applications. A high level of service is critical for the successful marketing and sale of our software. If we or our partners do not effectively install or deploy our applications, or succeed in helping our customers quickly resolve post-deployment issues, it would adversely affect our ability to sell software products to existing customers and could harm our reputation with potential customers. As a result, our failure to maintain high quality support and professional services would have a material adverse effect on our sales of software applications and results of operations.

We rely on indirect sales channels, such as value-added resellers, systems integrators and corporate resellers, for the distribution of our software applications, and the failure of these channels to effectively sell our software applications could have a material adverse effect on our revenues and results of operations.

We rely significantly on our value-added resellers, systems integrators and corporate resellers, which we collectively refer to as resellers, for the marketing and distribution of our software applications and services. Resellers are our most significant distribution channel. However, our agreements with resellers are generally not exclusive, are generally renewable annually and in many cases may be terminated by either party without cause. Many of our resellers carry software applications that are competitive with ours. These resellers may give a higher priority to other software applications, including those of our competitors, or may not continue to carry our software applications at all. If a number of resellers were to discontinue or reduce the sales of our products, or were to promote our competitors' products in lieu of our applications, it would have a material adverse effect on our future revenues. Events or occurrences of this nature could seriously harm our sales and results of operations. In addition, we expect that a significant portion of our sales growth will depend upon our ability to identify and attract new reseller partners. The use of resellers is an integral part of our distribution network. We believe that our competitors also use reseller arrangements. Our competitors may be more successful in attracting reseller partners and could enter into exclusive relationships with resellers that make it difficult to expand our reseller network. Any failure on our part to expand our network of resellers could impair our ability to grow revenues in the future. Sales through our reseller agreement with Dell accounted for approximately 11% of total revenues for fiscal 2005 and 2006.

Some of our resellers possess significant resources and advanced technical abilities. These resellers, particularly our corporate resellers, may, either independently or jointly with our competitors, develop and market software applications and related services that compete with our offerings. If this were to occur, these resellers might discontinue marketing and distributing our software applications and services. In addition, these resellers would have an advantage over us when marketing their competing software applications and related services because of their existing customer relationships. The occurrence of any of these events could have a material adverse effect on our revenues and results of operations.

Sales of only a few of our software applications make up a substantial portion of our revenues, and a decline in demand for any one of these software applications could have a material adverse effect on our sales, profitability and financial condition.

We derive the majority of our software revenue from our data protection software applications, which primarily include Galaxy Backup and Recovery. Sales of our data protection software applications represented approximately 90% of our total software revenue for fiscal 2006. In addition, we derive substantially all of our services revenue from customer and technical support associated with our data protection software applications. As a result, we are particularly vulnerable to fluctuations in demand for this software application, whether as a result of competition, product obsolescence, technological change, budgetary constraints of our customers or other factors. If demand for any of these software applications declines significantly, our sales, profitability and financial condition would be adversely affected.

Our software applications are complex and contain undetected errors, which could adversely affect not only our software applications' performance but also our reputation and the acceptance of our software applications in the market.

Software applications as complex as those we offer contain undetected errors or failures. Despite extensive testing by us and by our customers, we have in the past discovered errors in our software applications and will do so in the future. As a result of past discovered errors, we experienced delays and lost revenues while we corrected those software applications. In addition, customers in the past have brought to our attention "bugs" in our software created by the customers' unique operating environments. Although we have been able to fix these software bugs in the past, we may not always be able to do so. Our software products may also be subject to intentional attacks by viruses that seek to take advantage of these bugs, errors or other weaknesses. Any of these events may result in the loss of, or delay in, market

acceptance of our software applications and services, which would seriously harm our sales, results of operations and financial condition.

Furthermore, we believe that our reputation and name recognition are critical factors in our ability to compete and generate additional sales. Promotion and enhancement of our name will depend largely on our success in continuing to provide effective software applications and services. The occurrence of errors in our software applications or the detection of bugs by our customers may damage our reputation in the market and our relationships with our existing customers and, as a result, we may be unable to attract or retain customers.

In addition, because our software applications are used to manage data that is often critical to our customers, the licensing and support of our software applications involve the risk of product liability claims. Any product liability insurance we carry may not be sufficient to cover our losses resulting from product liability claims. The successful assertion of one or more large claims against us could have a material adverse effect on our financial condition.

We may not receive significant revenues from our current research and development efforts for several years, if at all.

Developing software is expensive, and the investment in product development may involve a long payback cycle. In fiscal 2005 and 2006, our research and development expenses were $17.2 million, or approximately 21% of our total revenues, and $19.3 million, or approximately 18% of our total revenues, respectively. Our future plans include significant investments in software research and development and related product opportunities. We believe that we must continue to dedicate a significant amount of resources to our research and development efforts to maintain our competitive position. However, we do not expect to receive significant revenues from these investments for several years, if at all.

We encounter long sales and implementation cycles, particularly for our larger customers, which could have an adverse effect on the size, timing and predictability of our revenues.

Potential or existing customers, particularly larger enterprise customers, generally commit significant resources to an evaluation of available software and require us to expend substantial time, effort and money educating them as to the value of our software and services. Sales of our core software products to these larger customers often require an extensive education and marketing effort.

We could expend significant funds and resources during a sales cycle and ultimately fail to close the sale. Our sales cycle for all of our products and services is subject to significant risks and delays over which we have little or no control, including:

- our customers' budgetary constraints;
- the timing of our customers' budget cycles and approval processes;
- our customers' willingness to replace their current software solutions;
- our need to educate potential customers about the uses and benefits of our products and services; and
- the timing of the expiration of our customers' current license agreements or outsourcing agreements for similar services.

If we are unsuccessful in closing sales, it could have a material adverse effect on the size, timing and predictability of our revenues.

If we are unable to manage our growth, there could be a material adverse effect on our business, the quality of our products and services and our ability to retain key personnel.

We have experienced a period of significant growth in recent years. Our revenues increased 32% for fiscal 2006 compared to fiscal 2005, and the number of our customers increased significantly during that

period. Our growth has placed increased demands on our management and other resources and will continue to do so in the future. We may not be able to maintain or accelerate our current growth rate, manage our expanding operations effectively or achieve planned growth on a timely or profitable basis. Managing our growth effectively will involve, among other things:

- continuing to retain, motivate and manage our existing employees and attract and integrate new employees;
- continuing to provide a high level of services to an increasing number of customers;
- maintaining the quality of product and services offerings while controlling our expenses;
- developing new sales channels that broaden the distribution of our software applications and services; and
- developing, implementing and improving our operational, financial, accounting and other internal systems and controls on a timely basis.

If we are unable to manage our growth effectively, there could be a material adverse effect on our ability to maintain or increase revenues and profitability, the quality of our data management software, the quality of our services offerings and our ability to retain key personnel. These factors could adversely affect our reputation in the market and our ability to generate future sales from new or existing customers.

We depend on growth in the data management software market, and lack of growth or contraction in this market or a general downturn in economic and market conditions could have a material adverse effect on our sales and financial condition.

Demand for data management software is linked to growth in the amount of data generated and stored, demand for data retention and management (whether as a result of regulatory requirements or otherwise) and demand for and adoption of new storage devices and networking technologies. Because our software applications are concentrated within the data management software market, if the demand for storage devices, storage software applications, storage capacity or storage networking devices declines, our sales, profitability and financial condition would be materially adversely affected. Segments of the computer and software industry have in the past experienced significant economic downturns. The occurrence of any of these factors in the data management software market could materially adversely affect our sales, profitability and financial condition.

Furthermore, the data management software market is dynamic and evolving. Our future financial performance will depend in large part on continued growth in the number of organizations adopting data management software for their computing environments. The market for data management software may not continue to grow at historic rates, or at all. If this market fails to grow or grows more slowly than we currently anticipate, our sales and profitability could be adversely affected.

Our services revenue produces lower gross margins than our software revenue, and an increase in services revenue relative to software revenue would harm our overall gross margins.

Our services revenue, which includes fees for customer support, assessment and design consulting, implementation and post-deployment services and training, was approximately 40% of our total revenues for fiscal 2005 and approximately 43% of our total revenues for fiscal 2006. Our services revenue has lower gross margins than our software revenue. The gross margin of our services revenue was 69.8% for fiscal 2005 and 71.9% for fiscal 2006. The gross margin of our software revenue was 97.0% for fiscal 2005 and 97.2% for fiscal 2006. An increase in the percentage of total revenues represented by services revenue would adversely affect our overall gross margins.

The volume and profitability of services can depend in large part upon:

- competitive pricing pressure on the rates that we can charge for our services;
- the complexity of our customers' information technology environments and the existence of multiple non-integrated legacy databases;
- the resources directed by our customers to their implementation projects; and
- the extent to which outside consulting organizations provide services directly to customers.

Any erosion of our margins for our services revenue or any adverse change in the mix of our license versus services revenue would adversely affect our operating results.

Our international sales and operations are subject to factors that could have an adverse effect on our results of operations.

We have significant sales and services operations outside the United States, and derive a substantial portion of our revenues from these operations. We also plan to expand our international operations. In fiscal 2006, we derived approximately 29% of our revenues from sales outside the United States.

Our international operations are subject to risks related to the differing legal, political, social and regulatory requirements and economic conditions of many countries, including:

- difficulties in staffing and managing our international operations;
- foreign countries may impose additional withholding taxes or otherwise tax our foreign income, impose tariffs or adopt other restrictions on foreign trade or investment, including currency exchange controls;
- general economic conditions in the countries in which we operate, including seasonal reductions in business activity in the summer months in Europe and in other periods in other countries, could have an adverse effect on our earnings from operations in those countries;
- imposition of, or unexpected adverse changes in, foreign laws or regulatory requirements may occur, including those pertaining to export duties and quotas, trade and employment restrictions;
- longer payment cycles for sales in foreign countries and difficulties in collecting accounts receivable;
- competition from local suppliers;
- costs and delays associated with developing software in multiple languages; and
- political unrest, war or acts of terrorism.

Our business in emerging markets requires us to respond to rapid changes in market conditions in those markets. Our overall success in international markets depends, in part, upon our ability to succeed in differing legal, regulatory, economic, social and political conditions. We may not continue to succeed in developing and implementing policies and strategies that will be effective in each location where we do business. Furthermore, the occurrence of any of the foregoing factors may have a material adverse effect on our business and results of operations.

We are exposed to domestic and foreign currency fluctuations that could harm our reported revenues and results of operations.

Our international sales are generally denominated in foreign currencies, and this revenue could be materially affected by currency fluctuations. Approximately 29% of our sales were outside the United States in fiscal 2006. Our primary exposures are to fluctuations in exchange rates for the U.S. dollar versus the Euro and, to a lesser extent, the Australian dollar, British pound sterling, Canadian dollar and Chinese yuan. Changes in currency exchange rates could adversely affect our reported revenues and could require us to reduce our prices to remain competitive in foreign markets, which could also have a material adverse

effect on our results of operations. We have not historically hedged our exposure to changes in foreign currency exchange rates and, as a result, we could incur unanticipated gains or losses.

We are currently unable to accurately predict what our short-term and long-term effective tax rates will be in the future.

We are subject to income taxes in both the United States and the various foreign jurisdictions in which we operate. Significant judgment is required in determining our worldwide provision for income taxes and, in the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is uncertain. Our effective tax rates could be adversely affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities or changes in tax laws, as well as other factors. Our judgments may be subject to audits or reviews by local tax authorities in each of these jurisdictions, which could adversely affect our income tax provisions. Furthermore, we have had limited historical profitability upon which to base our estimate of future short-term and long-term effective tax rates.

Our management and auditors have identified a material weakness in the design and operation of our internal controls as of March 31, 2006 which, if not properly remediated, could result in material misstatements in our financial statements in future periods.

Our independent auditors reported to the Audit Committee of the Board of Directors a material weakness in the design and operation of our internal controls as of March 31, 2006. A material weakness is defined by the Public Company Accounting Oversight Board as a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

The identified material weakness related to our revenue recognition procedures for certain multiple-element arrangements accounted for under Statement of Position ("SOP") 97-2, *Software Revenue Recognition,* as amended by SOP 98-4 and SOP 98-9. Specifically, during fiscal 2006 we began to require a signed Statement of Work documenting the scope of our other professional services offerings when included in certain multiple-element arrangements. Persuasive evidence of an arrangement does not exist for such multiple-element arrangements until the Statement of Work covering the other professional services is signed by both CommVault and the end-user customer. During fiscal 2006, we recorded software and services revenue of approximately $2.5 million and $0.1 million, respectively, related to certain multiple-element arrangement transactions before a signed Statement of Work covering the other professional services was obtained. As a result, we recorded a reduction to revenue and a corresponding increase to deferred revenue of approximately $2.6 million in fiscal 2006 related to this material weakness.

We believe we have remediated the material weakness by implementing new policies and procedures to identify all multiple-element arrangements that contain subsequent agreements that must be signed, even if the terms and conditions are the same as the initial purchase order or other persuasive evidence.

If the remediated policies and procedures we have implemented are insufficient to address the material weakness as of March 31, 2006, or if additional material weaknesses or significant deficiencies in our internal controls are discovered in the future, we may fail to meet our future reporting obligations and our financial statements may contain material misstatements. Any such failure could also adversely affect the results of the periodic management evaluations and annual auditor attestation reports regarding the effectiveness of our "internal control over financial reporting" that will be required when the rules of the Securities and Exchange Commission ("SEC") under Section 404 of the Sarbanes-Oxley Act of 2002 become applicable to us beginning with the required filing of our Annual Report on Form 10-K for fiscal 2008.

We develop software applications that interoperate with operating systems and hardware developed by others, and if the developers of those operating systems and hardware do not cooperate with us or we are unable to devote the necessary resources so that our applications interoperate with those systems, our software development efforts may be delayed or foreclosed and our business and results of operations may be adversely affected.

Our software applications operate primarily on the Windows, UNIX, Linux and Novell Netware operating systems and the hardware devices of numerous manufacturers. When new or updated versions of these operating systems and hardware devices are introduced, it is often necessary for us to develop updated versions of our software applications so that they interoperate properly with these systems and devices. We may not accomplish these development efforts quickly or cost-effectively, and it is not clear what the relative growth rates of these operating systems and hardware will be. These development efforts require substantial capital investment, the devotion of substantial employee resources and the cooperation of the developers of the operating systems and hardware. For some operating systems, we must obtain some proprietary application program interfaces from the owner in order to develop software applications that interoperate with the operating system. Operating system owners have no obligation to assist in these development efforts. If they do not provide us with assistance or the necessary proprietary application program interfaces on a timely basis, we may experience delays or be unable to expand our software applications into other areas.

Our ability to sell to the U.S. federal government is subject to uncertainties which could have a material adverse effect on our sales and results of operations.

Our ability to sell software applications and services to the U.S. federal government is subject to uncertainties related to the government's future funding commitments and our ability to maintain certain security clearances complying with the Department of Defense and other agency requirements. For fiscal 2006, approximately 8% of our revenues were derived from sales where the U.S. federal government was the end user. The future prospects for our business are also sensitive to changes in government policies and funding priorities. Changes in government policies or priorities, including funding levels through agency or program budget reductions by the U.S. Congress or government agencies, could materially adversely affect our ability to sell our software applications to the U.S. federal government, causing our business prospects to suffer.

In addition, our U.S. federal government sales require our employees to maintain various levels of security clearances. Obtaining and maintaining security clearances for employees involves a lengthy process, and it is difficult to identify, retain and recruit qualified employees who already hold security clearances. To the extent that we are not able to obtain security clearances or engage employees with security clearances, we may not be able to effectively sell our software applications and services to the U.S. federal government, which would have an adverse effect on our sales and results of operations.

Protection of our intellectual property is limited, and any misuse of our intellectual property by others could materially adversely affect our sales and results of operations.

Our success depends significantly upon proprietary technology in our software, documentation and other written materials. To protect our proprietary rights, we rely on a combination of:

- patents;
- copyright and trademark laws;
- trade secrets;
- confidentiality procedures; and
- contractual provisions.

These methods afford only limited protection. Despite this limited protection, any issued patent may not provide us with any competitive advantages or may be challenged by third parties, and the patents of

others may seriously impede our ability to conduct our business. Further, our pending patent applications may not result in the issuance of patents, and any patents issued to us may not be timely or broad enough to protect our proprietary rights. We may also develop proprietary products or technologies that cannot be protected under patent law.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our software applications or to obtain and use information that we regard as proprietary. Policing unauthorized use of our software applications is difficult, and we expect software piracy to continue to be a persistent problem. In licensing our software applications, we typically rely on "shrink wrap" licenses that are not signed by licensees. We also rely on "click wrap" licenses which are downloaded over the internet. We may have difficulty enforcing these licenses in some jurisdictions. In addition, the laws of some foreign countries do not protect our proprietary rights to as great an extent as do the laws of the United States. Our attempts to protect our proprietary rights may not be adequate. Our competitors may independently develop similar technology, duplicate our software applications or design around patents issued to us or other intellectual property rights of ours. Litigation may be necessary in the future to enforce our intellectual property rights, protect our trade secrets or determine the validity and scope of the proprietary rights of others. Litigation could result in substantial costs and diversion of resources and management attention. In addition, from time to time we are participants or members of various industry standard-setting organizations or other industry technical organizations. Our participation or membership in such organizations may, in some circumstances, require us to enter into royalty or licensing agreements with third parties regarding our intellectual property under terms established by those organizations which we may not find favorable.

Additionally, the loss of key personnel involved with developing, managing or maintaining our intellectual property could have an adverse effect on our business.

Claims that we misuse the intellectual property of others could subject us to significant liability and disrupt our business, which could have a material adverse effect on our results of operations and financial condition.

Because of the nature of our business, we may become subject to material claims of infringement by competitors and other third parties with respect to current or future software applications, trademarks or other proprietary rights. We expect that software developers will increasingly be subject to infringement claims as the number of software applications and competitors in our industry segment grows and the functionality of software applications in different industry segments overlaps. Any such claims, whether meritorious or not, could be time-consuming, result in costly litigation, cause shipment delays or require us to enter into royalty or licensing agreements with third parties, which may not be available on terms that we deem acceptable, if at all. Any of these claims could disrupt our business and have a material adverse effect on our results of operations and financial condition.

We may not be able to respond to rapid technological changes with new software applications and services offerings, which could have a material adverse effect on our sales and profitability.

The markets for our software applications are characterized by rapid technological changes, changing customer needs, frequent new software product introductions and evolving industry standards. The introduction of software applications embodying new technologies and the emergence of new industry standards could make our existing and future software applications obsolete and unmarketable. As a result, we may not be able to accurately predict the lifecycle of our software applications, and they may become obsolete before we receive the amount of revenues that we anticipate from them. If any of the foregoing events were to occur, our ability to retain or increase market share in the data management software market could be materially adversely affected.

To be successful, we need to anticipate, develop and introduce new software applications and services on a timely and cost-effective basis that keep pace with technological developments and emerging industry standards and that address the increasingly sophisticated needs of our customers. We may fail to develop

and market software applications and services that respond to technological changes or evolving industry standards, experience difficulties that could delay or prevent the successful development, introduction and marketing of these applications and services or fail to develop applications and services that adequately meet the requirements of the marketplace or achieve market acceptance. Our failure to develop and market such applications and services on a timely basis, or at all, could have a material adverse effect on our sales and profitability.

We cannot predict our future capital needs and we may be unable to obtain additional financing to fund acquisitions, which could have a material adverse effect on our business, results of operations and financial condition.

We may need to raise additional funds in the future in order to acquire complementary businesses, technologies, products or services. Any required additional financing may not be available on terms acceptable to us, or at all. If we raise additional funds by issuing equity securities, you may experience significant dilution of your ownership interest, and the newly-issued securities may have rights senior to those of the holders of our common stock. If we raise additional funds by obtaining loans from third parties, the terms of those financing arrangements may include negative covenants or other restrictions on our business that could impair our operational flexibility, and would also require us to fund additional interest expense. If additional financing is not available when required or is not available on acceptable terms, we may be unable to successfully develop or enhance our software and services through acquisitions in order to take advantage of business opportunities or respond to competitive pressures, which could have a material adverse effect on our software and services offerings, revenues, results of operations and financial condition. We have no plans, nor are we currently considering any proposals or arrangements, written or otherwise, to acquire a business, technology, product or service.

Acquisitions involve risks that could adversely affect our business, results of operations and financial condition.

We may pursue acquisitions of businesses, technologies, products or services that we believe complement or expand our existing business. Acquisitions involve numerous risks, including:

- diversion of management's attention during the acquisition and integration process;
- costs, delays and difficulties of integrating the acquired company's operations, technologies and personnel into our existing operations and organization;
- adverse impact on earnings as a result of amortizing the acquired company's intangible assets or impairment charges related to write-downs of goodwill related to acquisitions;
- issuances of equity securities to pay for acquisitions, which may be dilutive to existing stockholders;
- potential loss of customers or key employees of acquired companies;
- impact on our financial condition due to the timing of the acquisition or our failure to meet operating expectations for acquired businesses; and
- assumption of unknown liabilities of the acquired company.

Any acquisitions of businesses, technologies, products or services may not generate sufficient revenues to offset the associated costs of the acquisitions or may result in other adverse effects.

Our use of "open source" software could negatively affect our business and subjects us to possible litigation.

Some of the products or technologies acquired, licensed or developed by us may incorporate so-called "open source" software, and we may incorporate open source software into other products in the future. Such open source software is generally licensed by its authors or other third parties under open source licenses, including, for example, the GNU General Public License, the GNU Lesser General Public

License, the Common Public License, "Apache-style" licenses, "Berkley Software Distribution or BSD-style" licenses and other open source licenses. We monitor our use of open source software to avoid subjecting our products to conditions we do not intend. Although we believe that we have complied with our obligations under the various applicable licenses for open source software that we use, there is little or no legal precedent governing the interpretation of many of the terms of certain of these licenses, and therefore the potential impact of these terms on our business is somewhat unknown and may result in unanticipated obligations regarding our products and technologies. The use of such open source software may ultimately subject some of our products to unintended conditions which may negatively affect our business, financial condition, operating results, cash flow and ability to commercialize our products or technologies.

Some of these open source licenses may subject us to certain conditions, including requirements that we offer our products that use the open source software for no cost, that we make available source code for modifications or derivative works we create based upon, incorporating or using the open source software and/or that we license such modifications or derivative works under the terms of the particular open source license. If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations. If our defenses were not successful, we could be enjoined from the distribution of our products that contained the open source software and required to make the source code for the open source software available to others, to grant third parties certain rights of further use of our software or to remove the open source software from our products, which could disrupt the distribution and sale of some of our products. In addition, if we combine our proprietary software with open source software in a certain manner, under some open source licenses we could be required to release the source code of our proprietary software. If an author or other third party that distributes open source software were to obtain a judgment against us based on allegations that we had not complied with the terms of any such open source licenses, we could also be subject to liability for copyright infringement damages and breach of contract for our past distribution of such open source software.

Risks Relating to the Offering

An active market for our common stock may not develop, which may inhibit the ability of our stockholders to sell common stock following this offering.

An active or liquid trading market in our common stock may not develop upon completion of this offering, or if it does develop, it may not continue. If an active trading market does not develop, you may have difficulty selling any of our common stock that you buy. The initial public offering price of our common stock has been determined through our negotiations with the underwriters and may be higher than the market price of our common stock after this offering. Consequently, you may not be able to sell shares of our common stock at prices equal to or greater than the price paid by you in the offering. See "Underwriting" for a discussion of the factors that we and the underwriters will consider in determining the initial public offering price.

The price of our common stock may be highly volatile and may decline regardless of our operating performance.

The market price of our common stock could be subject to significant fluctuations in response to:

- variations in our quarterly or annual operating results;
- changes in financial estimates, treatment of our tax assets or liabilities or investment recommendations by securities analysts following our business;
- the public's response to our press releases, our other public announcements and our filings with the Securities and Exchange Commission;
- changes in accounting standards, policies, guidance or interpretations or principles;

- sales of common stock by our directors, officers and significant stockholders;
- announcements of technological innovations or enhanced or new products by us or our competitors;
- our failure to achieve operating results consistent with securities analysts' projections;

- the operating and stock price performance of other companies that investors may deem comparable to us;
- broad market and industry factors; and
- other events or factors, including those resulting from war, incidents of terrorism or responses to such events.

The market prices of software companies have been extremely volatile. Stock prices of many software companies have often fluctuated in a manner unrelated or disproportionate to the operating performance of such companies. In the past, following periods of market volatility, stockholders have often instituted securities class action litigation. If we were involved in securities litigation, it could have a substantial cost and divert resources and the attention of management from our business.

You will experience an immediate and substantial dilution in the net tangible book value of the common shares you purchase in this offering.

The initial public offering price is substantially higher than the pro forma net tangible book value per share of our outstanding common stock. As a result, investors purchasing common stock in this offering will incur immediate dilution of $ per share (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus). The exercise of outstanding options and future equity issuances may result in further dilution to investors. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering and the concurrent private placement by $, and the dilution to new investors by $, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. See "Dilution."

Future sales of our common stock, or the perception that such future sales may occur, may cause our stock price to decline and impair our ability to obtain capital through future stock offerings.

A substantial number of shares of our common stock could be sold into the public market after this offering. The occurrence of such sales, or the perception that such sales could occur, could materially and adversely affect our stock price and could impair our ability to obtain capital through an offering of equity securities. The shares of common stock being sold in this offering will be freely tradable, except for any shares sold to our affiliates.

In connection with this offering, all members of our senior management, our directors and substantially all of our stockholders have entered into written "lock-up" agreements providing in general that, for a period of 180 days from the date of this prospectus, they will not, among other things, sell their shares without the prior written consent of Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. However, these lock-up agreements are subject to a number of specified exceptions. See "Shares Eligible for Future Sale — Lock-up Agreements" for more information regarding these lock-up agreements. Upon the expiration of the lock-up period, an additional shares of our common stock will be tradable in the public market subject, in most cases, to volume and other restrictions under federal securities laws. In addition, upon completion of this offering, options exercisable for an aggregate of approximately shares of our common stock will be outstanding. We have entered into agreements with the holders of approximately shares of our common stock under which, subject to the applicable lock-up agreements, we may be required to register those shares.

Credit Suisse Securities (USA) LLC, an underwriter in this offering, has an interest in the successful completion of this offering beyond the underwriting discounts and commissions it will receive.

Affiliates of Credit Suisse Securities (USA) LLC, an underwriter in this offering, will receive proceeds from this offering. Affiliates of Credit Suisse Securities (USA) LLC own approximately % of our common stock as of , 2006 (calculated without giving effect to this offering or the conversion of any shares of preferred stock into common stock), 98.1% of our Series A preferred stock, 89.8% of our Series B preferred stock, 100% of our Series C preferred stock, 80.9% of our Series D preferred stock, 100% of our Series E preferred stock, 13.4% of our Series AA preferred stock, 30.0% of our Series BB preferred stock and 15.4% of our Series CC preferred stock. In connection with this offering, all of the shares of preferred stock held by affiliates of Credit Suisse Securities (USA) LLC will be converted into a total of shares of our common stock. We will also pay to affiliates of Credit Suisse Securities (USA) LLC $ million from the proceeds of this offering, the concurrent private placement and borrowings under our new term loan (or % of the total proceeds) in satisfaction of the amounts due upon the conversion into common stock of their holdings of our Series A, B, C, D and E preferred stock (including accrued dividends, and assuming the offering is completed on 2006). See "Principal and Selling Stockholders" and "Certain Relationships and Related Party Transactions" for a more complete description of those affiliates' ownership of our capital stock.

In addition, certain affiliates of Credit Suisse Securities (USA) LLC are selling stockholders in this offering. Those affiliates of Credit Suisse Securities (USA) LLC will sell an aggregate of shares (or shares if the underwriters exercise their over-allotment option in full) in this offering and will receive aggregate sale proceeds of $ million, or $ million if the underwriters exercise their over-allotment option in full (in each case, based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus), less underwriting discounts and commissions. Upon completion of the offering and related transactions, affiliates of Credit Suisse Securities (USA) LLC will own approximately % of our common stock (or approximately % of our common stock if the underwriters exercise their over-allotment option in full). See "Principal and Selling Stockholders."

These affiliations present a conflict of interest because Credit Suisse Securities (USA) LLC has an interest in the successful completion of this offering beyond its interest as an underwriter in this offering. The conflict of interest arises due to the interests of its affiliates in this offering both as selling stockholders and recipients of proceeds of the offering by CommVault. This offering therefore is being made using a "qualified independent underwriter" in compliance with the applicable provisions of Rule 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc., which are intended to address potential conflicts of interest involving underwriters. See "Underwriting" for a more detailed description of the independent underwriting procedures that are being used in connection with the offering.

Approximately % of our outstanding common stock has been deposited into a voting trust, which could affect the outcome of stockholder actions.

Upon completion of this offering, approximately shares of our common stock owned by affiliates of Credit Suisse Securities (USA) LLC, representing approximately % of our common stock then outstanding, will become subject to a voting trust agreement pursuant to which the shares will be voted by an independent voting trustee.

The voting trust agreement requires that the trustee cause the shares subject to the voting trust to be represented at all stockholder meetings for purposes of determining a quorum, but the trustee is not required to vote the shares on any matter and any determination whether to vote the shares is required by the voting trust agreement to be made by the trustee without consultation with Credit Suisse Securities (USA) LLC and its affiliates. The voting trust agreement does not provide any criteria that the trustee must use in determining whether or not to vote on a matter. If, however, the trustee votes the shares on any matter subject to a stockholder vote, including proposals involving the election of directors, changes of

control and other significant corporate transactions, the shares will be voted in the same proportion as votes cast "for" or "against" those proposals by our other stockholders. As long as these shares continue to be held in the voting trust, if the trustee determines to vote the shares on a particular matter, the voting power of all other stockholders will be magnified by the operation of the voting trust. With respect to matters such as the election of directors, Delaware law provides that the requisite stockholder vote is based on the shares actually voted. Accordingly, with respect to these matters, the voting trust will make it possible to control the "majority" vote of our stockholders with only % of our outstanding common stock. In addition, with respect to other matters, including the approval of a merger or acquisition of our company or substantially all of our assets, a majority or other specified percentage of our outstanding shares of common stock must be voted in favor of the matter in order for it to be adopted. If the trustee does not vote the shares subject to the voting trust on these matters, the effect of the non-vote would be equivalent to a vote "against" the matter, making it substantially more difficult to achieve stockholder approval of the matter. See "Description of Capital Stock — Voting Trust Agreement" for more information regarding the voting trust agreement.

Certain provisions in our charter documents and agreements and Delaware law may inhibit potential acquisition bids for CommVault and prevent changes in our management.

Effective on the closing of this offering, our certificate of incorporation and bylaws will contain provisions that could depress the trading price of our common stock by acting to discourage, delay or prevent a change of control of our company or changes in management that our stockholders might deem advantageous. Specific provisions in our certificate of incorporation will include:

- our ability to issue preferred stock with terms that the board of directors may determine, without stockholder approval;
- a classified board in which only a third of the total board members will be elected at each annual stockholder meeting;
- advance notice requirements for stockholder proposals and nominations; and
- limitations on convening stockholder meetings.

As a result of these and other provisions in our certificate of incorporation, the price investors may be willing to pay in the future for shares of our common stock may be limited.

In addition, we are subject to Section 203 of the Delaware General Corporation Law, which imposes certain restrictions on mergers and other business combinations between us and any holder of 15% or more of our common stock. Further, certain of our employment agreements and incentive plans provide for vesting of stock options and/or payments to be made to the employees thereunder if their employment is terminated in connection with a change of control, which could discourage, delay or prevent a merger or acquisition at a premium price. See "Management — Employment Agreements," "— Change of Control Agreements" and "— Employee Benefit Plans" and "Description of Capital Stock — Anti-Takeover Effects of Provisions of our Certificate of Incorporation and Bylaws" and "— Delaware Business Combination Statute."

We do not expect to pay any dividends in the foreseeable future.

We do not anticipate paying any cash dividends to holders of our common stock in the foreseeable future. Consequently, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase our common stock.

Substantially all of our assets will be pledged as collateral to secure our term loan.

Our obligations under our new term loan will be secured by substantially all of our assets. In the event we default under the terms of our new term loan, the lenders could accelerate our indebtedness

thereunder and we would be required to repay the entire principal amount of the term loan, which would significantly reduce our cash balances. In the event we do not have sufficient cash available to repay such indebtedness, Silicon Valley Bank could foreclose on its security interest and liquidate some or all of our assets to repay the outstanding principal and interest under our term loan. The liquidation of a significant portion of our assets would reduce the amount of assets available for common stockholders in a liquidation or winding up of our business.

We will incur increased costs as a result of being a public company.

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Securities Exchange Act of 1934, the Sarbanes-Oxley Act of 2002 and new NASDAQ rules promulgated in response to the Sarbanes-Oxley Act regulate corporate governance practices of public companies. We expect that compliance with these public company requirements will increase our costs and make some activities more time consuming. For example, we will create new board committees and adopt new internal controls and disclosure controls and procedures. In addition, we will incur additional expenses associated with our SEC reporting requirements. A number of those requirements will require us to carry out activities we have not done previously. For example, under Section 404 of the Sarbanes-Oxley Act, for our annual report on Form 10-K for fiscal year ending March 31, 2008, we will need to document and test our internal control procedures, our management will need to assess and report on our internal control over financial reporting and our registered public accounting firm will need to issue an opinion on that assessment and the effectiveness of those controls. Furthermore, if we identify any issues in complying with those requirements (for example, if we or our registered public accounting firm identify a material weakness or significant deficiency in our internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect us, our reputation or investor perceptions of us. See "— Risks Related to our Business — Our management and auditors have identified a material weakness in the design and operation of our internal controls as of March 31, 2006 which, if not properly remediated, could result in material misstatements in our financial statements in future periods." We also expect that it will be difficult and expensive to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. Advocacy efforts by stockholders and third parties may also prompt even more changes in governance and reporting requirements. We cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. In some cases, you can identify these statements by our use of forward-looking words such as “may,” “will,” “should,” “anticipate,” “estimate,” “expect,” “plan,” “believe,” “predict,” “potential,” “project,” “intend,” “could” or similar expressions. In particular, statements regarding our plans, strategies, prospects and expectations regarding our business are forward-looking statements. You should be aware that these statements and any other forward-looking statements in this document only reflect our expectations and are not guarantees of performance. These statements involve risks, uncertainties and assumptions. Many of these risks, uncertainties and assumptions are beyond our control, and may cause actual results and performance to differ materially from our expectations. Important factors that could cause our actual results to be materially different from our expectations include the risks and uncertainties set forth in this prospectus under the heading “Risk Factors.” Accordingly, you should not place undue reliance on the forward-looking statements contained in this prospectus. These forward-looking statements speak only as of the date on which the statements were made. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of shares by us in the offering (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, will be $ million. We intend to use these proceeds, together with the estimated proceeds of $ million from the concurrent private placement (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus) and estimated borrowings of $ million under our new term loan, to pay $ million in satisfaction of amounts due on our Series A, B, C, D and E preferred stock upon its conversion into common stock.

Our affiliates will receive $ million (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover page of this prospectus), or %, of the estimated net proceeds to us from the offering, the concurrent private placement and borrowings under our new term loan as a result of their holdings of our Series A, B, C, D and E preferred stock (assuming that the offering is completed on , 2006). See "Certain Relationships and Related Party Transactions."

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering and the concurrent private placement by $ million and would decrease (increase) the amount of borrowings on the closing date under our new term loan by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

We will not receive any proceeds from the sale of common stock by the selling stockholders.

DIVIDEND POLICY

We have never paid cash dividends on our common stock, and we intend to retain our future earnings, if any, to fund the growth of our business. We therefore do not anticipate paying any cash dividends on our common stock in the foreseeable future. Our future decisions concerning the payment of dividends on our common stock will depend upon our results of operations, financial condition and capital expenditure plans, as well as any other factors that the board of directors, in its sole discretion, may consider relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents, total current liabilities and capitalization as of March 31, 2006:

- on an actual basis;
- on a pro forma basis after giving effect to each of the following events as if each had occurred at March 31, 2006:
  - The issuance on June 15, 2006 of a total of shares of common stock upon the cashless exercise of a warrant held by Dell Ventures, L.P. and pursuant to preemptive rights held by the holders of Series AA, BB and CC preferred stock that were triggered by the exercise of the warrant;
  - the conversion of all outstanding shares of our preferred stock into a total of shares of common stock upon the closing of this offering;
  - the payment of $ million in satisfaction of the cash amount due to holders of our Series A, B, C, D and E preferred stock upon its conversion into common stock upon the completion of this offering (including accrued dividends, and assuming the offering is completed on , 2006);
  - the borrowing of $ million under our new term loan on or immediately prior to the closing date of this offering in connection with the payments to the holders of our Series A, B, C, D and E preferred stock; and
  - the completion of the concurrent private placement of shares of our common stock at the public offering price and the application of the proceeds therefrom. Assuming an offering price of $ per share (the midpoint of the estimated price range shown on the cover page of this prospectus) we will raise $ million in proceeds from the concurrent private placement.
- on a pro forma as adjusted basis after giving effect to our receipt of the net proceeds from our sale of shares of common stock in this offering at an assumed public offering price of $ (the midpoint of the estimated price range shown on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, as if it had occurred at March 31, 2006.

You should read this table together with the discussion under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and the related notes included elsewhere in this prospectus.

	As of March 31, 2006		
	Actual	Pro Forma	Pro Forma As Adjusted(1)
		(In thousands, except share and per share amounts)	
Cash and cash equivalents	$ 48,039	$	$
Total current liabilities	$ 44,015	$	$
Long-term debt:			
Term loan, less current portion	$ —	$	$
Cumulative redeemable convertible preferred stock, $0.01 par value per share, authorized in Series A, B, C, D and E: 7,000,000 total shares authorized, 3,166,254 total shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	99,168	—	—
Stockholders' deficit:			
Convertible preferred stock, $0.01 par value per share, authorized in Series AA, BB and CC: 22,150,000 total shares authorized, 19,251,820 total shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	94,352	—	—
Preferred stock, $0.01 par value per share, no shares authorized, issued or outstanding, actual or pro forma; shares authorized, no shares issued or outstanding, pro forma as adjusted	—	—	—
Common stock, par value $0.01 per share, shares authorized, shares issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	379		
Additional paid-in capital	4,506		
Deferred compensation	(8,134)		
Accumulated deficit	(165,148)		
Accumulated other comprehensive loss	381		
Total stockholders' equity (deficit)	(73,664)		
Total capitalization	$ 25,504	$	$

(1) A $1.00 increase in the assumed initial public offering price of $ per share would increase each of cash and cash equivalents, additional paid-in capital and total capitalization by $ million and would decrease borrowings under our new term loan and total stockholders' deficit by $ million and $ million, respectively, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. A $1.00 decrease in the assumed initial public offering price of $ per share would decrease each of cash and cash equivalents, additional paid-in capital and total capitalization by $ million and would increase borrowings under our new term loan and total stockholders' deficit by $ million and $ million, respectively, assuming the number of shares offered by us, as set forth on the cover

page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Share information above excludes:

- shares of common stock available for issuance under our 1996 Stock Option Plan, including shares of common stock issuable upon exercise of outstanding stock options as of , 2006 at a weighted average exercise price of $ per share; and
- shares of common stock initially available for issuance under our 2006 Long-Term Stock Incentive Plan.

DILUTION

If you invest in our common stock, your ownership interest will be diluted to the extent of the difference between the public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering. The pro forma net tangible book value of our common stock as of March 31, 2006 was $ million, or approximately $ per share. Pro forma net tangible book value per share represents the amount of our total tangible assets less our total liabilities divided by the pro forma number of shares of common stock outstanding after giving effect to:

- The issuance on June 15, 2006 of a total of shares of common stock upon the cashless exercise of a warrant held by Dell Ventures, L.P. and pursuant to preemptive rights held by the holders of Series AA, BB and CC preferred stock that were triggered by the exercise of the warrant;
- the conversion of all outstanding shares of our preferred stock into a total of shares of common stock;
- the payment of $ million in cash in satisfaction of the cash amount due to holders of our Series A, B, C, D and E preferred stock upon its conversion into common stock (including accrued dividends, and assuming the offering is completed on , 2006);
- the borrowing of $ million under our new term loan on or immediately prior to the closing date of this offering in connection with the payments to the holders of our Series A, B, C, D and E preferred stock; and
- the completion of the concurrent private placement of shares of our common stock at the public offering price and the application of the proceeds therefrom. Assuming an offering price of $ per share (the midpoint of the estimated price range shown on the cover page of this prospectus) we will raise $ million in proceeds from the concurrent private placement.

Dilution in pro forma net tangible book value per share represents the difference between the amount per share paid by purchasers of shares of common stock in this offering and the pro forma as adjusted net tangible book value per share of common stock immediately after the completion of this offering. After giving effect to the sale of shares of common stock in this offering and shares of common stock in the concurrent private placement at an assumed public offering price of $ (the midpoint of the estimated price range shown on the cover page of this prospectus), and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of March 31, 2006 would have been $ million, or approximately $ per share. This represents an immediate increase in pro forma as adjusted net tangible book value of $ per share to existing stockholders and an immediate dilution of $ per share to new investors. The following table illustrates this per share dilution:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of March 31, 2006	$	
Increase per share attributable to new investors		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per share to new investors		$

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

The following table presents, on a pro forma as adjusted basis, as of March 31, 2006, the differences among the number of shares of common stock purchased from us, the total consideration paid or exchanged and the average price per share paid by existing stockholders and by new investors purchasing shares of our common stock in this offering and the concurrent private placement before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. The table assumes an initial public offering price of $ per share, as specified above, and deducts the estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price per Share
	Number	Percent	Amount	Percent	
	(In thousands, except share and per share data)				
Existing stockholders		%	$	%	$
New investors					
Total		100.0%	$	100.0%	$

The foregoing table and calculations assume no exercise of any options and exclude:

- shares of common stock available for issuance under our 1996 Stock Option Plan, including shares of common stock issuable upon exercise of outstanding stock options as of , 2006 at a weighted average exercise price of $ per share; and
- shares of common stock initially available for issuance under our 2006 Long-Term Stock Incentive Plan.

SELECTED FINANCIAL DATA

You should read the following selected financial data together with the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the related notes included elsewhere in this prospectus.

We derived the statement of operations data for each of the three years in the period ended March 31, 2006 and the balance sheet data as of March 31, 2005 and March 31, 2006 from our audited consolidated financial statements included elsewhere in this prospectus. We derived the statement of operations data for each of the two years in the period ended March 31, 2003 and the balance sheet data as of March 31, 2002, 2003 and 2004 from our audited consolidated financial statements that are not included in this prospectus. The historical results set forth below do not necessarily indicate results expected for any future period.

	For the Year Ended March 31,				
	2002	2003	2004	2005	2006
	(In thousands, except per share data)				
Statement of Operations Data:					
Revenues:					
Software:					
QiNetix	$ 17,460	$ 29,485	$ 39,474	$ 49,598	$ 62,422
Vault 98	314	—	—	—	—
Total software	17,774	29,485	39,474	49,598	62,422
Services	11,677	14,840	21,772	33,031	47,050
Hardware, supplies and other	1,397	94	—	—	—
Total revenues	30,848	44,419	61,246	82,629	109,472
Cost of revenues:					
QiNetix software	255	932	1,168	1,497	1,764
Vault 98 software	1	—	—	—	—
Services	6,449	6,095	8,049	9,975	13,231
Hardware, supplies and other	1,146	72	—	—	—
Total cost of revenues	7,851	7,099	9,217	11,472	14,995
Gross margin	22,997	37,320	52,029	71,157	94,477
Operating expenses:					
Sales and marketing	27,352	29,842	37,592	43,248	51,326
Research and development	15,867	16,153	16,214	17,239	19,301
General and administrative	6,291	6,332	8,599	8,955	12,275
Depreciation and amortization	3,021	1,752	1,396	1,390	1,623
Goodwill impairment	1,194	—	—	—	—
Income (loss) from operations	(30,728)	(16,759)	(11,772)	325	9,952
Interest expense	(22)	—	(60)	(14)	(7)
Interest income	631	297	134	346	1,262
Income (loss) before income taxes	(30,119)	(16,462)	(11,698)	657	11,207
Income tax (expense) benefit	232	52	—	(174)	(451)
Net income (loss)	(29,887)	(16,410)	(11,698)	483	10,756
Less: accretion of preferred stock dividends	(5,661)	(5,661)	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders	$ (35,548)	$ (22,071)	$ (17,374)	$ (5,178)	$ 5,095
Net income (loss) attributable to common stockholders per share:					
Basic	$ (0.98)	$ (0.60)	$ (0.47)	$ (0.14)	$ 0.09
Diluted	$ (0.98)	$ (0.60)	$ (0.47)	$ (0.14)	$ 0.08
Weighted average shares used in computing per share amounts:					
Basic	36,224	36,741	37,201	37,424	37,678
Diluted	36,224	36,741	37,201	37,424	61,866

	As of March 31,				
	2002	2003	2004	2005	2006
	(In thousands)				
Balance Sheet Data:					
Cash and cash equivalents	$ 27,704	$ 7,611	$ 22,958	$ 24,795	$ 48,039
Working capital	20,626	5,633	13,164	13,441	24,139
Total assets	37,802	26,489	41,779	47,513	72,568
Cumulative redeemable convertible preferred stock:					
Series A through E, at liquidation value	76,508	82,170	87,846	93,507	99,168
Total stockholders' deficit	(53,554)	(75,561)	(75,910)	(81,010)	(73,664)

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

You should read the following discussion and analysis along with our consolidated financial statements and the related notes included elsewhere in this prospectus. Except for the historical information contained herein, this discussion contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those discussed below; accordingly, investors should not place undue reliance upon our forward-looking statements. See "Risk Factors" and "Forward-Looking Statements" for a discussion of these risks and uncertainties.

Overview

CommVault is a leading provider of data management software applications and related services in terms of product breadth and functionality and market penetration. We develop, market and sell a unified suite of data management software applications under the QiNetix brand. QiNetix is specifically designed to protect and manage data throughout its lifecycle in less time, at lower cost and with fewer resources than alternative solutions. We also provide our customers with a broad range of highly effective professional services that are delivered by our worldwide support and field operations.

History and Background

We began operations in 1988 as a development group within Bell Labs and were later designated as an AT&T Network Systems strategic business unit. We were formed to develop automated backup, archiving and recovery products for AT&T's internal use. These products were comprised of internally developed software integrated with third party hardware. Our business became a part of Lucent Technologies, which was created by and later spun-off from AT&T. Donaldson, Lufkin & Jenrette Merchant Banking and the Sprout Group funded and completed a management buyout of our Company from Lucent in May 1996. After the buyout, we continued to sell our software products integrated with third party hardware, primarily UNIX servers and optical and magnetic tape libraries. These combined hardware and software products were marketed as ABARS, or Automated Backup and Recovery Solution, through 1997, at which time we renamed the products Vault 98.

In April 1998, our board of directors and a new management team changed our strategic direction. We believed that the data management software industry would shift from local, server-attached environments to more complex and widely distributed data networks. We believed that a broad suite of data management software applications built upon a new innovative architecture and a single underlying code base would more easily and cost-effectively manage data in this complex networked environment. We also believed that our competitors would address this opportunity by adapting their legacy platforms and by developing or acquiring new applications built upon dissimilar underlying software architectures. We believed, and continue to believe, that managing data with this type of loosely integrated solution would be more difficult and costly for the customer. We also recognized that our legacy Vault 98 technology was too limited to address the broader data management market opportunity. This vision resulted in an almost two-year development project that culminated in the introduction of our Galaxy data protection software in February 2000. Galaxy represented the first of our software applications built upon our new architectural platform, and we now market it as one of the applications in our QiNetix software suite. The introduction of Galaxy also marked the beginning of the phasing out of both our Vault 98 products and the sale of third party hardware. We substantially completed the phase-out of our sales of Vault 98 products and third party hardware in September 2001.

We have spent the past six years developing, enhancing and introducing the following eight applications as part of our QiNetix software suite built upon our unified architectural design: QiNetix Galaxy Backup and Recovery (released in 2000), QiNetix DataMigrator (released in 2002), QiNetix QuickRecovery (released in 2002), QiNetix DataArchiver (released in 2003), QiNetix StorageManager (released in 2003), QiNetix QNet (released in 2003), QiNetix Data Classification (released in 2005) and QiNetix ContinuousDataReplicator. In addition to QiNetix Galaxy, the subsequent release of our other

QiNetix software has substantially increased our addressable market. As of March 31, 2006, we had licensed our software applications to over 3,700 registered customers.

We derive the majority of our software revenue from our data protection software applications, which primarily include Galaxy Backup and Recovery. Sales of our data protection software applications represented approximately 90% of our total software revenue for the year ended March 31, 2006. In addition, we derive substantially all of our services revenue from customer and technical support associated with our data protection software applications. We anticipate that we will continue to derive a substantial majority of our software and services revenue from our data protection software applications for the foreseeable future.

Given the nature of the industry in which we operate, our software applications are subject to obsolescence. We continually develop and introduce updates to our existing software applications in order to keep pace with technological developments, evolving industry standards, changing customer requirements and competitive software applications that may render our existing software applications obsolete. For each of our software applications, we provide full support for the current generally available release and one prior release. When we declare a product release obsolete, a customer notice is delivered announcing continuation of full product support for the first six months. We provide an additional six months of limited product support in which we provide existing workarounds or fixes only, which do not require additional development activity. We do not have existing plans to make any of our software products permanently obsolete.

Sources of Revenues

We derive the majority of our revenues from sales of licenses of our software applications. We do not customize our software for a specific end user customer. We sell our software applications to end user customers both directly through our sales force and indirectly through our global network of value-added reseller partners, systems integrators, corporate resellers and original equipment manufacturers. Our corporate resellers bundle or sell our software applications together with their own products, and our value-added resellers sell our software applications independently. Our software revenue was 60% of our total revenues for fiscal 2005 and 57% of our total revenues for fiscal 2006. Software revenue generated through direct and indirect distribution channels was approximately 38% and 62%, respectively, of total software revenue in fiscal 2005, and was approximately 32% and 68%, respectively, of total software revenue in fiscal 2006. We have no current plans to focus future growth on one distribution channel versus another. The failure of our indirect distribution channels to effectively sell our software applications could have a material adverse effect on our revenues and results of operations.

We have agreements with original equipment manufacturers that market, sell and support our software applications and services on a stand-alone basis and/or incorporate our software applications into their own hardware products. An increasing portion of our software revenue is related to such arrangements with original equipment manufacturers that have no obligation to sell our software applications. We currently have original equipment manufacturer agreements with Dell and Hitachi Data Systems. A material portion of our software revenue is generated through these arrangements, and we expect this contribution to grow in the future. Dell and Hitachi Data Systems also have no obligation to recommend or offer our software applications exclusively or at all, and they have no minimum sales requirements and can terminate our relationship at any time.

In recent fiscal years, we have generated approximately two-thirds of our software revenue from our existing customer base and approximately one-third of our software revenue from new customers. In addition, our total software revenue in any particular period is, to a certain extent, dependent upon our ability to generate revenues from large customer software deals. We expect the number of software transactions over $0.1 million to increase in fiscal 2007, although the size and timing of any particular software transaction is more difficult to forecast. Such software transactions typically represent approximately 35% of our total software revenue in any given period.

Our services revenue is made up of fees from the delivery of customer support and other professional services, which are typically sold in connection with the sale of our software applications. Customer support agreements provide technical support and unspecified software updates on a when-and-if-available basis for an annual fee based on licenses purchased and the level of service subscribed. Other professional services include consulting, assessment and design services, implementation and post-deployment services and training, all of which to date have predominantly been sold in connection with the sale of software applications. Our services revenue was 40% of our total revenues for fiscal 2005 and 43% of our total revenues for fiscal 2006. The gross margin of our services revenue was 69.8% for fiscal 2005 and 71.9% for fiscal 2006. Our services revenue has lower gross margins than our software revenue. An increase in the percentage of total revenues represented by services revenue would adversely affect our overall gross margins.

Description of Costs and Expenses

Our cost of revenues is as follows:

- *Cost of Software Revenue*, consists primarily of third party royalties and other costs such as media, manuals, translation and distribution costs;
- *Cost of Services Revenue*, consists primarily of salary and employee benefit costs in providing customer support and other professional services; and
- *Cost of Hardware, Supplies and Other Revenue*, consists primarily of third party costs related to the procurement of products for resale to our customers. We substantially completed the phase out of our sales of third party hardware in September 2001.

Our operating expenses are as follows:

- *Sales and Marketing*, consists primarily of salaries, commissions, employee benefits and other direct and indirect business expenses, including travel related expenses, sales promotion expenses, public relations expenses and costs for marketing materials and other marketing events (such as trade shows and advertising);
- *Research and Development*, which is primarily the expense of developing new software applications and modifying existing software applications, consists principally of salaries and benefits for research and development personnel and related expenses; contract labor expense and consulting fees as well as other expenses associated with the design, certification and testing of our software applications; and legal costs associated with the patent registration of such software applications;
- *General and Administrative*, consists primarily of salaries and benefits for our executive, accounting, human resources, legal, information systems and other administrative personnel. Also included in this category are other general corporate expenses, such as outside legal and accounting services and insurance; and
- *Depreciation and Amortization*, consists of depreciation expense primarily for computer equipment we use for information services and in our development and test labs.

We anticipate that each of the above categories of operating expenses will increase in dollar amounts, but will decline as a percentage of total revenues in the long-term.

Critical Accounting Policies

In presenting our consolidated financial statements in conformity with U.S. generally accepted accounting principles, we are required to make estimates and judgments that affect the amounts reported therein. Some of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they pertain to future events. We base these estimates on historical experience and on various other assumptions that we believe to be reasonable and appropriate. Actual results may differ significantly from these estimates. The following is a description of our accounting policies that we believe

require subjective and complex judgments, which could potentially have a material effect on our reported financial condition or results of operations.

Revenue Recognition

We recognize revenue in accordance with the provisions of Statement of Position ("SOP") 97-2, *Software Revenue Recognition*, as amended by SOP 98-4 and SOP 98-9, and related interpretations. Our revenue recognition policy is based on complex rules that require us to make significant judgments and estimates. In applying our revenue recognition policy, we must determine which portions of our revenue are recognized currently (generally software revenue) and which portions must be deferred and recognized in future periods (generally services revenue). We analyze various factors including, but not limited to, the sales of undelivered services when sold on a stand-alone basis, our pricing policies, the credit-worthiness of our customers and resellers, accounts receivable aging data and contractual terms and conditions in helping us to make such judgments about revenue recognition. Changes in judgment on any of these factors could materially impact the timing and amount of revenue recognized in a given period.

Currently we derive revenues from two primary sources, or elements: software licenses and services. Services include customer support, consulting, assessment and design services, installation services and training. A typical sales arrangement includes both of these elements.

For software arrangements involving multiple elements, we recognize revenue using the residual method as described in SOP 98-9. Under the residual method, we allocate and defer revenue for the undelivered elements based on relative fair value and recognize the difference between the total arrangement fee and the amount deferred for the undelivered elements as revenue. The determination of fair value of the undelivered elements in multiple element arrangements is based on the price charged when such elements are sold separately, which is commonly referred to as vendor-specific objective-evidence ("VSOE").

Software licenses typically provide for the perpetual right to use our software and are sold on a per-copy basis or as site licenses. Site licenses give the customer the additional right to deploy the software on a limited basis during a specified term. We recognize software revenue through direct sales channels upon receipt of a purchase order or other persuasive evidence and when the other three basic revenue recognition criteria are met as described in the revenue recognition section in Note 2 of our *"Notes to Consolidated Financial Statements."* We recognize software revenue through all indirect sales channels on a sell-through model. A sell-through model requires that we recognize revenue when the basic revenue recognition criteria are met and these channels complete the sale of our software products to the end user. Revenue from software licenses sold through an original equipment manufacturer partner is recognized upon the receipt of a royalty report or purchase order from that original equipment manufacturer partner.

Services revenue includes revenue from customer support and other professional services. Customer support includes software updates on a when-and-if-available basis, telephone support and bug fixes or patches. Customer support revenue is recognized ratably over the term of the customer support agreement, which is typically one year. To determine the price for the customer support element when sold separately, we primarily use historical renewal rates and, in certain cases, we use stated renewal rates. Historical renewal rates are supported by a rolling 12-month VSOE analysis in which we segregate our customer support renewal contracts into different classes based on specific criteria including, but not limited to, dollar amount of software purchased, level of customer support being provided and distribution channel. The purpose of such an analysis is to determine if the customer support element that is deferred at the time of a software sale is consistent with how it is sold on a stand-alone renewal basis.

Our other professional services include consulting, assessment and design services, installation services and training. Other professional services provided by us are not mandatory and can also be performed by the customer or a third party. Our consulting, assessment and design services and installation services are generally evidenced by a signed Statement of Work, which defines the specific scope of the services to be performed. Revenues from consulting, assessment and design services and installation services are based upon a daily or weekly rate and are recognized when the services are completed. Training includes courses

taught by our instructors or third party contractors either at one of our facilities or at the customer's site. Training fees are recognized after the training course has been provided. Based on our analysis of such other professional services transactions sold on a stand-alone basis, we have concluded we have established VSOE for such other professional services when sold in connection with a multiple-element software arrangement.

In summary, we have analyzed all of the undelivered elements included in our multiple-element arrangements and determined that we have VSOE of fair value to allocate revenues to services. Our analysis of the undelivered elements has provided us with results that are consistent with the estimates and assumptions used to determine the timing and amount of revenue recognized in our multiple-element arrangements. Accordingly, assuming all basic revenue recognition criteria are met, software revenue is recognized upon delivery of the software license using the residual method in accordance with SOP 98-9. We are not likely to materially change our pricing and discounting practices in the future.

Our arrangements do not generally include acceptance clauses. However, if an arrangement does include an acceptance clause, we defer the revenue for such arrangement and recognize it upon acceptance. Acceptance occurs upon the earliest of receipt of a written customer acceptance, waiver of customer acceptance or expiration of the acceptance period.

We have offered limited price protection under certain original equipment manufacturer agreements. Any right to a future refund from such price protection is entirely within our control. We estimate that the likelihood of a future payout due to price protection is remote.

During the preparation of our fiscal 2006 financial statements, we became aware of a material weakness related to our revenue recognition procedures for certain multiple-element arrangements accounted for under Statement of Position ("SOP") 97-2, *Software Revenue Recognition,* as amended by SOP 98-4 and SOP 98-9. During fiscal 2006, we began to require a signed Statement of Work documenting the scope of our other professional services offerings when included in certain multiple-element arrangements. Persuasive evidence of an arrangement does not exist for such multiple-element arrangements until the Statement of Work covering the other professional services is signed by both CommVault and the end-user customer. During fiscal 2006, we recorded software and services revenue of approximately $2.5 million and $0.1 million, respectively, related to certain multiple-element arrangement transactions before a signed Statement of Work covering the other professional services was obtained. As a result, we recorded a reduction to revenue and a corresponding increase to deferred revenue of approximately $2.6 million in fiscal 2006 related to this material weakness.

We believe we have remediated the material weakness by establishing new procedures to identify all multiple-element arrangements that contain subsequent agreements that must be signed, even if the terms and conditions are the same as the initial purchase order or other persuasive evidence.

See "Risk Factors — Risks Relating to Our Business — Our management and auditors have identified a material weakness in the design and operation of our internal controls as of March 31, 2006 which, if not properly remediated, could result in material misstatements in our financial statements in future periods" for more information about this material weakness.

Stock-Based Compensation

We account for our employee stock-based compensation in accordance with the provisions of Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees,* and related interpretations, which require us to recognize compensation expense for the excess of the fair market value of the stock at the grant date over the exercise price, if any, and to recognize that cost over the vesting period of the option. In Note 2 of our consolidated financial statements, we have presented the pro forma effect on net income (loss) attributable to common stockholders as if we had applied the fair value recognition provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, *Share-Based Payment.* We will adopt SFAS No. 123 (revised 2004) *Share-Based Payment* ("SFAS No. 123(R)"), on April 1, 2006 using the modified prospective approach in which the pro forma disclosures will no longer

be an alternative to financial statement recognition. The adoption of SFAS No. 123(R) is more fully described below in "Recent Accounting Pronouncements."

The following table presents the exercise price and fair market value per share for grants issued during the twelve months ending March 31, 2006:

Grant Date	Number of Options Granted	Exercise Price	Retrospective Fair Value per Common Share	Intrinsic Value
May 5, 2005	719,500	$ 2.25	$ 3.46	$ 1.21
July 29, 2005	922,750	2.35	4.18	1.83
September 19, 2005	1,600,000	2.35	4.59	2.24
November 3, 2005	749,000	3.35	5.17	1.82
January 26, 2006	668,700	3.75	5.54	1.79
March 2, 2006	327,250	4.05	6.42	2.37

The exercise prices for options granted were set by our board of directors based upon our internal valuation model. Our internal valuation model used a consistent formula based on 12-month projected revenues in periods where we were not profitable and alternatively 12-month projected earnings when we started to achieve profitability on a regular basis. Our internal valuation was based on multiples (either revenue or earnings) of a comparable group of publicly traded companies in our market sector. In connection with the preparation of the financial statements for this offering, we performed a retrospective determination of fair value of our common stock underlying stock option grants since January 1, 2005 based upon valuations performed by an unrelated valuation specialist. The retrospective determination of fair value of our common stock utilized the probability weighted expected returns ("PWER") method described in the AICPA Technical Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* ("Practice Aid").

Under the PWER method, the value of our common stock is estimated based upon an analysis of future values for the enterprise assuming various future outcomes. In our situation, the future outcomes included two scenarios: (i) we become a public company ("public company scenario") and; (ii) we remain a private company ("remains private scenario"). We used a low probability assumption for our January 2005 grants and this percentage increased as significant milestones were achieved and as discussions with our investment bankers increased as we prepared for an initial public offering process. An increase in the probability assessment for an initial public offering increases the value ascribed to our common stock.

Under the "public company" scenario, fair value per common share was calculated using our expected pre-initial public offering valuation and a risk-adjusted discount rate based on the estimated timing of our potential initial public offering. In general, the closer a company gets to an initial public offering, the higher the probability assessment weighting is for the "public company" scenario.

Determining the fair value of the common stock of a private enterprise requires complex and subjective judgments. As such, under the "remains private" scenario, our retrospective estimates of enterprise value were based upon a combination of the income approach and the market approach. Under the income approach, our enterprise value was based on the present value of our forecasted operating results. The assumptions underlying the estimates are consistent with the business plan used by our management. A discount rate ranging from 20% to 25% was used based on the inherent risk of an investment in CommVault. Under the market approach, our estimated enterprise value was developed based revenue multiples of comparable companies in terms of business operations, size, stage of development, prospects for growth and risk. The fair value of our common stock under the "remains private" scenario was determined by reducing the total estimated "remains private" enterprise value by the liquidation preferences of our Series A through E cumulative redeemable convertible preferred stock and the conversion preferences of the Series AA, BB and CC convertible preferred stock as well as a discount for lack of marketability assuming we remain a private company.

The increase in the fair value of our common stock for financial reporting purposes during fiscal 2006 principally reflected a significant increase in our probability weighting for the initial public offering scenario and increases resulting from achieving revenue and earnings growth and generating consistent cash flows from our operations.

The reassessed fair value of our common stock underlying 719,500 options granted to employees on May 5, 2005 was determined to be $3.46 per share. The increase in fair value as compared to the January 27, 2005 value was primarily due to the following:

- For the three months ended March 31, 2005, we had the most profitable quarter in our history, generating earnings of approximately $1.6 million;
- We achieved our first fiscal year of profitability for the year ended March 31, 2005;
- We entered into an original equipment manufacturer arrangement with Hitachi Data Systems; and
- The possibility of an initial public offering remained relatively low and a probability estimate of 30% was assigned under the PWER method as a result of the significant milestones to be achieved.

The reassessed fair value of our common stock underlying 922,750 options granted to employees on July 29, 2005 was determined to be $4.18 per share. The increase in fair value as compared to the May 5, 2005 value was primarily due to the following:

- For the three months ended June 30, 2005, revenues and earnings exceeded budget;
- We increased our earnings forecast for the remainder of fiscal 2006; and
- We increased the probability estimate for the initial public offering scenario under the PWER method to 40% as a result of our revenues and earnings exceeding budget.

The reassessed fair value of our common stock underlying 1,600,000 options granted to employees on September 19, 2005 was determined to be $4.59 per share. On September 19, 2005, our compensation committee awarded options to several key executives. The underlying assumptions that were in place as of the July 29, 2005 grant date were still in place on September 19, 2005, except we increased the probability estimate for the initial public offering scenario under the PWER method to 50% as a result of moving closer to a potential initial public offering and anticipating a profitable quarter ending September 30, 2005.

The reassessed fair value of our common stock underlying 749,000 options granted to employees on November 3, 2005 was determined to be $5.17 per share. The increase in fair value as compared to the September 19, 2005 value was primarily due to the following:

- For the three and six months ended September 30, 2005, earnings exceeded our original budget and revised forecasts;
- In the six months ended September 30, 2005, we started to achieve substantial revenue growth from our original equipment manufacturer arrangements with Dell and Hitachi Data Systems; and
- We increased the probability estimate for the initial public offering scenario under the PWER method to 60% as a result of our earnings exceeding forecast and the substantial revenue growth we achieved from our original equipment manufacturer agreements.

The reassessed fair value of our common stock underlying 668,700 options granted to employees on January 26, 2006 was determined to be $5.54 per share. The increase in fair value as compared to the November 3, 2005 value was primarily due to the following:

- On January 10, 2006, we initiated the process of an initial public offering when we held an organizational meeting; as a result, we increased the initial public offering scenario to 65% under the PWER method;
- We achieved consecutive quarters of profitability for the first time;

- For the three and nine months ended December 31, 2005, earnings exceeded our original budget and revised forecasts; and
- We continued to generate cash flows from operations significantly exceeding budgeted, revised forecast and prior year amounts.

The reassessed fair value of our common stock underlying 327,250 options granted to employees on March 2, 2006 was determined to be $6.42 per share. On March 2, 2006, our compensation committee awarded options to certain strategic new hires. The underlying assumptions that were in place as of the January 26, 2006 grant date were still in place on March 2, 2006, except that we increased the probability estimate for the initial public offering scenario under the PWER method to 90% as a result of the imminence of our potential initial public offering and anticipating our fiscal 2006 earnings would exceed forecast and budget amounts.

We recorded approximately $9.2 million of deferred stock-based compensation and recognized compensation expense of approximately $1.1 million during fiscal 2006 related to stock options that were granted with an exercise price that was below the fair value of our common stock on the date of grant. The deferred compensation for these options is being recognized ratably over the four-year vesting period.

Based on an estimated initial public offering price of $ per share, the intrinsic value of the options outstanding as of March 31, 2006, was $ million, of which $ million related to vested options and $ million related to unvested options.

Accounting for Income Taxes

As part of the process of preparing our financial statements, we are required to estimate our income taxes in each of the jurisdictions in which we operate. We record this amount as a provision or benefit for taxes in accordance with SFAS No. 109, *Accounting for Income Taxes.* This process involves estimating our actual current tax exposure, including assessing the risks associated with tax audits, and assessing temporary differences resulting from different treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities. As of March 31, 2006, we had deferred tax assets of approximately $54.2 million, which were primarily related to federal, state and foreign net operating loss carryforwards and federal and state research tax credit carryforwards. We assess the likelihood that our deferred tax assets will be recovered from future taxable income and, to the extent that we believe recovery is not likely, we establish a valuation allowance. As of March 31, 2006, we maintained a valuation allowance equal to the $54.2 million of deferred tax assets as there is not sufficient evidence to enable us to conclude that it is more likely than not that the deferred tax assets will be realized. Even though we reported net income in fiscal 2006, we have incurred $0.5 million in cumulative losses over the prior three fiscal years and we have incurred $16.9 million in cumulative losses over the prior four fiscal years. In addition, we have an accumulated deficit of approximately $165.1 million reported on our consolidated balance sheet as of March 31, 2006. If our actual results differ from our estimates, our provision for income taxes could be materially impacted.

Software Development Costs

Research and development expenditures are charged to operations as incurred. SFAS No. 86, *Accounting for the Costs of Computer Software to Be Sold, Leased or Otherwise Marketed,* requires capitalization of certain software development costs subsequent to the establishment of technological feasibility. Based on our software development process, technological feasibility is established upon completion of a working model, which also requires certification and extensive testing. Costs incurred by us between completion of the working model and the point at which the product is ready for general release historically have been immaterial.

Results of Operations

The following table sets forth each of our sources of revenues and costs of revenues for the specified periods as a percentage of our total revenues for those periods (due to rounding, numbers in the columns may not sum to totals):

	For the Year Ended March 31,		
	2004	2005	2006
Revenues:			
Software	64%	60%	57%
Services	36	40	43
Total revenues	100	100	100%
Cost of revenues:			
Software	2%	2%	2%
Services	13	12	12
Total cost of revenues	15	14	14
Gross margin	85%	86%	86%

Fiscal year ended March 31, 2006 compared to fiscal year ended March 31, 2005

Revenues

Total revenues increased $26.8 million, or 32%, from $82.6 million in fiscal 2005 to $109.5 million in fiscal 2006.

Software Revenue. Software revenue increased $12.8 million, or 26%, from $49.6 million in fiscal 2005 to $62.4 million in fiscal 2006. Software revenue represented 60% of our total revenues in fiscal 2005 and 57% of our total revenues in fiscal 2006. The increase in software revenue was primarily the result of broader acceptance of our software applications and increased revenue from our expanding base of existing customers. Revenue through our original equipment manufacturers contributed $8.5 million to our overall increase in software revenue primarily due to higher revenue from our arrangement with Dell as well as revenue generated from an original equipment manufacturer arrangement we entered into with Hitachi Data Systems in March 2005. Furthermore, revenue through our resellers and our direct sales force contributed $3.6 million and $0.7 million, respectively, to our overall increase in software revenue. Software revenue transactions greater than $0.1 million contributed approximately $3.8 million to our overall increase in software revenue.

Services Revenue. Services revenue increased $14.0 million, or 42%, from $33.0 million in fiscal 2005 to $47.1 million in fiscal 2006. Services revenue represented 40% of our total revenues in fiscal 2005 and 43% of our total revenues in fiscal 2006. The increase in services revenue was primarily due to a $12.1 million increase in revenue from customer support agreements as a result of sales of software to new customers and renewal agreements from our installed software base.

Cost of Revenues

Total cost of revenues increased $3.5 million, or 31%, from $11.5 million in fiscal 2005 to $15.0 million in fiscal 2006. Total cost of revenues represented 14% of our total revenues in both fiscal 2005 and fiscal 2006.

Cost of Software Revenue. Cost of software revenue increased $0.3 million, or 18%, from $1.5 million in fiscal 2005 to $1.8 million in fiscal 2006. Cost of software revenue represented 3% of our total software revenue in both fiscal 2005 and fiscal 2006. The increase in cost of software revenue was primarily the result of higher third party royalty costs associated with higher software revenue.

Cost of Services Revenue. Cost of services revenue increased $3.3 million, or 33%, from $10.0 million in fiscal 2005 to $13.2 million in fiscal 2006. Cost of services revenue represented 30% of our services revenue in fiscal 2005 and 28% of our services revenue in fiscal 2006. The increase in cost of services revenue was primarily the result of higher employee compensation of $1.9 million resulting from higher headcount and increased sales.

Operating Expenses

Sales and Marketing. Sales and marketing expenses increased $8.1 million, or 19%, from $43.2 million in fiscal 2005 to $51.3 million in fiscal 2006. The increase was primarily due to a $3.5 million increase in employee compensation resulting from higher headcount, a $2.0 million increase in commission expense on higher revenue levels and a $0.5 million increase in stock-based compensation resulting from the issuance of stock options in fiscal 2006 with an exercise price below fair market value.

Research and Development. Research and development expenses increased $2.1 million, or 12%, from $17.2 million in fiscal 2005 to $19.3 million in fiscal 2006. The increase was primarily due to $1.1 million of higher employee compensation resulting from higher headcount and $0.3 million of increased legal expenses primarily associated with patent registration of our intellectual property.

General and Administrative. General and administrative expenses increased $3.3 million, or 37%, from $9.0 million in fiscal 2005 to $12.3 million in fiscal 2006. The increase was primarily due to a $1.5 million increase in employee compensation resulting from higher headcount, a $0.8 million increase in stock-based compensation resulting from both the issuance of stock options in fiscal 2006 with an exercise price below fair market value and the acceleration of the vesting period for certain stock options and a $0.5 million increase in recruiting costs.

Depreciation and Amortization. Depreciation expense increased $0.2 million, or 17%, from $1.4 million in fiscal 2005 to $1.6 million in fiscal 2006. This reflects higher depreciation associated with increased capital expenditures primarily for product development and other computer-related equipment.

Interest Income

Interest income increased $0.9 million, from $0.3 million in fiscal 2005, to $1.3 million in fiscal 2006. The increase was due to higher interest rates and higher cash balances in our deposit accounts.

Income Tax (Expense) Benefit

Income tax expense increased from $0.2 million in fiscal 2005 to $0.5 million in fiscal 2006 as a result of alternative minimum taxes due to the U.S. federal government as well as various state income taxes.

Fiscal year ended March 31, 2005 compared to fiscal year ended March 31, 2004

Revenues

Total revenues increased $21.4 million, or 35%, from $61.2 million in fiscal 2004 to $82.6 million in fiscal 2005.

Software Revenue. Software revenue increased $10.1 million, or 26%, from $39.5 million in fiscal 2004 to $49.6 million in fiscal 2005. Software revenue represented 64% of our total revenues in fiscal 2004 and 60% of our total revenues in fiscal 2005. The increase in software revenue was primarily the result of broader acceptance of our software applications and increased revenue from our expanding base of existing customers. Revenue through our direct sales force and resellers contributed $4.7 million and $4.0 million, respectively, to the total increase in software revenue. Furthermore, revenue through our original equipment manufacturers contributed $1.4 million to the total increase in software revenue primarily as a result of entering into an original equipment manufacturer arrangement with Dell. We anticipate that our revenue through original equipment manufacturers will continue to grow as a percentage of total revenues in the future. Software revenue transactions greater than $0.1 million contributed approximately

$2.1 million to our overall increase in software revenue. Movements in foreign exchange rates accounted for $0.9 million of the $10.1 million increase in software revenue.

Services Revenue. Services revenue increased $11.3 million, or 52%, from $21.8 million in fiscal 2004 to $33.0 million in fiscal 2005. Services revenue represented 36% of our total revenues in fiscal 2004 and 40% of our total revenues in fiscal 2005. Increased revenue from customer support agreements contributed $8.9 million to the total increase in services revenue as a result of sales of software to new customers and renewal agreements from our installed software base. In addition, increased revenue from other professional services contributed $2.4 million to the total increase in services revenue as a result of higher software sales.

Cost of Revenues

Total cost of revenues increased $2.3 million, or 24%, from $9.2 million in fiscal 2004 to $11.5 million in fiscal 2005. Total cost of revenues represented 15% of our total revenues in fiscal 2004 and 14% of our total revenues in fiscal 2005.

Cost of Software Revenue. Cost of software revenue increased $0.3 million, or 28%, from $1.2 million in fiscal 2004 to $1.5 million in fiscal 2005. Cost of software revenue represented 3% of our total software revenue in both fiscal 2004 and fiscal 2005. The increase in cost of software revenue was primarily the result of $0.2 million of higher third party royalty costs associated with higher software revenue.

Cost of Services Revenue. Cost of services revenue increased $1.9 million, or 24%, from $8.0 million in fiscal 2004 to $10.0 million in fiscal 2005. Cost of services revenue represented 37% of our services revenue in fiscal 2004 and 30% of our services revenue in fiscal 2005. The increase in cost of services revenue was primarily the result of higher employee compensation of $1.7 million resulting from higher headcount and increased sales.

Operating Expenses

Sales and Marketing. Sales and marketing expenses increased $5.7 million, or 15%, from $37.6 million in fiscal 2004 to $43.2 million in fiscal 2005. The increase was primarily due to a $3.0 million increase in employee compensation resulting from higher headcount, a $1.4 million increase in commission expense on higher revenue levels and a $0.9 million increase in travel and entertainment expenses. Movements in foreign exchange rates accounted for $0.7 million of the $5.7 million increase in sales and marketing expenses.

Research and Development. Research and development expenses increased $1.0 million, or 6%, from $16.2 million in fiscal 2004 to $17.2 million in fiscal 2005. The increase was primarily due to higher employee compensation expenses.

General and Administrative. General and administrative expenses increased $0.4 million, or 4%, from $8.6 million in fiscal 2004 to $9.0 million in fiscal 2005. The increase primarily reflected $1.4 million of higher employee compensation partially offset by a decrease in legal and accounting fees totaling $0.8 million primarily related to an offering that did not occur.

Depreciation and Amortization. Depreciation expense remained at $1.4 million from fiscal 2004 to fiscal 2005. This reflects higher depreciation associated with increased capital expenditures primarily for product development and other computer-related equipment, offset by certain fixed assets in our development laboratory becoming fully depreciated.

Interest Income

Interest income increased $0.2 million from $0.1 million in fiscal 2004 to $0.3 million in fiscal 2005. The increase was due to higher interest rates and higher cash balances in our deposit accounts.

Income Tax (Expense) Benefit

Income tax expense increased from zero in fiscal 2004 to approximately $0.2 million in fiscal 2005 as a result of alternative minimum taxes due to the U.S. federal government as well as various state income taxes.

Liquidity and Capital Resources

We have financed our operations to date primarily through the private placements of preferred equity securities and common stock as described below and, to a much lesser extent, through funds from operations. As of March 31, 2006, we had $48.0 million of cash and cash equivalents. The cumulative amount of preferred equity financing to date is $141.3 million, of which approximately $25.0 million was paid to Lucent in connection with the 1996 purchase of the CommVault business. The remaining proceeds from all equity financings to date have been used to provide working capital to fund our growth, which includes the costs associated with transitioning from the Vault 98 platform to QiNetix.

Net cash provided by operating activities was $0.9 million, $3.8 million and $25.9 million in fiscal 2004, 2005 and 2006, respectively. In fiscal 2005 and 2006, cash generated by operating activities was primarily due to net income adjusted for the impact of noncash charges and an increase in deferred services revenue. In fiscal 2004, cash generated by operating activities was primarily the result of an increase in deferred revenue offset by our net loss for that year.

Net cash used in investing activities was $1.2 million, $1.9 million and $2.8 million in fiscal 2004, 2005 and 2006, respectively. Cash used in investing activities in each period was due to purchases of property and equipment.

Net cash provided by (used in) financing activities was $15.4 million in fiscal 2004, and minimal in both fiscal 2005 and fiscal 2006. In fiscal 2004, cash provided by financing activities was primarily attributable to net proceeds from the issuance of convertible preferred stock.

Working capital increased $0.3 million from $13.2 million as of March 31, 2004 to $13.4 million as of March 31, 2005, primarily due to cash generated as a result of $0.5 million in net income during fiscal 2005, a $2.8 million increase in accounts receivable as a result of higher sales and a $1.1 million decrease in accounts payable, partially offset by a $3.4 million increase in deferred revenue during the fiscal year ended March 31, 2005. Deferred revenue, which is a current liability, primarily represents amounts paid by customers for services in advance of those services being performed by us and subsequently will be recognized as services revenue when earned.

Working capital increased $10.7 million from $13.4 million as of March 31, 2005 to $24.1 million as of March 31, 2006, primarily due a $23.2 million increase in cash and cash equivalents, partially offset by a $10.5 million increase in deferred revenue and a $2.2 million increase in accrued liabilities during the fiscal year ended March 31, 2006. The increase in cash and cash equivalents is primarily due to higher net income, stronger collection efforts of our accounts receivable and the increase in deferred revenue.

We entered into a new $20 million term loan with Silicon Valley Bank pursuant to which we intend to borrow $ million on or immediately prior to the closing date of this offering in connection with the payments to the holders of our Series A, B, C, D and E preferred stock. The term loan is secured by substantially all of our assets. Borrowings under the term loan bear interest at a rate equal to 30-day LIBOR plus 1.50% with principal and interest to be repaid in quarterly installments over a 24-month period. The term loan requires us to maintain a "quick ratio," as defined in the term loan agreement, of at least 1.50 to 1. We estimate the payments under this term loan will be $ million in fiscal 2007, $ million in fiscal 2008 and $ million in fiscal 2009. The term loan will mature in fiscal 2009.

In connection with the offering, all of our outstanding preferred stock will convert into shares of common stock. A summary of our private placements of preferred stock (and, in the

case of the Series A, B, C, D and E preferred stock, common stock that we issued concurrently therewith) is set forth below:

Date of Financing	Preferred Stock Series	Total Amount
		(In millions)
May 1996	A	$ 30.7
July 1997	B	5.2
December 1997	C	5.0
October 1998	D	3.0
March 1999	E	3.0
April 2000	AA	25.0
December 2000	BB	33.4
February 2002	CC	21.3
September 2003	CC	14.7
Total		$ 141.3

In addition, we issued approximately $0.7 million of Series D preferred stock to N. Robert Hammer, our Chairman, President and Chief Executive Officer, in the form of stock in lieu of cash compensation for his services as chief executive officer for the period from December 1998 to December 2000. Such stock compensation was expensed during the same period.

Upon the closing of the offering, in accordance with the terms of each series of preferred stock as set forth in our Certificate of Incorporation, our Series A, B, C, D and E preferred stock will be converted into shares of our common stock and will also have the right to receive:

- $14.85 per share, or $47.0 million in the aggregate; and
- accumulated and unpaid dividends of $1.788 per share per year since the date the shares of preferred stock were issued, or $ million in the aggregate, assuming that this offering closes on 2006.

We intend to use the net proceeds from the sale of shares by us of $ million (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover of this prospectus), together with proceeds of $ million from the concurrent private placement (based on an offering price of $ per share, the midpoint of the estimated price range shown on the cover of this prospectus) and borrowings of $ million under our new term loan, to pay $ million in satisfaction of amounts due on our Series A, B, C, D and E preferred stock upon its conversion into common stock.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering and the concurrent private placement by $ million and would decrease (increase) the amount of borrowings on the closing date under our new term loan by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The outstanding shares of Series AA, BB and CC preferred stock will be converted into a total of shares of common stock, in accordance with the terms of such series of preferred stock as set forth in our Certificate of Incorporation.

We believe that our existing cash, cash equivalents and borrowings under our new term loan will be sufficient to meet our anticipated cash needs for working capital and capital expenditures for at least the next 12 months. We cannot assure you that this will be the case or that our assumptions regarding revenues and expenses underlying this belief will be accurate. We may seek additional funding through public or private financings or other arrangements during this period. Adequate funds may not be available when needed or may not be available on terms favorable to us, or at all. If additional funds are raised by issuing equity securities, dilution to existing stockholders will result. If we raise additional funds by

obtaining loans from third parties, the terms of those financing arrangements may include negative covenants or other restrictions on our business that could impair our operational flexibility, and would also require us to fund additional interest expense. If funding is insufficient at any time in the future, we may be unable to develop or enhance our products or services, take advantage of business opportunities or respond to competitive pressures, any of which could have a material adverse effect on our business, financial condition and results of operations.

Summary Disclosures about Contractual Obligations and Commercial Commitments

Our material capital commitments consist of obligations under facilities and operating leases. We anticipate that we will experience an increase in our capital expenditures and lease commitments consistent with our anticipated growth in operations, infrastructure and personnel and additional resources devoted to building our brand name and marketing and sales force.

We generally do not enter into binding purchase commitments. The following table summarizes our existing obligations as of March 31, 2006 with regards to payments due under operating leases and an equipment term loan (dollars in thousands):

	Payments Due By March 31,						
Contractual Obligations(1)	**Total**	**2007**	**2008**	**2009**	**2010**	**2011**	**Thereafter**
Operating leases	$ 6,293	$ 2,784	$ 2,392	$ 891	$ 178	$ 48	$ —

(1) In connection with this offering, we intend to enter into a new $20 million term loan pursuant to which we intend to borrow $ million on or immediately prior to the closing date of this offering. We estimate the payments under this term loan will be $ million in fiscal 2007, $ million in fiscal 2008 and $ million in fiscal 2009. The term loan will mature in fiscal 2009.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would (decrease) increase our borrowings under our new term loan on the closing date and would (decrease) increase the payments under this term loan in fiscal 2007 by $, in fiscal 2008 by $, and in fiscal 2009 by $, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same.

We offer a 90-day limited product warranty for our software. To date, costs relating to this product warranty have not been material.

Off-Balance Sheet Arrangements

As of March 31, 2006, we had no off-balance sheet arrangements.

Indemnifications

Our software licensing agreements contain certain provisions that indemnify our customers from any claim, suit or proceeding arising from alleged or actual intellectual property infringement. These provisions continue in perpetuity along with our software licensing agreements. We have never incurred a liability relating to one of these indemnification provisions in the past and we believe that the likelihood of any future payout relating to these provisions is remote. Therefore, we have not recorded a liability during any period related to these indemnification provisions.

Recent Accounting Pronouncements

In December 2004, the FASB issued SFAS No. 123 (revised 2004), *Share-Based Payment* ("SFAS No. 123(R)"), which replaces SFAS No. 123 and supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees.* SFAS No. 123(R) addresses the accounting for transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. SFAS No. 123(R) requires all share-based payments to

employees, including grants of employee stock options and restricted stock grants, to be recognized as a compensation cost based on their fair values. The pro forma disclosures previously permitted under SFAS No. 123 no longer will be an alternative to financial statement recognition. We will adopt SFAS No. 123(R) on April 1, 2006 using the modified prospective approach and expect that the adoption of SFAS No. 123(R) will have a material impact on our consolidated results of operations, although it will not impact our overall financial position. The future results will be impacted by the number and value of additional stock option grants subsequent to adoption and the rate of cancellation of unvested grants. We estimate that we will record stock-based compensation expense of approximately $5.4 million in fiscal 2007 and $5.1 million in fiscal 2008 under SFAS No. 123(R) using the Black-Scholes option-pricing method based on existing unvested options. Our stock-based compensation expenses will increase when additional stock option grants are awarded.

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

As of March 31, 2006, our cash and cash equivalents balance consisted primarily of money market funds. Due to the short-term nature of these investments, we are not subject to any material interest rate risk on these balances.

Foreign Currency Risk

As a global company, we face exposure to adverse movements in foreign currency exchange rates. Our international sales are generally denominated in foreign currencies, and this revenue could be materially affected by currency fluctuations. Approximately 29% of our sales were outside the United States in fiscal 2006. Our primary exposures are to fluctuations in exchange rates for the U.S. dollar versus the Euro and, to a lesser extent, the Australian dollar, British pound sterling, Canadian dollar and Chinese yuan. Changes in currency exchange rates could adversely affect our reported revenues and require us to reduce our prices to remain competitive in foreign markets, which could also have a material adverse effect on our results of operations. Historically, we have periodically reviewed and revised the pricing of our products available to our customers in foreign countries and we have not maintained excess cash balances in foreign accounts. To date, we have not hedged our exposure to changes in foreign currency exchange rates and, as a result, could incur unanticipated gains or losses.

We estimate that a 10% change in foreign exchange rates would impact our reported operating profit by approximately $1.4 million annually. This sensitivity analysis disregards the possibilities that rates can move in opposite directions and that losses from one geographic area may be offset by gains from another geographic area.

BUSINESS

Company Overview

CommVault is a leading provider of data management software applications and related services in terms of product breadth and functionality and market penetration. We develop, market and sell a unified suite of data management software applications under the QiNetix (pronounced “kinetics”) brand. QiNetix is specifically designed to protect and manage data throughout its lifecycle in less time, at lower cost and with fewer resources than alternative solutions while minimizing the cost and complexity of managing that data. QiNetix provides our customers with:

- high-performance data protection, including backup and recovery;
- disaster recovery of data;
- data migration and archiving;
- global availability of data;
- replication of data;
- creation and management of copies of stored data;
- storage resource discovery and usage tracking;
- data classification; and
- management and operational reports and troubleshooting tools.

Our products and capabilities enable our customers to deploy solutions for data protection, business continuance, corporate compliance and centralized management and reporting. We also provide our customers with a broad range of highly effective professional services that are delivered by our worldwide support and field operations.

QiNetix enables our customers to simply and cost-effectively protect and manage their enterprise data throughout its lifecycle, from data center to remote office, covering the leading operating systems, relational databases and applications. In addition to addressing today’s data management challenges, our customers can realize lower capital costs through more efficient use of their enterprise-wide storage infrastructure assets, including the automated movement of data from higher cost to lower cost storage devices throughout its lifecycle and through sharing and better utilization of storage resources across the enterprise. QiNetix can also provide our customers with reduced operating costs through a variety of features, including fast application deployment, reduced training time, lower cost of storage media consumables, proactive monitoring and analysis, simplified troubleshooting and lower administrative costs.

QiNetix is built upon a new innovative architecture and a single underlying code base that consists of:

- an indexing engine that systematically identifies and organizes all data, users and devices accessible to our software products;
- a cataloging engine that contains a global database describing the nature of all data, such as the users, applications and storage with which it is associated;
- a policy engine that enables customers to set rules to automate the management of data;
- a data movement engine that transports data using network communication protocols; and
- a media management engine that controls and catalogs disk, tape and optical storage devices, as well as the data written to them.

We refer to this single, unified code base underlying each of our QiNetix applications as our Common Technology Engine. Each data management software application within our QiNetix suite is designed to be best-in-class and is fully integrated into our Common Technology Engine. Our unified architectural design is unique and differentiates our products from those of our competitors, some of whom offer similar applications built upon disparate underlying software architectures, which we refer to as point products. We believe the disparate underlying software architectures of their products inhibit our competitors’ ability to match the seamless management, interoperability and scalability of our internally developed unified suite and common user interface.

We have established a worldwide multi-channel distribution network to sell our software and services to large global enterprises, small and medium sized businesses and government agencies, both directly through our sales force and indirectly through our global network of value-added reseller partners, systems integrators, corporate resellers and original equipment manufacturers. Our original equipment manufacturer partners include Dell, Hitachi Data Systems and Incentra Solutions, Inc. As of March 31, 2006, we had licensed our data management software to more than 3,700 registered customers.

CommVault's executive management team has led the growth of our business, including the development and release of all our QiNetix software since its introduction in February 2000. Under the guidance of our management team, we have sustained technical leadership with the introduction of eight new data management applications and have garnered numerous industry awards and recognition for our innovative solutions.

Industry Background

The driving forces for the growth of the data management software industry are the rapid growth of data and the need to protect and manage that data.

Data is widely considered to be one of an organization's most valued assets. The increasing reliance on critical enterprise software applications such as e-mail, relational databases, enterprise resource planning, customer relationship management and workgroup collaboration tools is resulting in the rapid growth of data across all enterprises. New government regulations, such as those issued under the Sarbanes-Oxley Act, the Health Insurance Portability and Accountability Act (HIPAA) and the Basel Committee on Banking Supervision (Basel II), as well as company policies requiring data preservation, are expanding the proportion of data that must be archived and easily accessible for future use. In addition, ensuring the security and integrity of the data has become a critical task as regulatory compliance and corporate governance objectives affecting many organizations mandate the creation of multiple copies of data with longer and more complex retention requirements. We believe that worldwide disk storage systems exceeded 1.2 million terabytes in 2004 and are forecasted to grow to nearly 10.6 million terabytes in 2009, representing an estimated annual growth rate of approximately 52%.

In addition to rapid data growth, data storage has transitioned from being server-attached to becoming widely distributed across local and global networked storage systems. Data previously stored on primary disk and backed up on tape is increasingly being backed up, managed and stored on a broader array of storage tiers ranging from high-cost, high-performance disk systems to lower-cost mid-range and low-end disk systems to tape libraries. This transition has been driven by the growth of data, the pervasive use of distributed critical enterprise software applications, the decrease in disk cost and the demand for 24/7 business continuity.

The recent innovations in storage and networking technologies, coupled with the rapid growth of data, have caused information technology managers to redesign their data and storage infrastructures to deliver greater efficiency, broaden access to data and reduce costs. The result has been the wide adoption of larger and more complex networked data and storage solutions, such as storage area networks (SANs) and network-attached storage (NAS). In addition to those trends, regulatory compliance and corporate governance objectives are creating larger data archives having much longer retention periods that require information technology managers of organizations affected by these objectives to ensure the integrity, security and availability of data.

We believe that these trends are increasing the demand for software applications that can simplify data management, provide secure and reliable access to all data across a broad spectrum of tiered storage and computing systems and seamlessly scale to accommodate growth, while reducing the total cost of ownership to the customer. We believe that the storage management software market will grow from $5.6 billion in 2004 to $9.4 billion in 2009.

Limitations of Competing Data Management Software Products and Solutions

Many of our competitors' products were initially designed to manage smaller quantities of data in server-attached storage environments. As a result, we believe they are not as effective managing data in today's larger and more complex networked (SAN and NAS) environments. Given these limitations, we believe our competitors' products cannot be scaled as easily as ours and are more costly to implement and manage than our solutions.

Most data management software solutions are comprised of many individual point products built upon separate underlying architectures. This often requires the user to administer each individual point product using a separate, different user interface, and unique set of dedicated storage resources, such as disk and tape drives. The result can be a costly, difficult to manage environment that requires extensive administrative cross-training, offers little insight into storage resource use across the global enterprise, provides modest operational reporting and commands greater storage use. As a result, we believe competing data management software products do not fully address the following key requirements in today's data management environment:

- *Effective Management of Widely Distributed and Networked Data.* Most existing data management software products were designed to manage local server-attached storage environments, and do not as easily or effectively manage data in today's heterogeneous, widely distributed and tiered storage architectures.
- *Ease of Data Management Application Integration.* A number of vendors offering point products have attempted to address distributed and networked storage management requirements, but these disparate products are not easily integrated with other data management applications and can result in additional costs to the user, including storage infrastructure costs and higher implementation, training, administration, maintenance and support costs.
- *Global Scalability.* Data management solutions consisting of combinations of point products initially designed to address server-attached storage environments have underlying software architectures that are both cumbersome to deploy and more difficult to scale across networked storage and geographic boundaries.
- *Centralized Data Management.* Most data management solutions consisting of combinations of point products lack the ability to comprehensively manage all data management applications across the global enterprise from a single, unified point of control.
- *Ability to Effectively Prioritize Stored Data Across Applications.* Several existing solutions include combinations of point products that attempt to manage data based on its assigned priority in a tiered storage environment. However, these offerings lack a specifically designed tiered storage management architecture that can seamlessly integrate the classification, indexing and cataloging of data with features that enable user-defined policies and automated migration of data across a tiered storage environment.
- *Lower Total Cost of Ownership.* The inherent limitations of many data management software products can result in increased capital and operating costs. These costs are related to the increased use of storage hardware and media, additional infrastructure requirements (such as servers and storage network devices) and higher personnel costs, including implementation, training, administration, maintenance and support.

We believe that there is and will continue to be significant demand for a unified, comprehensive and scalable suite of data management software applications specifically designed to centrally and cost-effectively manage increasingly complex enterprise data environments.

Our Solution

We provide our customers with a unified, comprehensive and scalable suite of data management software applications that are fully integrated into our Common Technology Engine. Our software enables

centralized protection and management of globally distributed data while reducing the total cost of managing, moving, storing and assuring secure access to that data from a single browser-based interface. QiNetix provides our customers with high-performance data protection, including backup and recovery, disaster recovery of data, data migration and archiving, global data availability, replication of data, creation and management of copies of stored data, storage resource discovery and usage tracking, data classification, management and operational reports and troubleshooting tools.

QiNetix fully interoperates with a wide variety of operating systems, applications, network devices, protocols, storage arrays, storage formats and tiered storage infrastructures, providing our customers with the flexibility to purchase and deploy a combination of hardware and software from different vendors. As a result, our customers can purchase and use the optimal hardware and software for their needs, rather than being restricted to the offerings of a single vendor. Key benefits of our software and related services include:

- *Dynamic Management of Widely Distributed and Networked Data.* QiNetix is specifically designed to optimize management of data on tiered storage and widely distributed data environments, including SAN and NAS. Our architecture enables the creation of policies that automate the movement of data based on business goals for availability, recoverability and disaster tolerance. User-defined policies determine the storage media on which data should reside based on its assigned value.
- *Unified Suite of Applications Built upon a Common Technology Engine.* All QiNetix applications share common components of our underlying software code, which drives significant cost savings versus the point products or loosely integrated solutions offered by our competitors. In addition, we believe that each of the individual data management applications in our QiNetix suite delivers superior performance, functionality and total cost of ownership benefits. These solutions can be delivered to our customers either as part of our unified suite or as stand-alone applications. We also believe that our architecture will allow us to more rapidly introduce new applications that will enable us to expand beyond our current addressable market.
- *Global Scalability and Seamless Centralized Data Management.* Our software is highly scalable, enabling our customers to keep pace with the growth of data and technologies deployed in their enterprises. We use the same underlying software architecture for large global enterprise, small and medium sized business and government agency deployments. We offer a centralized, browser-based management console from which policies automatically move data according to users' needs for data access, availability and cost objectives. With QiNetix, our customers can automate the discovery, management and monitoring of enterprise-wide storage resources and applications.
- *State-of-the-Art Customer Support Services.* We offer 24/7 global technical support. Our support operations center at our Oceanport, New Jersey headquarters is complemented by local support resources, including centers in Europe, Australia, India and China. Our worldwide customer support organization provides comprehensive local and remote customer care to effectively address issues in today's complex storage networking infrastructures. Our customer support process includes the expertise of product development, field and customer support engineers. In addition, we incorporate into our software many self-diagnostic and troubleshooting capabilities and provide automated web-based support capabilities to our customers. Furthermore, we have implemented a voice-over-IP telephony system to tie our worldwide support centers together with an integrated call center messaging and trouble ticket management system.
- *Superior Professional Services.* We are committed to providing high-value, superior professional services to our customers. Our Global Professional Services group provides complete business solutions that complement our software sales and improve the overall user experience. Our end-to-end services include assessment and design, implementation, post-deployment and training services. These services help our customers improve the protection, disaster recovery, availability, security and regulatory compliance of their global data assets while minimizing the overall cost and complexity of their data infrastructures.

- *Lower Total Cost of Ownership.* Our software solutions built on our QiNetix architecture enable our customers to realize compelling total cost of ownership benefits, including reduced capital costs, operating expenses and support costs.

Our Strategy

Our objective is to enhance our position as a leading supplier of data management software and services. Our key strategic initiatives are to continue:

- *Extending our Technology Leadership, Product Breadth and Addressable Markets.* We intend to use our technology base, internal development capabilities and strategic industry relationships to extend our technology leadership in providing software to manage globally distributed data. Specifically, we plan to continuously enhance existing software applications and introduce new data management software applications that address emerging data and storage management trends, incorporate advances in hardware and software technologies as they become available and take advantage of market opportunities.
- *Enhancing and Expanding our Customer Support and Other Professional Services Offerings.* We plan to continue investing in the people, partners, technologies, software and services enhancements necessary to provide our customers with the industry's most comprehensive product support and professional services. We intend to continue creating and delivering innovative services offerings and product enhancements that result in faster deployment of our software, simpler system administration and rapid resolution of problems. We also intend to enhance our web-based support initiatives and broaden our global support infrastructure.
- *Expanding Distribution Channels and Geographic Markets Served.* We plan to continue investing in the expansion of our distribution channels, both geographically and across all enterprises. We intend to maintain and grow our direct sales force as well as our distribution relationships, including those with value-added resellers, corporate resellers, systems integrators and original equipment manufacturers. We have made significant investments to extend our global reach, such as establishing sales and support offices in China and a development and support office in India. We intend to continue making investments to extend our global reach and increase our distribution throughout the Americas, Europe, Australia and Asia.
- *Broadening and Developing Strategic Relationships.* We plan to broaden our distribution and technology partnerships to increase existing product sales and introduce new applications. Our unified platform simplifies integration with our partners' solutions and the implementation of unique functionality to meet their needs. We also intend to broaden our existing relationships and develop new relationships with leading technology partners, including software application and infrastructure hardware vendors. We believe that these types of strategic relationships will allow us to package and distribute our data management software to our partners' customers, increase sales of our software through joint-selling and marketing arrangements and increase our insight into future industry trends.

Products

Our QiNetix suite is comprised of eight distinct data management software applications, all of which share our Common Technology Engine. Each application (other than Data Classification and QNet) can be used individually or in combination with other applications of our unified suite. The following table summarizes the components of our unified QiNetix suite:

QiNetix Suite of Data Management Applications	Functionality
• **Galaxy Backup and Recovery**	High-performance backup and restoration of enterprise data
• **QuickRecovery**	Recovery of files and applications by taking advantage of snapshot technologies
• **ContinuousDataReplicator**	Continuous capture of changes to data and copying of those changes to a secondary location for disaster recovery and fast recovery of individual files
• **DataMigrator**	Active migration and archiving of data to less expensive secondary storage indexed for search and retrieval
• **DataArchiver**	Archiving and indexing of e-mail messages and attachments for compliance and legal discovery purposes
• **Data Classification**	Creation of a catalog of key attributes about primary data to enable intelligent, automated policy-based data movement and management
• **StorageManager**	Storage resource discovery and usage tracking of applications, files, organizations and individual users
• **QNet**	Consolidated management and reporting on data management service levels and data movement operations

QiNetix Galaxy Backup and Recovery

QiNetix Galaxy provides high-performance backup of enterprise applications and data for restoration when information is accidentally deleted, when disks fail, when servers need to be rebuilt or for disaster recovery of servers. Policies define when and how data is protected and stored, providing efficient use of storage devices and media, including drive and device sharing.

QiNetix QuickRecovery

QiNetix QuickRecovery recovers application data and files from disks to minimize disruption of a customer's operations. Using snapshot technologies to create one or more point-in-time recovery images, QuickRecovery offers users the ability to rapidly recover data from alternative points in time. The software incorporates block-level data movement and features a simple interface that creates, tracks, administers and manages point-in-time snapshots of data for testing, recovery and/or business continuance.

QiNetix ContinuousDataReplicator

QiNetix ContinuousDataReplicator continuously captures file-level changes to data and copies those changes to a secondary system to protect from disk, server or site loss. The software retains multiple point-in-time copies of the data at the secondary location, offering flexible recovery options back to the primary location. ContinuousDataReplicator reduces risk of lost data and can simplify a customer's operations by centralizing data from many remote office locations into a single location, leveraging systems and personnel expertise rather than having to duplicate resources at every location.

QiNetix DataMigrator

QiNetix DataMigrator actively moves less-used or older data from higher-cost primary storage to less expensive secondary storage and indexes it for search and retrieval purposes without disrupting how applications or end users access information. By shrinking the amount of data stored on primary storage, DataMigrator can also reduce the amount of time needed for backup and information technology administration, while improving computing system performance. A single, comprehensive capacity management solution for Windows, UNIX, Linux, Microsoft Exchange, Novell Netware and other environments, DataMigrator can help reduce capital expenditures on new primary storage.

QiNetix DataArchiver

QiNetix DataArchiver archives and indexes e-mail messages and attachments to help organizations meet compliance, regulatory and legal discovery requirements. The software offers extensive search capabilities to rapidly locate and retrieve e-mail messages. Full-text indexing and keyword searching allows administrators and compliance officers to find and retrieve e-mail messages by searching e-mail header data along with message and attachment content.

QiNetix Data Classification

QiNetix Data Classification creates a catalog of key attributes of unstructured data stored on primary computing systems, complementing the indexing of applications and data on secondary storage resources provided by other QiNetix applications. The software enhances how administrators can manage data by offering a broad set of attributes, instead of just its physical location. Data Classification helps enterprises more precisely organize and manage tiered classes of data throughout its lifecycle. Currently, Data Classification can only be used in combination with our other products.

QiNetix StorageManager

QiNetix StorageManager discovers, tracks and reports on primary disk storage by users, enterprises, files and applications. Its comprehensive view of hosts, applications and storage resources provides detailed reports on disk storage assets, usage, trends and costs. The software also offers the ability to view links between logical entities (such as applications and files) and physical storage resources. StorageManager enables enterprises to better use storage resources that they already have, as well as plan ahead for future needs.

QiNetix QNet

QiNetix QNet consolidates management and reporting of data management service levels and data movement operations within a single browser interface. QNet collects information from our data management applications and can correlate it to primary and secondary storage use, including data characteristics, giving an end-to-end lifecycle view of data. In addition, QNet can project secondary storage resource consumption, enabling users to determine if they have sufficient storage capacity and help plan for future needs. The software also provides operational reports detailing performance versus operation service level objectives.

Our QiNetix suite includes intelligent operations management capabilities (iQ Ops) to simplify the management of complex data and network and storage information technology operations. iQ Ops provides proactive and reactive monitoring and reporting functions, alert notification and analysis enabling customers to quickly detect, troubleshoot and resolve potential problems. Combined with the reliability and resiliency features of our Common Technology Engine, iQ Ops enables our customers to improve overall operations with higher system availability.

CommVault and our QiNetix applications have received numerous industry awards and recognition. In July 2005, CommVault was placed in the “Leaders Quadrant” of the Gartner Enterprise Backup/Recovery Software market Magic Quadrant. Also in 2005, our Galaxy software earned top rating over its

direct competitors and was awarded the Diogenes Labs-Storage magazine Quality Award in the enterprise backup and recovery software category. In 2004, our QiNetix suite was voted an "Innovation Award Winner" and in 2005, the "best solution" by senior IT executives at the Midsize Enterprise Summit. Storage magazine and SearchStorage.com gave our QiNetix suite the 2003 "Gold Medal" for Backup and Disaster Recovery Software. Storage magazine and SearchStorage.com similarly gave our Galaxy software the 2002 "Gold Medal" for Backup and Disaster Recovery Software. In 2003, our software applications were named by Network Magazine as "Backup/Recovery Software Product of the Year" and by eWEEK and PC Magazine as "Best of Show Enterprise Storage" at the CeBit America trade show. In 2002, our Galaxy software was named by Microsoft Certified Professional Magazine as "Editor's Choice: Products We Love" for backup. We believe that these awards increase our market recognition and enhance selling efforts.

Services

A comprehensive global offering of customer support and other professional services is critical to the successful marketing, sale and deployment of our software. From planning to deployment to operations, we offer a complete set of technical services, training and support options that maximize the operational benefits of our QiNetix suite. Our commitment to superior customer support is reflected in the breadth and depth of our services offerings as well as in our ongoing initiatives to engineer resiliency, automation and serviceability features directly into our products.

We have established a global customer support organization built specifically to handle our expanding customer base. We offer multiple levels of customer support that can be tailored to the customer's response needs and business sensitivities. Our customer support services consist of:

- *Real-Time Support.* Our support staff are available 24/7 by telephone to provide first response and manage the resolution of customer issues. In addition to phone support, our customers have access to an online product support database for help with troubleshooting and operational questions. Innovative use of web-based diagnostic tools provides problem analysis and resolution often without the need for onsite support personnel. Our software design is also an important element in our comprehensive customer support, including "root cause" problem analysis, intelligent alerting and troubleshooting assistance. Our software is directly linked to our online support database allowing customers to analyze problems without engaging our technical support personnel.
- *Significant Network and Hardware Expertise.* Our support engineers have extensive knowledge of complex applications, servers and networks. We proactively take ownership of the customer's problem, regardless of whether the issue is directly related to our products or to those of another vendor. We have also developed and maintain a knowledge library of storage systems and software products to further enable our support organization to quickly and effectively resolve customer problems.
- *Global Operations.* We enhanced our Oceanport, New Jersey support operations with a new state-of-the-art technical support center which became operational in April 2006. We also have established key support operations in Hyderabad, India, Oberhausen, Germany and Shanghai, China, which are complemented by regional support centers in other worldwide locations. Furthermore, we have implemented a voice-over-IP telephony system to tie our worldwide support centers together with an integrated call center messaging and trouble ticket management system. We have designed our support infrastructure to be able to scale with the increasing globalization of our customers.

We also provide a wide range of other professional services that consist of:

- *Assessment and Design Services.* Our assessment and design services assist customers in determining data and storage management requirements, designing solutions to meet those requirements and planning for successful implementation and deployment.

- *Implementation and Post-deployment Services.* Our professional services team helps customers efficiently configure, install and deploy our QiNetix suite based on specified business objectives. Our SystemCare Review Services assist our customers with assessing the post-deployment operational performance of our QiNetix suite.
- *Training Services.* We provide global onsite and offsite training for our products. Packaged or customized customer training courses are available in instructor-led or computer-based formats. We offer in-depth training and certification for our resellers in pre- and post-sales support methodologies, including web access to customizable documentation and training materials.

Strategic Relationships

An important element of our strategy is to establish relationships with third parties to assist us in developing, marketing, selling and implementing our software and services. We believe that strategic and technology-based relationships with industry leaders are fundamental to our success. We have forged numerous relationships with software application and hardware vendors to enhance our combined capabilities and to create the optimal combination of data management applications. This approach enhances our ability to expand our product offerings and customer base and to enter new markets. We have established the following types of strategic relationships:

Product and Technology Relationships. We maintain strategic product and technology relationships with major industry leaders to ensure that our software applications are integrated with, supported by and add value to our partners' hardware and software products. Collaboration with these market leaders allows us to provide applications that enable our customers to improve data management efficiency.

Our significant strategic relationships include Dell, Hitachi Data Systems and Microsoft. In addition to these relationships, we maintain relationships with a broad range of industry vendors to verify and demonstrate the interoperability of our software applications with their equipment and technologies. These vendors include Brocade Communications Systems, Inc., Cisco Systems, Inc., EMC, Hewlett-Packard, IBM, Network Appliance, Inc., Novell, Inc., Oracle Corporation and SAP AG.

Value-Added Reseller, Systems Integrator, Corporate Reseller and Original Equipment Manufacturer Relationships. Our corporate resellers bundle or sell our software applications together with their own products, and our value-added resellers resell our software applications independently. As of March 31, 2006, we had over 300 reseller partners and systems integrators distributing our software worldwide.

In order to broaden our market coverage, we have original equipment manufacturer distribution agreements with Dell and Hitachi Data Systems. Under these agreements, the original equipment manufacturers sell, market and support our software applications and services independently and/or incorporate our software applications into their own hardware products. Our original equipment manufacturer agreements do not contain any minimum purchase or sale commitments. In addition to our original equipment manufacturer agreement with Dell, we also have a corporate reseller agreement with the Dell Software and Peripherals division.

Customers

We sell our suite of data management software applications and related services directly to large global enterprises, small and medium sized businesses and government agencies, and indirectly through value-added resellers, systems integrators, corporate resellers and original equipment manufacturer partners. As of March 31, 2006, we had licensed our software applications to more than 3,700 registered customers in a broad range of industries, including banking, insurance and financial services, government, healthcare, pharmaceuticals and medical services, technology, legal, manufacturing, utilities and energy. A representative sample of well-known customers with a significant deployment of CommVault software includes Ace Hardware Corporation, Centex Homes, Clifford Chance LLP, Cozen O'Connor, Halcrow Group Ltd., Newell Rubbermaid Inc., North Fork Bank, Ricoh Company, Ltd., the United Kingdom's Department of International Development and Welch Foods Inc.

Sales through our original equipment manufacturer agreement with Dell accounted for approximately 2% of our revenues for the year ended March 31, 2005 and 7% of our total revenues for fiscal 2006. Sales through our reseller agreement with Dell accounted for approximately 11% of our total revenues for fiscal 2005 and 2006. Dell is an original equipment manufacturer and a reseller that purchases software from us for resale to its customers, but is not the end user of our software. Sales to the U.S. federal government accounted for approximately 9% of our total revenues for fiscal 2005 and 8% of our total revenues for fiscal 2006.

Technology

Our Common Technology Engine serves as a major differentiator versus our competitors' data management software products. Our Common Technology Engine's unique indexing, cataloging, data movement, media management and policy technologies are the source of the performance, scale, management, cost of ownership benefits and seamless interoperability inherent in all of our data management software applications. Additional options enable content search, data encryption and auditing features to support data discovery and compliance requirements. Each of these applications shares a common architecture consisting of three core components: intelligent agent software, data movement software and command and control software. These components may be installed on a single host server, or each may be distributed over many servers in a global network. Additionally, the modularity of our software provides deployment flexibility. The ability to share storage resources across multiple data management applications provides easier data management and lower total cost of ownership. We participate in industry standards groups and activities that we believe will have a direct bearing on the data management software market.

Our software architecture consists of integrated software components that are grouped together to form a CommCell. Components of a CommCell are as follows:

- one CommServe;
- one or more MediaAgents; and
- one or more iDataAgents.

Each highly scalable CommCell may be configured to reflect a customer's geographic, organizational or application environment. Multiple CommCells can be aggregated into a single, centralized view for policy-based management across a customer's local or global information technology environment.

- *CommServe.* The CommServe acts as the command and control center of the CommCell and handles all requests for activity between MediaAgent and iDataAgent components. The CommServe contains the centralized event and job managers and the index catalog. This database includes information about where data resides, such as the library, media and content of data. The centralized event manager logs all events, providing unified notification of important events. The job manager automates and monitors all jobs across the CommCell.
- *MediaAgent.* The MediaAgent is a media independent module that is responsible for managing the movement of data between the iDataAgents and the physical storage devices. Our MediaAgents communicate with a broad range of storage devices, generating an index for use by each of our QiNetix applications. The MediaAgent software supports most storage devices, including automated magnetic tape libraries, tape stackers and loaders, standalone tape drives and magnetic storage devices, magneto-optical libraries, virtual tape libraries, DVD-RAM and CD-RW devices.
- *iDataAgent.* The iDataAgent is a software module that resides on the server or other computing device and controls the data being protected, replicated, migrated or archived, often referred to simply as the "client" software. iDataAgents communicate with most open and network file systems and enterprise relational databases and applications, such as Microsoft Exchange, Microsoft SharePoint, Notes Domino Server, GroupWise, Oracle, Informix, Sybase, DB2 and SAP, to generate application aware indexes pertinent to granular recovery of application objects. The agent software contains the logic necessary to extract (or recover) data and send it to (or receive it from) the MediaAgent software.

Sales and Marketing

We sell our data and storage management software applications and related services to large global enterprises, small and medium sized businesses and government agencies. We sell through our worldwide direct sales force and our global network of value-added resellers, systems integrators, corporate resellers and original equipment manufacturer partners. As of March 31, 2006, we had 148 employees in sales and marketing. These employees are located in the Americas, Europe, Australia and Asia.

We have a variety of marketing programs designed to create brand recognition and market awareness for our product offerings and for sales lead generation. Our marketing efforts include active participation at trade shows, technical conferences and technology seminars; advertising; publication of technical and educational articles in industry journals; sales training; and preparation of competitive analyses. In addition, our strategic partners augment our marketing and sales campaigns through seminars, trade shows and joint advertising campaigns. Our customers and strategic partners provide references and recommendations that we often feature in our advertising and promotional activities.

Research and Development

Our research and development organization is responsible for the design, development, testing and certification of our data management software applications. As of March 31, 2006, we had 180 employees in our research and development group, of which 28 are located at our Hyderabad, India development center. Our engineering efforts support product development across all major operating systems, databases, applications and network storage devices. A substantial amount of our development effort goes into certification, integration and support of our applications to ensure interoperability with our strategic partners' hardware and software products. We have also made substantial investments in the automation of our product test and quality assurance laboratories. We spent $19.3 million on research and development activities in fiscal 2006, $17.2 million in fiscal 2005 and $16.2 million in fiscal 2004.

Competition

The data storage management market is intensely competitive, highly fragmented and characterized by rapidly changing technology and evolving standards. We currently compete with other providers of data management software as well as large storage hardware manufacturers that have developed or acquired their own data management software products. These manufacturers have the resources and capabilities to develop their own data management software applications, and many have been making acquisitions and broadening their efforts to include broader data management and storage products. These manufacturers and/or our other current and potential competitors may establish cooperative relationships among themselves or with third parties, creating new competitors or alliances. Large operating system and application vendors, including Microsoft, have introduced products or functionality that include some of the same functions offered by our software applications. In the future, further development by these vendors could cause our software applications and services to become redundant.

The following are our primary competitors in the data management software applications market, each of which has one or more products that compete with a part of or all of our software suite:

- CA (formerly known as Computer Associates International, Inc.);
- EMC;
- Hewlett-Packard;
- IBM; and
- Symantec.

The principal competitive factors in our industry include product functionality, product integration, platform coverage, ability to scale, price, worldwide sales infrastructure, global technical support, name recognition and reputation. The ability of major system vendors to bundle hardware and software solutions is also a significant competitive factor in our industry. Although many of our competitors have greater

resources, a larger installed customer base and greater name recognition, we believe we compete favorably on the basis of these competitive factors.

Intellectual Property and Proprietary Rights

Our success and ability to compete depend on our continued development and protection of our proprietary software and other technologies. We rely primarily on a combination of trade secret, patent, copyright and trademark laws, as well as contractual provisions, to establish and protect our intellectual property rights. We provide our software to customers pursuant to license agreements that impose restrictions on use. These license agreements are primarily in the form of shrink-wrap or click-wrap licenses, which are not negotiated with or signed by our end user customers. These measures may afford only limited protection of our intellectual property and proprietary rights associated with our software. We also enter into confidentiality agreements with employees and consultants involved in product development. We routinely require our employees, customers and potential business partners to enter into confidentiality agreements before we disclose any sensitive aspects of our software, technology or business plans.

As of May 31, 2006, we had nine issued patents and 63 pending patent applications in the United States and 13 issued patents and 75 pending patent applications in foreign countries. As of May 31, 2006, we also had 13 pending European Patent applications with the European Patent Office which, if allowed, may be converted into issued patents in various European Contracting States. Additionally, as of May 31, 2006, we had six pending patent applications under the Patent Cooperation Treaty, which we may convert into foreign patent applications in various Patent Cooperation Treaty Contracting States within the time periods specified in the treaty. Pending patent applications may receive unfavorable examination and are not guaranteed allowance as issued patents. We may elect to abandon or otherwise not pursue prosecution of certain pending patent applications due to patent examination results, economic considerations, strategic concerns or other factors. We will continue to assess appropriate occasions to seek patent and other intellectual property protection for innovative aspects of our technology that we believe provide us a significant competitive advantage.

Despite our efforts to protect our trade secrets and proprietary rights through patents and license and confidentiality agreements, unauthorized parties may still attempt to copy or otherwise obtain and use our software and technology. In addition, we intend to expand our international operations and effective patent, copyright, trademark and trade secret protection may not be available or may be limited in foreign countries. If we fail to protect our intellectual property and other proprietary rights, our business could be harmed.

We have entered into an original equipment manufacturer agreement with Critical Technologies, Inc. whereby we embed Critical Technologies' indexing software in our software applications for sale, as an option, to our customers. Our agreement with Critical Technologies expires on May 31, 2007 unless prior thereto either party gives at least 90 days notice of termination. In addition to our agreement with Critical Technologies, we currently resell certain software from Microsoft, including Microsoft SQL Server, used in conjunction with our software applications pursuant to an independent software vendor royalty license and distribution agreement that we have and plan to continue renewing annually. We also currently resell certain other software from Microsoft, including Windows Preinstallation Environment software, used in conjunction with our software applications, pursuant to an agreement with Microsoft that expires August 31, 2006. We have entered into and expect to enter into agreements with additional third parties to license their technology for use with our software applications.

Some of the products or technologies acquired, licensed or developed by us may incorporate so-called "open source" software and we may incorporate open source software into other products in the future. The use of such open source software may ultimately subject some products to unintended conditions which may negatively affect our business, financial condition, operating results, cash flow and ability to commercialize our products or technologies.

From time to time, we are participants or members of various industry standard-setting organizations or other industry technical organizations. Our participation or membership in such organizations may, in

some circumstances, require us to enter into royalty or licensing agreements with third parties regarding our intellectual property under terms established by those organizations, which we may find unfavorable.

In the United States, we own or have common law trademark rights in the following marks: CommVault, CommVault Systems, CommVault Galaxy, QiNetix and Unified Data Management. We also have several other trademarks and are actively pursuing trademark registrations in several foreign jurisdictions.

Employees

As of March 31, 2006, we had 612 employees worldwide, including 148 in sales and marketing, 180 in research and development, 83 in general administration and 201 in customer services and support. None of our employees are represented by a labor union. We have never experienced a work stoppage and believe our relationship with our employees is good.

Facilities

Our principal administrative, sales, marketing, customer support and research and development facility is located at our headquarters in Oceanport, New Jersey. We currently occupy approximately 115,000 square feet of office space in the Oceanport facility under the terms of an operating lease expiring in July 2008. We believe that our current facility is adequate to meet our needs for at least the next 12 months. We believe that suitable additional facilities will be available as needed on commercially reasonable terms. In addition, we have offices in the United States in Arizona, California, Florida, Georgia, Illinois, Massachusetts, New York, Oregon, Texas, Virginia and Washington; Ottawa, Ontario; Mississauga, Ontario; Reading, United Kingdom; Oberhausen, Germany; Utrecht, Netherlands; Beijing, China; Shanghai, China; Sydney, Australia; Col. Marte, Mexico; and Hyderabad, India.

Legal Proceedings

From time to time we are involved in litigation arising in the ordinary course of our business. We are not presently a party to any litigation the outcome of which, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, results of operations or financial condition.

MANAGEMENT

Directors and Executive Officers

The following table presents information with respect to our directors and executive officers as of March 1, 2006:

Name	Age	Position
N. Robert Hammer	64	Chairman, President and Chief Executive Officer
Alan G. Bunte	52	Executive Vice President and Chief Operating Officer
Louis F. Miceli	57	Vice President and Chief Financial Officer
Ron Miiller	38	Vice President of Sales, Americas
Anand Prahlad	38	Vice President, Product Development
Suresh P. Reddy	43	Vice President, Worldwide Technical Services & Support
Steven Rose	48	Vice President, Europe, Middle East and Asia
David West	40	Vice President, Marketing and Business Development
Thomas Barry(1)(2)	48	Director
Frank J. Fanzilli, Jr.(3)	49	Director
Armando Geday	44	Director
Keith Geeslin(3)	52	Director
Edward A. Johnson	43	Director*
F. Robert Kurimsky(1)(2)	67	Director
Daniel Pulver(3)	37	Director
Gary B. Smith(2)	45	Director
David F. Walker(1)(2)	52	Director

* Mr. Johnson will resign as a director immediately prior to the closing of the offering.

(1) Member of the Audit Committee.

(2) Member of the Nominations and Governance Committee.

(3) Member of the Compensation Committee.

N. Robert Hammer has served as our Chairman, President and Chief Executive Officer since March 1998. Mr. Hammer was also a venture partner from 1997 until December 2003 of the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC, an underwriter in this offering. Prior to joining the Sprout Group, Mr. Hammer served as the chairman, president and chief executive officer of Norand Corporation, a portable computer systems manufacturer, from 1988 until its acquisition by Western Atlas, Inc. in 1997. Mr. Hammer led Norand following its leveraged buy-out from Pioneer Hi-Bred International, Inc. and through its initial public offering in 1993. Prior to joining Norand, Mr. Hammer also served as chairman, president and chief executive officer of publicly-held Telequest Corporation from 1987 until 1988 and of privately-held Material Progress Corporation from 1982 until 1987. Prior to joining Material Progress Corporation, Mr. Hammer spent 15 years in various sales, marketing and management positions with Celanese Corporation, rising to the level of vice president and general manager of the structural composites materials business. Mr. Hammer obtained his bachelor's degree and master's degree in business administration from Columbia University.

Alan G. Bunte has served as our Executive Vice President and Chief Operating Officer since October 2003 and served as our senior vice president from December 1999 until October 2003. Prior to joining our company, Mr. Bunte served Norand Corporation from 1986 to January 1998, serving as its senior vice president of planning and business development from 1991 to January 1998. Mr. Bunte obtained his bachelor's and master's degrees in business administration from the University of Iowa.

Louis F. Miceli has served as our Vice President and Chief Financial Officer since April 1997 and has over 30 years of experience in various finance capacities for several high-technology companies. Prior to joining our company, Mr. Miceli served as chief financial officer of University Hospital, part of the University of Medicine and Dentistry of New Jersey (UMDNJ), from 1994 until 1997 and as the corporate controller of UMDNJ from 1992 until 1994. Prior to joining UMDNJ, Mr. Miceli served as the chief financial officer of Syntrex, Inc., a word processing software and hardware manufacturer, from 1985 until 1992, and as its controller from 1980 until 1985. Mr. Miceli began his career as a staff auditor at Ernst & Young LLP, where he served five years. Mr. Miceli obtained his bachelor's degree, *cum laude*, in accounting from Seton Hall University and is a certified public accountant in the State of New Jersey.

Ron Miiller has served as our Vice President of Sales, Americas since January 2005. Prior to his current role, Mr. Miiller served as our Central Region Sales Manager from March 2000 to December 2004. Prior to joining our company, Mr. Miiller served as Director, Central Region Sales for Softworks, Inc., an EMC company, from March 1997 through March 2000, and prior to that Mr. Miiller was with Moore Corporation, a diversified print and electronic communications company from 1989 through March 1997 in various leadership roles. Mr. Miiller received his bachelor of science degree in marketing from Ball State University in 1989.

Anand Prahlad has served as our Vice President, Product Development since May 2001 and has been with our company since 1994 as a software development and software developer manager and, from February 1999 to May 2001, as our senior director of product development. As a software developer, Mr. Prahlad oversaw the development of our QiNetix Galaxy software applications. Prior to joining our company, Mr. Prahlad was a software engineer with Mortgage Guaranty Insurance Corporation, a provider of private mortgage insurance coverage. Mr. Prahlad obtained his bachelor's degree from Jawaharlal Nehru Technological University in India and his master's degree in electrical and computer engineering from Marquette University.

Suresh P. Reddy has served as our Vice President, Worldwide Technical Services & Technical Support since April 2005. Mr. Reddy also served our company from 1990 through March 2005, serving as our Vice President, Worldwide Technical Services from September 2001 through March 2005, as our Western Regional Manager, Technical Services from March 1994 through July 1995 and again from March 1998 until August 2001, as our Director of Technical Services, Europe, Middle East and Asia from August 1995 to February 1998 and as a Systems Engineer from February 1990 to February 1994. Mr. Reddy obtained his bachelor's degree in mechanical engineering from Jawaharlal Nehru Technological University in India and his master's degree in computer sciences from the New Jersey Institute of Technology.

Steven Rose has served as our Vice President, Europe, Middle East and Asia since June 2006. Prior to joining our company, Mr. Rose served as Vice President, United Kingdom and Ireland of Veritas Software Corp. from 2003 to July 2005 and, after Veritas' merger with Symantec in July of 2005, as the United Kingdom Managing Director for the combined entity. Prior to joining Veritas, Mr. Rose served as Chief Executive Officer of CopperEye, a United Kingdom based software company, from 2002 to 2003, and prior to that served as Managing Director, Europe for FatWire Corporation, a New York based software company, from 2001 to 2002. Prior to joining FatWire, Mr. Rose served as the Managing Director, Europe of NEON Systems (UK) Ltd., a United Kingdom based company selling software products for systems integration, from 1997 to 2001. Prior to joining NEON Systems, Mr. Rose held several sales, marketing and general management positions with several software and systems companies, including TCAM Systems (UK) Ltd., Royal Blue Technologies, Ltd., and Network Systems Corporation. Mr. Rose attended the Royal Military Academy, Sandhurst and served as an officer in the British Army for six years.

David West has served as our Vice President, Marketing and Business Development since September 2005 and our Vice President, Business Development from August 2000 to September 2005. Prior to joining our company, Mr. West served as a director of strategic alliances from April 1999 to July 2000 and vice president of storage solutions in July 2000 at Legato Systems, Inc., which was subsequently acquired by EMC Corporation. Prior to joining Legato Systems, Mr. West served as vice president of sales at

Intelliguard Software, Inc., which was also subsequently acquired by EMC Corporation, from 1990 to April 1999. Mr. West obtained his bachelor's degree in electrical engineering from Villanova University.

Thomas Barry has served as a director of our company since our acquisition from Lucent in April 1996 and is chairman of our Nominations and Governance Committee. Mr. Barry periodically provides consulting services through T & M Barry Consulting LLC, which he formed in February 2002. Mr. Barry served as executive vice president of Glencoe Capital LLC from 1997 until 1998 and in several investment banking and corporate finance positions at Donaldson, Lufkin & Jenrette (now part of Credit Suisse Securities (USA) LLC) from 1980 through 1997. Mr. Barry obtained his bachelor's degree in accounting from Pace University and received a master of science in computer science from Columbia University in February 2002.

Frank J. Fanzilli, Jr. has served as a director of our company since July 2002. Mr. Fanzilli retired from active employment in March 2002. Prior to his retirement, Mr. Fanzilli spent 17 years at Credit Suisse First Boston LLC (now Credit Suisse Securities (USA) LLC), holding a variety of positions in information technology and rising to the level of managing director and chief information officer. Prior to joining Credit Suisse First Boston, Mr. Fanzilli spent seven years at IBM, where he managed systems engineering and software development for Fortune 50 accounts. Mr. Fanzilli obtained his bachelor's degree in management, *cum laude*, from Fairfield University and his master's in business administration, with distinction, from New York University. Mr. Fanzilli also serves on the board of directors of Interwoven, Inc., MLayers Inc. and Sona Mobile, Inc.

Armando Geday has served as a director of our company since July 2000. From April 1997 until February 2004, Mr. Geday served as president, chief executive officer and a director of GlobespanVirata, Inc., a digital subscriber line chipset design company. After GlobespanVirata was acquired by Conexant Systems, Inc. in 2004, Mr. Geday served as chief executive officer of Conexant from February 2004 until November 2004. Prior to joining GlobespanVirata, Mr. Geday served as vice president and general manager of the multimedia communications division of Rockwell Semiconductor Systems from 1986 to 1997. Prior to joining Rockwell, Mr. Geday held several other marketing and general management positions at Rockwell and Harris Semiconductor. Mr. Geday obtained his bachelor's degree in electrical engineering from the Florida Institute of Technology. Mr. Geday also serves on the board of directors of MagnaChip Semiconductor.

Keith Geeslin has served as a director of our company since May 1996 and is chairman of our Compensation Committee. Mr. Geeslin became a partner at Francisco Partners in January 2004, prior to which Mr. Geeslin spent 19 years with the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC, an underwriter in this offering. Prior to joining the Sprout Group, Mr. Geeslin was the general manager of a division of Tymshare, Inc. and held various positions at its Tymnet subsidiary from 1980 to 1984. Mr. Geeslin obtained his bachelor's degree in electrical engineering from Stanford University and master's degrees from Stanford University and Oxford University. Mr. Geeslin also serves on the board of directors of Synaptics, Inc. and Yipes Enterprise Services, Inc.

Edward A. Johnson has served as a director of our company since May 2005. Mr. Johnson has served as a managing director of Credit Suisse Securities (USA), LLC and a partner at DLJ Merchant Banking since the merger of Credit Suisse First Boston LLC (now Credit Suisse Securities (USA) LLC) with Donaldson, Lufkin & Jenrette in November 2000. Mr. Johnson initially joined Credit Suisse in September 1998. Credit Suisse Securities (USA) LLC is an underwriter in this offering. Prior to joining Credit Suisse, Mr. Johnson spent four years at Warburg Pincus, LLC in its private equity area, and spent two years as a consultant with the Boston Consulting Group. Prior to earning his master's in business administration, Mr. Johnson served as a refinery planner for Chevron Corporation. Mr. Johnson obtained his bachelor of science degree in chemical engineering from Stevens Institute of Technology and master's in business administration from the Wharton School of the University of Pennsylvania. Mr. Johnson also serves on the board of directors of Focus Diagnostics, Inc., Aircast Inc., Thompson Publishing Group and Wastequip, Inc. Mr. Johnson will resign his directorship immediately prior to the closing of this offering.

F. Robert Kurimsky has served as a director of our company since February 2001. Mr. Kurimsky served as senior vice president of Technology Solutions Company, a systems integrator, from 1994 through 1998 and again from January 2002 through June 2003. Mr. Kurimsky served as senior vice president of The Concours Group, a consulting and executive education provider, from 1998 through December 2001. Prior to his service with Technology Solutions Company, Mr. Kurimsky spent 20 years in information systems and administration functions at the Philip Morris Companies, Inc. (now Altria Group, Inc.), rising to the level of vice president. Mr. Kurimsky obtained a bachelor of science at Fairfield University and a master of engineering degree from Yale University. Mr. Kurimsky also serves on the board of directors of The Advisory Council, a privately-held research and advisory services company.

Daniel Pulver has served as a director of our company since October 1999. Mr. Pulver served as a director at Credit Suisse First Boston LLC from November 2000, when Credit Suisse First Boston LLC (now Credit Suisse Securities (USA) LLC) merged with Donaldson, Lufkin & Jenrette, until April 2005. Mr. Pulver obtained his bachelor's degree from Stanford University and his master's in business administration from Harvard Business School. Mr. Pulver also serves on the board of directors and the compensation committee of Nextpharma S.A.

Gary B. Smith has served as a director of our company since May 2004. Mr. Smith is currently the president, chief executive officer and a director of Ciena Corporation. Mr. Smith began serving as chief executive officer of Ciena in May 2001, in addition to his existing responsibilities as president and director, positions he has held since October 2000. Prior to his current role, his positions with Ciena included chief operating officer and senior vice president, worldwide sales. Mr. Smith joined Ciena in November 1997 as vice president, international sales. From 1995 through 1997, Mr. Smith served as vice president of sales and marketing for INTELSAT. He also previously served as vice president of sales and marketing for Cray Communications, Inc. Mr. Smith received his master's in business administration from Ashridge Management College, United Kingdom. Mr. Smith currently serves on the board of directors for the American Electronics Association, and also serves as a commissioner for the Global Information Infrastructure Commission.

David F. Walker has served as a director of our company since February 2006 and is chairman of our Audit Committee. Mr. Walker is the Director of the Accountancy Program and the Program for Social Responsibility and Corporate Reporting at the University of South Florida St. Petersburg, where he has been employed since 2002. Prior to joining the University of South Florida, Mr. Walker was with Arthur Andersen LLP, having served as a partner in that firm from 1986 through 2002. Mr. Walker earned a master's of business administration from the University of Chicago Graduate School of Business with concentration in accounting, finance and marketing, and a bachelor of arts degree from DePauw University with majors in economics and mathematics and a minor in business administration. Mr. Walker is a certified public accountant and a certified fraud examiner. Mr. Walker also serves on the board of directors of Chico's FAS, Inc., First Advantage Corporation and Technology Research Corporation, participating on the executive, audit and corporate governance committees of Chico's and chairing its audit committee; chairing the audit committee of First Advantage; and participating on the compensation and nominating committees of Technology Research.

Upon the closing of the offering, the board of directors will be divided into three classes, with one class of directors elected at each annual meeting. The members of Class I, whose terms expire at the next annual meeting, will be Messrs. Kurimsky, Walker and Geday. The members of Class II, whose terms expire at the second annual meeting following this offering, will be Messrs. Pulver, Barry and Fanzilli. The members of Class III, whose terms expire at the third annual meeting following this offering, will be Messrs. Hammer, Geeslin and Smith.

Compensation Committee Interlocks and Insider Participation

The members of our compensation committee are Messrs. Fanzilli, Geeslin and Pulver, each of whom was formerly employed by Credit Suisse Securities (USA) LLC or its affiliates.

- Mr. Fanzilli formerly served in several capacities at Credit Suisse Securities (USA) LLC. Affiliates of Credit Suisse Securities (USA) LLC hold 3,044,000 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.
- Mr. Geeslin was formerly a managing partner of the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. The Sprout Group, together with its affiliates, holds 3,044,000 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.
- Mr. Pulver was formerly a director of Credit Suisse Securities (USA) LLC and a principal at DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. DLJ Merchant Banking funds hold 1,299,426 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.

Director Compensation

Our compensation committee of the board of directors determines the amount of any fees, whether payable in cash, shares of common stock or options to purchase common stock, and expense reimbursement that directors receive for attending meetings of the board of directors or committees of the board. To date, other than to members of our Audit Committee, we have not paid any fees to our directors, but we have reimbursed them for their expenses incurred in connection with attending meetings.

Following the completion of this offering, we intend to compensate non-employee directors for their service on our board. Each non-employee director will be eligible to receive an annual retainer of $20,000, with an additional stipend of $1,000 for each board meeting attended in person. The chairperson of our audit committee, compensation committee and governance committee will be eligible to receive an additional annual retainers of $24,000, $7,500 and $7,500, respectively. Each committee member will be eligible to receive an additional annual retainer of $5,000.

Non-employee directors elected to the board of directors in the future will be eligible to receive an initial option grant of shares upon their election. In addition, non-employee directors will be eligible to receive annual option grants of shares beginning on , except that some of our current non-employee directors will not be eligible to receive an annual grant until the options they currently hold have fully vested. Option grants to our non-employee directors will vest monthly over a four-year period, except that the shares that would otherwise vest over the first 12 months shall not vest until the first anniversary of the grant. All option grants to our non-employee directors will be pursuant to our 2006 Long-Term Stock Incentive Plan. See "— Employee Benefit Plans — 2006 Long-Term Stock Incentive Plan" for more information about this plan. We will also continue to reimburse all of our directors for their reasonable expenses incurred in attending meetings of our board or committees.

Executive Compensation

The following table sets forth information concerning the compensation received for services rendered to us by our Chief Executive Officer and each of our five most highly-compensated executive officers for the year ended March 31, 2006:

		Annual Compensation			Long-Term Compensation Awards
Name and Principal Position	Year	Salary	Bonus	Other Annual Compensation(1)	Securities Underlying Options
N. Robert Hammer *Chairman, President and Chief Executive Officer*	2006	$ 363,462	$ 236,250	$ 70,930(2)	
Alan G. Bunte *Executive Vice President and Chief Operating Officer*	2006	264,546	123,000		
Louis F. Miceli *Vice President and Chief Financial Officer*	2006	257,631	123,000		
David West *Vice President, Marketing and Business Development*	2006	221,154	63,000		
Ron Miiller *Vice President of Sales, Americas*	2006	207,692	189,820		
Scott Mercer(3) *Vice President, Europe, Middle East and Asia*	2006	179,111	173,968		

(1) Other than Mr. Hammer, none of our six most highly-compensated executive officers received other annual compensation exceeding $50,000 for the year ended March 31, 2006.

(2) Mr. Hammer's other annual compensation for the year ended March 31, 2006 included our payment of $23,504 for airfare for Mr. Hammer between his residence in Florida and our headquarters in Oceanport, New Jersey and $22,200 related to housing costs for the rental of an apartment for Mr. Hammer in New Jersey. No other item of Mr. Hammer's other annual compensation individually exceeded 25% of Mr. Hammer's total other annual compensation for the year ended March 31, 2006.

(3) Mr. Mercer passed away in January 2006.

Employment Agreements

In February 2004, we entered into an employment agreement with N. Robert Hammer. The agreement has an initial term ending on March 31, 2005 and automatically extends for additional one-year terms unless either party elects, at least 30 days prior to the expiration of a term, to terminate the agreement. The agreement provides that Mr. Hammer's annual salary shall be subject to annual review by our board of directors. The agreement also provides that Mr. Hammer shall be eligible for an annual cash bonus with a target bonus potential equal to a percentage of his base salary and that he shall be entitled to participate in the employee benefits plans in which our other executives may participate. If we terminate Mr. Hammer's employment for any reason other than cause, death or upon a change in control of our company, the agreement provides that, for a one-year period, Mr. Hammer will be entitled to receive his then-current base salary (either in equal bi-weekly payments or a lump sum payment, at our discretion) and we will be required to continue paying the premiums for Mr. Hammer's and his dependents' health insurance coverage. The agreement provides that if a change in control of our company occurs, all options held by Mr. Hammer shall immediately become exercisable. If a change in control of our company occurs and Mr. Hammer's employment is terminated for reasons other than for cause (other than a termination

resulting from a disability) within two years of the change in control, or if Mr. Hammer terminates his employment within 60 days of a material diminution in his salary or duties or the relocation of his employment within two years following a change in control of our company, then he shall be entitled to (1) a lump sum severance payment equal to one and a half times his base salary at the time of the change in control plus an amount equal to Mr. Hammer's target bonus at the time of the change in control, and (2) health insurance coverage for Mr. Hammer and his dependents for an 18 month period. The agreement provides that, during his term of employment with us and for a period of one year following any termination of employment with us, Mr. Hammer may not participate, directly or indirectly, in any capacity whatsoever, within the United States, in a business in competition with us, other than beneficial ownership of up to one percent of the outstanding stock of a publicly held company. In addition, Mr. Hammer may not solicit our employees or customers for a period of one year following any termination of his employment with us.

In February 2004, we entered into employment agreements with Alan G. Bunte and Louis F. Miceli. Each of these agreements has an initial term ending on March 31, 2005 and automatically extends for additional one-year terms unless either party to the agreement elects, at least 30 days prior to the expiration of a term, to terminate the agreement. The agreements with Messrs. Bunte and Miceli provide that the annual salary of each shall be subject to annual review by our chief executive officer or his designee, and also provides that each shall be eligible for an annual cash bonus with a target bonus potential equal to a percentage of the officer's base salary. The agreements with Messrs. Bunte and Miceli each provide that these officers shall be entitled to participate in the employee benefits plans in which our other executives may participate. If we terminate the employment of either of these officers for any reason other than for cause or death, each of the agreements provide that, for a one-year period, the terminated officer will be entitled to receive his then-current base salary (either in equal bi-weekly payments or a lump sum payment, at our discretion), and we will be required to continue paying the premiums for the officer's and his dependents' health insurance coverage. Each agreement provides that, during his term of employment with us and for a period of one year following any termination of employment with us, the officer may not participate, directly or indirectly, in any capacity whatsoever, within the United States, in a business in competition with us, other than beneficial ownership of up to one percent of the outstanding stock of a publicly held company. In addition, neither of these officers may solicit our employees or customers for a period of one year following any termination of employment with us.

Change of Control Agreements

We have entered into change of control agreements with all of our executive officers, other than Mr. Hammer, whose employment agreement sets forth the protections upon a change of control described above. Each of these agreements provides that if a change in control of our company occurs and the employment of any of the officers is terminated for reasons other than for cause, or if the officer terminates his employment within 60 days of a material diminution in his salary or duties or the relocation of his employment following a change in control of our company, then all stock options held by the officer shall immediately become exercisable. In addition, the change of control agreements with Messrs. Bunte and Miceli provide that if a change in control of our company occurs and the employment of either of these officers is terminated for reasons other than for cause within two years of the change in control, or if the officer terminates his employment within 60 days of a material diminution in his salary or duties or the relocation of his employment within two years following a change in control of our company, then the officer shall be entitled to (1) a lump sum severance payment equal to one and a half times the sum of the officer's annual base salary at the time of the change in control and all bonus payments made to the officer during the one-year period preceding the date of the change in control, and (2) health insurance coverage for the officer and his dependents for an 18 month period. The change of control agreements with Messrs. West, Miiller, Prahlad, Reddy and Rose have substantially identical provisions that provide for a lump sum severance payment equal to the officer's annual base salary at the time of the change in control and health insurance coverage for the officer and his dependents for a 12 month period.

The change of control agreements with Messrs. Bunte and Miceli provide that, for an 18 month period following the termination of employment, the officers may not engage in, or have any interest in, or manage or operate any company or other business (whether as a director, officer, employee, partner, equity holder, consultant or otherwise) that engages in any business which then competes with any of our businesses, other than beneficial ownership of up to five percent of the outstanding voting stock of a publicly traded company. The agreements also prohibit Messrs. Bunte and Miceli from inducing any of our employees to terminate their employment with us or to become employed by any of our competitors during the 18 month period. Messrs. West, Miiller, Prahlad, Reddy and Rose are subject to substantially identical non-competition and non-solicitation provisions for a one-year period following the termination of employment.

Stock Option Grants in Last Fiscal Year

The following table sets forth information as to options granted to the named executive officers during the year ended March 31, 2006. We have not granted any stock appreciation rights.

	Individual Grants				Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term(2)	
Name	Number of Securities Underlying Options Granted	Percent of Total Options Granted to Employees in Fiscal Year(1)	Exercise Price per Share	Expiration Date	5%	10%
N. Robert Hammer		%	$		$	$
Alan G. Bunte						
Louis F. Miceli						
David West						
Ron Miiller						
Scott Mercer(3)						

(1) Based on options to purchase an aggregate of shares of common stock granted by us during the year ended March 31, 2006.

(2) Potential realizable values are net of exercise price, but before the payment of taxes associated with exercise. Amounts represent hypothetical gains that could be achieved for the respective options if exercised at the end of the option term. The 5% and 10% assumed annual rates of compounded stock price appreciation are mandated by rules of the Securities and Exchange Commission and do not represent our estimate or projection of our future common stock prices. These amounts represent certain assumed rates of appreciation in the value of the common stock from the fair market value on the date of grant. Actual gains, if any, on stock option exercises are dependent on the future performance of the common stock and overall stock market conditions. The amounts reflected in the table may not necessarily be achieved.

(3) Mr. Mercer passed away in January 2006.

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year End Option Values

The following table sets forth information with respect to unexercised options held by the named executive officers as of March 31, 2006. No options were exercised by the named executive officers during the fiscal year ended March 31, 2006.

Name	Shares Acquired on Exercise	Value Realized(1)	Number of Securities Underlying Unexercised Options at March 31, 2005		Value of Unexercised In-the-Money Options at March 31, 2005(2)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
N. Robert Hammer		$			$	$
Alan G. Bunte						
Louis F. Miceli						
David West						
Ron Miiller						
Scott Mercer(3)						

(1) Based on the fair market value of our common stock on the date of exercise of the options, as determined by the board of directors, less the applicable exercise price per share, multiplied by the number of shares issued upon exercise of the option.

(2) There was no public trading market for our common stock as of March 31, 2006. Accordingly, these values have been calculated on the basis of an assumed initial offering price of $ per share (the midpoint of the estimated price range shown on the cover page of this prospectus), less the applicable exercise price per share, multiplied by the number of shares underlying such options.

(3) Mr. Mercer passed away in January 2006.

Employee Benefit Plans

1996 Stock Option Plan

We have reserved a total of shares of common stock for issuance under the 1996 Stock Option Plan. As of March 31, 2006, options to purchase shares of common stock were outstanding at a weighted average exercise price of $ per share, shares had been issued upon the exercise of outstanding options and shares remain available for future grants. The 1996 Stock Option Plan provides for the grant of nonqualified stock options and other types of awards to our directors, officers, employees and consultants, and is administered by our compensation committee.

The compensation committee determines the terms of options granted under the 1996 Stock Option Plan, including the number of shares subject to the grant, exercise price, term and exercisability, and has the authority to interpret the plan and the terms of the awards thereunder. The exercise price of stock options granted under the plan must be no less than the par value of our common stock, and payment of the exercise price may be made by cash or other consideration as determined by the compensation committee. Options granted under the plan may not have a term exceeding ten years, and generally vest over a four-year period. At any time after the grant of an option, the compensation committee may, in its sole discretion, accelerate the period during which the option vests.

Generally, no option may be transferred by its holder other than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Internal Revenue Code or Title I of the Employment Retirement Income Security Act of 1974, as amended, or the rules thereunder. If an employee leaves our company or is terminated, then any options held by such employee generally may be terminated, and any unexercised portion of the employee's options, whether or not vested, may be forfeited.

The number of shares of common stock authorized for issuance under the 1996 Stock Option Plan may be adjusted in the event of any dividend or other distribution, recapitalization, reclassification, stock

split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange or other disposition or all or substantially all of the assets of our company, or exchange of common stock or other securities of our company, issuance of warrants or other rights to purchase common stock of our company, or other similar corporate transaction or event. In the event of the occurrence of any of these transactions or events, our compensation committee may adjust the number and kind of authorized shares of common stock under the plan, the number and kind of shares of common stock subject to outstanding options and the exercise price with respect to any option. Additionally, if any of these transactions or events occurs or any change in applicable laws, regulations or accounting principles is enacted, the compensation committee may purchase options from holders thereof or prohibit holders from exercising options. The compensation committee may also provide that, upon the occurrence of any of these events, options will be assumed by the successor or survivor corporation or be substituted by similar options, rights or awards covering the stock of the successor or survivor corporation.

The 1996 Stock Option Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by our board of directors or our compensation committee. However, no action of our compensation committee or our board of directors that would require stockholder approval will be effective unless stockholder approval is obtained. No amendment, suspension or termination of the plan will, without the consent of the holder of options, alter or impair any rights or obligations under any options previously granted, unless the underlying option agreement expressly so provides. No options may be granted under the plan during any period of suspension or after its termination.

2006 Long-Term Stock Incentive Plan

Under our Long-Term Stock Incentive Plan, we may grant stock options, stock appreciation rights, shares of common stock and performance units to our employees, consultants, directors and others persons providing services to our company. The maximum number of shares of our common stock that we may award annually under the Long-Term Stock Incentive Plan is shares, subject to annual adjustments. In addition, the number of shares and the price at which shares of our common stock may be purchased under the Long-Term Stock Incentive Plan may be adjusted under specified circumstances, such as a stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares. The maximum number of shares of common stock relating to stock options and stock appreciation rights that any individual participant may receive under the Long-Term Stock Incentive Plan is during the duration of the plan, which is ten years. In the case of any grant of any other type of award under the plan that is intended to be performance-based under Internal Revenue Code rules, the maximum number of shares of common stock relating to such awards that any individual participant may receive during the duration of the Plan is , and if such awards are settable in cash no more than $1,000,000 may be subject to such awards granted to any person in a calendar year.

Our compensation committee administers our Long-Term Stock Incentive Plan. The Long-Term Stock Incentive Plan essentially gives the compensation committee sole discretion and authority to select those persons to whom awards will be made, to designate the number of shares covered by each award, to establish vesting schedules and terms of each award, to specify all other terms of awards and to interpret the Long-Term Stock Incentive Plan.

Options awarded under the Long-Term Stock Incentive Plan may be either incentive stock options or nonqualified stock options, but incentive stock options may only be awarded to our employees. Incentive stock options are intended to satisfy the requirements of Section 422 of the Internal Revenue Code. Nonqualified stock options are not intended to satisfy Section 422 of the Internal Revenue Code. Stock appreciation rights may be granted in connection with options or as free-standing awards. Exercise of an option will result in the corresponding surrender of the attached stock appreciation right. The exercise price of an option or stock appreciation right must be at least equal to the par value of a share of common stock on the date of grant, and the exercise price of an incentive stock option must be at least equal to the

fair market value of a share of common stock on the date of grant. Options and stock appreciation rights will be exercisable in accordance with the terms set by the compensation committee when granted and will expire on the date determined by the compensation committee, but in no event later than the tenth anniversary of the grant date. If a stock appreciation right is issued in connection with an option, the stock appreciation right will expire when the related option expires. Special rules and limitations apply to stock options which are intended to be incentive stock options.

Under our Long-Term Stock Incentive Plan, our compensation committee may grant common stock to participants. In the discretion of the committee, stock issued pursuant to the plan may be subject to vesting or other restrictions. Participants may receive dividends relating to their shares issued pursuant to the plan, both before and after the common stock subject to an award is earned or vested.

The compensation committee may award participants stock units which entitle the participant to receive value, either in stock or in cash, as specified by the compensation committee, for the units at the end of a specified period, based on the satisfaction of certain other terms and conditions or at a future date, all to the extent provided under the award. A participant may be granted the right to receive dividend equivalents with respect to an award of stock units by the compensation committee. Our compensation committee establishes the number of units, the form and timing of settlement, the performance criteria or other vesting terms and other terms and conditions of the award at the time the award is made.

Unless our compensation committee determines otherwise, in the event of a change in control of our company that is a merger or consolidation where our company is the surviving corporation (other than a merger or consolidation where a majority of the outstanding shares of our stock are converted into securities of another entity or are exchanged for other consideration), all option awards under the Long-Term Stock Incentive Plan will continue in effect and pertain and apply to the securities which a holder of the number of shares of our stock then subject to the option would have been entitled to receive. In the event of a change of control of our company where we dissolve or liquidate, or a merger or consolidation where we are not the surviving corporation or where a majority of the outstanding shares of our stock is converted into securities of another entity or are exchanged for other consideration, all option awards under the Long-Term Stock Incentive Plan will terminate, and we will either (1) arrange for any corporation succeeding to our business or assets to issue participants replacement awards on such corporation’s stock, or (2) make any outstanding options granted under the plan fully exercisable at least 20 days before the change of control becomes effective.

THE CONCURRENT PRIVATE PLACEMENT

The sale of shares of our common stock at the closing of this offering to Aman Ventures, Mark Francis, K. Flynn McDonald, Greg Reyes, Reyes Family Trust, Van Wagoner Capital Partners, L.P., Van Wagoner Crossover Fund, L.P. and Marc Weiss, each an existing stockholder, will each be done in a private placement in reliance on the exemption from registration provided by Section 4(2) of the Securities Act of 1933 pursuant to preemptive rights granted to the holders of our preferred stock (other than individuals that own Series A, B, C, D or E preferred stock) at the time that they purchased the preferred stock. Holders of preemptive rights have the right to purchase a number of shares of common stock that would enable them to maintain their proportionate ownership interest in CommVault in connection with any offering of our common stock (including this offering) or securities convertible into or exchangeable for shares of our common stock. Holders of preemptive rights granted in connection with the purchase of Series CC preferred stock could exercise those rights for less than their proportionate interest, while all other holders could exercise only for the full amount of their preemptive right. Aman Ventures, a holder of shares of our Series CC preferred stock, exercised its rights for approximately 93% of the total number of shares that it could purchase in the concurrent private placement. Holders of preemptive rights do not have the right to subscribe for more than their proportionate share of the shares being offered. No holders of preemptive rights, other than those identified above, exercised those rights in connection with this offering. By their terms, all existing rights to subscribe for shares of our common stock and securities convertible into or exchangeable for shares of our common stock in future offerings will expire at the closing of this offering. This prospectus shall not be deemed to be an offer to sell or a solicitation of an offer to buy any securities offered in the concurrent private placement.

Each recipient of shares in the concurrent private placement is an existing stockholder of our company. The offer to acquire securities in the concurrent private placement was made solely to holders of preferred stock to comply with the preemptive rights such holders acquired when they purchased shares of our preferred stock. We did not engage in any general solicitation of investors or general advertising and no underwriters were employed in connection with the concurrent private placement. Each of the recipients of securities in the concurrent private placement has represented to us in writing that the recipient is an accredited investor, that it can withstand the entire loss of its investment, that it understands that the securities issued in the concurrent private placement have not been registered under the Securities Act and will therefore be restricted securities subject to various transfer restrictions and that it intends to acquire the securities for investment only and not with a view toward further distribution. Appropriate legends will be affixed to the share certificates and other instruments issued in the concurrent private placement. All recipients have been given the opportunity to ask questions and receive answers from our representatives concerning our business and financial affairs and each recipient has represented and acknowledged to us in writing that it had this opportunity.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table shows the beneficial ownership of our common stock on , 2006 by:

- each person who we know beneficially owns more than 5% of our common stock;
- our directors and named executive officers;
- all of our directors and executive officers as a group; and
- the selling stockholders.

Beneficial ownership, which is determined in accordance with the rules and regulations of the Securities and Exchange Commission, means the sole or shared power to vote or direct the voting or to dispose or direct the disposition of our common stock. The number of shares of our common stock beneficially owned by a person includes shares of common stock issuable with respect to options and convertible securities held by the person which are exercisable or convertible within 60 days. The percentage of our common stock beneficially owned by a person assumes that the person has exercised all options, and converted all convertible securities, the person holds which are exercisable or convertible within 60 days, and that no other persons exercised any of their options or converted any of their convertible securities. Except as otherwise indicated, the business address for each of the following persons is 2 Crescent Place, Oceanport, New Jersey 07757. Except as otherwise indicated in the footnotes to the table or in cases where community property laws apply, we believe that each person identified in the table possesses sole voting and investment power over all shares of common stock shown as beneficially owned by the person. The column entitled "Number of Shares Beneficially Owned After the Offering" assumes the conversion of all outstanding shares of our preferred stock into a total of shares of common stock upon the closing of this offering. Percentage of beneficial ownership before the offering is based on shares of common stock outstanding as of 2006 (on an as-converted basis). Percentage of beneficial ownership after the offering is based on shares of common stock outstanding after the completion of this offering and the concurrent private placement.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned Before the Offering	Number of Shares Being Sold in the Offering	Number of Shares Beneficially Owned After the Offering	Percentage Beneficially Owned	
				Before the Offering	After the Offering
N. Robert Hammer(1)					
Alan G. Bunte(2)					
Louis F. Miceli(3)					
David West(4)					
Ron Miiller(5)					
Anand Prahlad(6)					
Suresh P. Reddy(7)					
Thomas Barry(8)					
Frank J. Fanzilli, Jr.(9)					
Armando Geday(10)					
Keith Geeslin(11)					
Edward A. Johnson					
F. Robert Kurimsky(12)					
Daniel Pulver					
Gary B. Smith(13)					
David F. Walker					
Putnam OTC and Emerging Growth Fund(14)					
TH Lee, Putnam Investment Trust(14)					

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned Before the Offering	Number of Shares Being Sold in the Offering	Number of Shares Beneficially Owned After the Offering	Percentage Beneficially Owned	
				Before the Offering	After the Offering
Putnam Discovery Growth Fund(14)					
Putnam World Trust II — Putnam Emerging Information Sciences Fund(14)					
DLJ Capital Corporation(15)					
DLJ ESC II, L.P.(15)					
DLJ First ESC, L.P.(15)					
DLJ International Partners, C.V.(15)					
DLJMB Funding, Inc.(15)					
DLJ Merchant Banking Partners, L.P.(15)					
DLJ Offshore Partners, C.V.(15)					
Sprout IX Plan Investors, L.P.(15)					
Sprout Capital VII, L.P.(15)					
Sprout Capital IX, L.P.(15)					
Sprout CEO Fund, L.P.(15)					
Sprout Entrepreneurs' Fund, L.P.(15)					
Sprout Growth II, L.P.(15)					
All directors and named executive officers as a group(16)					

* Less than 1%.

(1) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(2) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(3) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(4) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(5) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(6) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(7) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(8) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(9) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(10) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(11) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(12) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(13) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

(14) These entities are affiliates of Putnam Investment Management, LLC, One Post Office Square, Boston, Massachusetts 02109.

(15) These entities are affiliates of Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, New York 10010-3629. of these shares are subject to a voting trust agreement. The trustee of the voting trust is Wells Fargo Bank, N.A. and its address is . See "Description of Capital Stock — Voting Trust Agreement" for more information regarding this agreement.

(16) Includes options to acquire shares of common stock which are exercisable within 60 days of , 2006.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In September 2003, we issued 4,790,802 shares of Series CC preferred stock to various purchasers as part of a private placement of our stock. DLJ Capital Corporation, Sprout Capital IX, L.P., Sprout Entrepreneurs' Fund L.P. and Sprout IX Plan Investors, L.P., each of which is an affiliate of Credit Suisse Securities (USA) LLC, participated in the private placement, purchasing approximately 1.9 million shares of Series CC preferred stock for an aggregate purchase price of approximately $5.9 million. These stockholders, together with other affiliates of Credit Suisse Securities (USA) LLC, beneficially own approximately % of our common stock on an as-converted basis.

Putnam OTC and Emerging Growth Fund, Putnam World Trust II - Putnam Emerging Information Sciences Fund, TH Lee, Putnam Investment Trust and Putnam Discovery Growth Fund, each an affiliate of Putnam Investment Management, LLC, also participated in the September 2003 private placement of our Series CC preferred stock. These Putnam affiliates purchased approximately 800,000 shares for an aggregate purchase price of approximately $2.5 million. These stockholders beneficially own approximately % of our common stock on an as-converted basis.

Holders of our Series A, B, C, D and E preferred stock will receive $ million of the net proceeds to us from the offering, the concurrent private placement and borrowings under our new term loan in satisfaction of amounts due upon the conversion of the preferred stock (including accrued dividends, and assuming the offering is completed on , 2006).

- Affiliates of Credit Suisse Securities (USA) LLC will receive approximately $ million in cash upon the completion of the offering.
- Thomas Barry, one of our directors, holds directly 10,166 shares of our Series B preferred stock, which will be converted into shares of our common stock and the right to receive approximately $ million in cash upon the completion of the offering.
- Edward A. Johnson, one of our directors, is currently a managing director of Credit Suisse Securities (USA) LLC and a partner at DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. DLJ Merchant Banking funds hold 1,299,426 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering. Mr. Johnson will resign his position as a director of our company immediately prior to the completion of the offering.
- Frank J. Fanzilli, Jr., one of our directors, formerly served in several capacities at Credit Suisse Securities (USA) LLC. Affiliates of Credit Suisse Securities (USA) LLC hold 3,044,000 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.
- Keith Geeslin, one of our directors, was formerly a managing partner of the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. The Sprout Group, together with its affiliates, holds 3,044,000 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.
- Daniel Pulver, one of our directors, was formerly a director of Credit Suisse Securities (USA) LLC and a principal at DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. DLJ Merchant Banking funds hold 1,299,426 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.
- N. Robert Hammer, our chairman, president and chief executive officer, was a partner of the Sprout Group until November 2003. The Sprout Group, together with its affiliates, holds

3,044,000 shares of our Series A, B, C, D and E preferred stock, which will be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering. Mr. Hammer also holds directly 3,333 shares of our Series B preferred stock and beneficially owns 47,204 shares of our Series D preferred stock, which will collectively be converted into shares of our common stock and the right to receive $ million in cash upon the completion of the offering.

- Louis F. Miceli, our vice president and chief financial officer, purchased and holds 1,667 shares of our Series B preferred stock as a direct investment, which will be converted into shares of our common stock and the right to receive approximately $ million in cash upon the completion of the offering.
- Messrs. Barry, Fanzilli, Geeslin, Pulver, Hammer and Bunte also own limited partnership interests in certain investment funds associated with the Sprout Group and DLJ Merchant Banking, which investment funds collectively own shares of our common stock and preferred stock which will be converted into the right to receive shares of our common stock and $ million in cash upon completion of the offering. The ownership interests of Messrs. Barry, Fanzilli, Greeslin, Pulver, Hammer and Bunte in these funds in the aggregate is less than 10% of the total membership interests in these funds.

In addition, we have entered into agreements to indemnify our directors and some of our officers in addition to the indemnification provided for in our certificate of incorporation and bylaws. These agreements will, among other things, indemnify our directors and some of our officers for specified expenses (including attorneys' fees), judgments, fines and settlement amounts incurred by such person in any action or proceeding, including any action by or in our right, on account of services by that person as a director or officer of our company, as a director or officer of any of our subsidiaries or as a director or officer of any other company or enterprise that the person provides services to at our request.

DESCRIPTION OF CAPITAL STOCK

Upon the closing of this offering, we will be authorized to issue shares of common stock, par value $0.01 per share, and shares of undesignated preferred stock. The following is a summary description of the material terms of our capital stock. Our bylaws and our amended and restated certificate of incorporation, to be effective after the closing of this offering, provide further information about our capital stock.

Common Stock

As of , 2006, there were shares of common stock outstanding on an as-converted basis held by approximately stockholders of record. After giving effect to the sale to the public of the shares of common stock offered in this prospectus and the concurrent private placement, there will be shares of common stock outstanding.

The holders of common stock are entitled to one vote per share on all matters to be voted upon by stockholders, including elections of directors. No holder of common stock may cumulate votes in voting for our directors. Subject to the rights of any holders of any outstanding preferred stock, the holders of common stock are entitled to receive dividends, if any, that the board of directors may from time to time declare out of funds legally available. See the discussion under the heading “Dividend Policy” for more information regarding our dividend policy. In the event of our liquidation, dissolution or winding up, the holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock then outstanding.

The common stock has no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are fully paid and nonassessable, and the shares of common stock to be issued in connection with this offering will be fully paid and nonassessable.

The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Preferred Stock

The board of directors has the authority, without action by our stockholders, to designate and issue preferred stock in one or more series and to fix the rights, preferences, privileges and related restrictions, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of the series. The issuance of preferred stock may delay, impede or prevent the completion of a merger, tender offer or other takeover attempt of our company without further action of our stockholders, including a tender offer or other transaction that some, or a majority, of our stockholders might believe to be in their best interests or in which stockholders may receive a premium for their stock over its then current market price. At present, we have no plans to issue any preferred stock following this offering.

Voting Trust Agreement

Upon completion of the offering, Credit Suisse Securities (USA) LLC and certain of its affiliates will enter into a voting trust agreement with Wells Fargo Bank, N.A., an independent trustee, pursuant to which million shares of our common stock, representing approximately % of our common stock then outstanding, will be deposited into a voting trust and will thereafter be voted by the voting trustee in accordance with the voting trust agreement. Subject to specified exceptions, the voting trust agreement also requires Credit Suisse Securities (USA) LLC and its affiliates to deliver to the trustee, and make subject to the voting trust agreement, any shares of our common stock owned by it or its affiliates that would cause the aggregate shares of our common stock held by them to exceed 5% of our common stock then outstanding. Credit Suisse Securities (USA) LLC and certain of its affiliates will enter into the

voting trust agreement so that Credit Suisse Securities (USA) LLC and its affiliates will not have voting control of CommVault for purposes of the federal securities laws.

The voting trust agreement requires that the voting trustee cause the shares subject to the voting trust to be represented at all stockholder meetings for purposes of determining a quorum, but the trustee is not required to vote the shares on any matter and any determination whether to vote the shares is required by the voting trust agreement to be made by the trustee without consultation with Credit Suisse Securities (USA) LLC and its affiliates. If, however, the trustee votes the trust shares on any matter subject to a stockholder vote, including proposals involving the election of directors, change of control and other significant corporate transactions, the shares will be voted in the same proportion as votes cast "for" or "against" those proposals by our other stockholders.

The affiliates of Credit Suisse Securities (USA) LLC that will become party to the voting trust agreement are also party to agreements with our company that entitle them to specified rights relating to the registration of their shares for public resale. See "— Registration Rights" for more information regarding these registration rights. Holders of the shares of our common stock subject to the voting trust agreement will retain their registration rights and their rights to sell the shares of our common stock that are subject to the voting trust agreement. The holders will also retain the right to receive any dividends or distributions that we may pay on our common stock. In order for a holder to remove trust shares from the voting trust, the transfer must be deemed an "eligible transfer" under the agreement, or the removal must be in connection with a tender offer to purchase all of the outstanding shares of our common stock. Generally, an eligible transfer under the voting trust agreement is a transfer of trust shares that would not (i) cause the aggregate number of shares of our common stock held by Credit Suisse Securities (USA) LLC and its affiliates to exceed 5% of our common stock then outstanding or (ii) cause the entity receiving the shares to be an affiliate of the company within the meaning of Rule 144 of the Securities Act. The voting trust agreement will also permit the parties to the agreement to make distributions-in-kind of shares of our common stock subject to the voting trust agreement upon the satisfaction of specified requirements. The voting trust agreement will terminate upon:

- the tenth anniversary of the agreement;
- the written election of Credit Suisse First Boston Private Equity, Inc., an affiliate of Credit Suisse Securities (USA) LLC, Credit Suisse Securities (USA) LLC or the holders of the majority of the shares of common stock subject to the voting trust agreement and the satisfaction of specified requirements; or
- the transfer of all of the shares of common stock subject to the voting trust agreement in a matter permitted thereunder.

The voting trust agreement provides Credit Suisse First Boston Private Equity, Inc., Credit Suisse Securities (USA) LLC and the holders of a majority of the shares of common stock subject to the voting trust agreement with the right to terminate the voting trust agreement subject to the satisfaction of specified requirements, including that, immediately after giving effect to such termination, Credit Suisse First Boston Private Equity, Inc. and its affiliates will not be affiliates of CommVault within the meaning of Rule 144 of the Securities Act. The right to terminate the voting trust agreement facilitates its termination at a time prior to the tenth anniversary of the agreement if appropriate under the circumstances.

Registration Rights

We have entered into registration rights agreements that provide some of our stockholders both demand registration rights and piggyback registration rights. We refer to shares of our common stock that are subject to registration rights agreements as "registrable securities."

Demand Registration Rights. The holders of registrable securities have rights, at their request, to have their shares registered for resale under the Securities Act. Four groups of holders of

registrable securities may demand the registration of their shares on up to two occasions for each group. No demand registration rights may be exercised for 180 days after the date of this prospectus.

Registration on Form S-3. In addition to the demand registrations discussed above, holders of registrable securities may require that we register their shares for public resale on Form S-3 or similar short-form registration provided the value of the securities to be registered is at least $1,000,000 and our company is Form S-3 eligible. These rights cannot be exercised in the 12-month period after the date of this prospectus, or more than once in any 12-month period with respect to shares held by certain holders of registrable securities.

Piggyback Registration Rights. The holders of registrable securities have rights to have their shares registered for resale under the Securities Act if we register any of our securities, either for our own account or for the account of other stockholders, subject to the right of underwriters to limit the number of shares included in an underwritten offering.

All holders with registrable securities have agreed not to exercise their demand registration rights until 180 days following the date of this prospectus without the consent of Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. However, if the reported last sale price of our common stock on The NASDAQ National Market is at least 50% greater than the offering price per share for 20 of the 30 trading days ending on the last trading day before the 100th day after the date of this prospectus, then on the 101st day after the date of this prospectus holders with registerable securities could exercise their demand registration rights with respect to 20% of the registrable securities that they own that are subject to the 180-day restriction. We will bear one-half of all reasonable expenses of any demand registration, piggyback registration or registration on Form S-3 by our Series AA holders, including all registration fees and the fees and expenses of the holder's counsel, but not including underwriting discounts, selling commissions and stock transfer taxes relating to the registrable securities. We will bear all reasonable expenses of any piggyback registration by our Series BB holders, including all registration fees, but not including the fees and expenses of the holder's counsel or underwriting discounts, selling commissions and stock transfer taxes relating to the registrable securities. We will bear all reasonable expenses of any demand registration, piggyback registration or registration on Form S-3 by our Series CC holders, but not including the fees and expenses of the holder's counsel or underwriting discounts, selling commission and stock transfer taxes relating to the registrable securities.

Anti-Takeover Effects of Provisions of our Certificate of Incorporation and Bylaws

Board of Directors

Our certificate of incorporation and bylaws to be effective on the closing of this offering provide:

- that the board of directors be divided into three classes, as nearly equal in size as possible, with staggered three-year terms;
- that directors may be removed only for cause by the affirmative vote of the holders of at least $66^{2}/_{3}$% of the shares of our capital stock entitled to vote; and
- that any vacancy on the board of directors, however occurring, including a vacancy resulting from an enlargement of the board, may only be filled by vote of a majority of the directors then in office.

These provisions could make it more difficult for a third party to acquire us or discourage a third party from acquiring us.

Stockholder Actions and Special Meetings

Our certificate of incorporation and bylaws also provide that:

- any action required or permitted to be taken by the stockholders at an annual meeting or special meeting of stockholders may only be taken if it is properly brought before such meeting and may not be taken by written action in lieu of a meeting; and
- special meetings of the stockholders may only be called by the chairman of the board of directors, our chief executive officer, or by the board of directors.

Our bylaws provide that in order for any matter to be considered "properly brought" before a meeting, a stockholder must comply with requirements regarding advance notice to us. These provisions could delay stockholder actions which are favored by the holders of a majority of our outstanding voting securities until the next stockholders meeting. These provisions may also discourage another person or entity from making a tender offer for our common stock because such person or entity, even if it acquired a majority of our outstanding voting securities, would be able to take action as a stockholder (such as electing new directors or approving a merger) only at a duly called stockholders meeting and not by written consent.

Board Consideration of Change of Control Transactions

Our certificate of incorporation empowers our board of directors, when considering a tender offer or merger or acquisition proposal, to take into account, in addition to potential economic benefits to stockholders, factors such as:

- a comparison of the proposed consideration to be received by stockholders in relation to the then current market price of our capital stock; and
- the impact of the transaction on our employees, suppliers and customers and its effect on the communities in which we operate.

Amendment

Delaware law provides that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or bylaws, unless a corporation's certificate of incorporation or bylaws, as the case may be, requires a greater percentage. Our certificate of incorporation requires the affirmative vote of the holders of at least 66 2/3% of the shares of our capital stock entitled to vote to amend or repeal any of the foregoing provisions of our certificate of incorporation. Our bylaws may be amended or repealed by a majority vote of the board of directors or the holders of at least 66 2/3 % of the shares of our capital stock issued and outstanding and entitled to vote. The stockholder vote would be in addition to any separate class vote that might in the future be required pursuant to the terms of any series preferred stock that might be outstanding at the time any such amendments are submitted to stockholders.

Preferred Stock

The authorization of undesignated preferred stock makes it possible for the board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change the control of our company.

These and other provisions may deter hostile takeovers or delay changes in control or management of our company.

Delaware Business Combination Statute

Section 203 of the Delaware General Corporation Law provides that, subject to exceptions set forth therein, an interested stockholder of a Delaware corporation shall not engage in any business combination, including mergers or consolidations or acquisitions of additional shares of the corporation, with the corporation for a three-year period following the date that the stockholder becomes an interested stockholder unless:

- prior to that date, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, other than statutorily excluded shares; or

- on or subsequent to such date, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders by the affirmative vote of at least 66²/₃% of the outstanding voting stock which is not owned by the interested stockholder.

Except as otherwise set forth in Section 203, an interested stockholder is defined to include:

- any person that is the owner of 15% or more of the outstanding voting stock of the corporation, or is an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation at any time within three years immediately prior to the date of determination; and
- the affiliates and associates of any such person.

Section 203 may make it more difficult for a person who would be an interested stockholder to effect various business combinations with a corporation for a three-year period. We have not elected to be exempt from the restrictions imposed under Section 203. The provisions of Section 203 may encourage persons interested in acquiring us to negotiate in advance with our board because the stockholder approval requirement would be avoided if a majority of the directors then in office approves either the business combination or the transaction which results in any such person becoming an interested stockholder. These provisions also may have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions which our stockholders may otherwise deem to be in their best interests.

Transfer Agent and Registrar

The transfer agent and registrar for the common stock is Registrar and Transfer Company in Cranford, New Jersey.

NASDAQ National Market Listing

We have applied to have our common stock approved for listing on The NASDAQ National Market under the symbol “CVLT.”

SHARES ELIGIBLE FOR FUTURE SALE

Before this offering, there has not been any public market for our common stock, and we cannot predict the effect, if any, that market sales of shares of our common stock or the availability of shares of common stock for sale will have on the market price of our common stock. Nevertheless, sales of substantial amounts of our common stock in the public market, or the perception that such sales could occur, could adversely affect the market price of our common stock and could impair our future ability to raise capital through the sale of equity securities.

Upon completion of this offering and the concurrent private placement, we will have a total of shares of common stock outstanding, assuming no outstanding options are exercised after , 2006. Shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except for any shares which may be held or acquired by our "affiliates," as that term is defined in Rule 144 promulgated under the Securities Act, which shares will be subject to the volume limitations and other restrictions of Rule 144 described below. The remaining shares of common stock outstanding will be deemed "restricted securities" as defined under Rule 144. Restricted securities may be sold in the public market only if registered under the Securities Act or pursuant to an exemption from such registration, including, among others, the exemptions provided by Rules 144, 144(k) and 701 promulgated under the Securities Act, summarized below.

Under the lock-up agreements described below and the provisions of Rules 144, 144(k) and 701, additional shares will be available for sale in the public market as follows:

Maximum Number of Shares	Date
	After the date of this prospectus
	After 90 days from the date of this prospectus (subject, in some cases, to volume limitations and contractual vesting schedules)
	After 100 days from the date of this prospectus (subject, in some cases, to volume limitations and contractual vesting schedules and subject to the conditions for early release from the lock-up agreements described below)
	After 180 days from the date of this prospectus (subject, in some cases, to volume limitations and contractual vesting schedules)

In addition, as of , 2006, options to purchase a total of shares of common stock are outstanding, of which are vested and will be exercisable concurrent with this offering (without regard to the lock-up period described below).

Lock-up Agreements

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act relating to, any additional shares of our common stock or securities convertible into or exchangeable or exercisable for any of our common stock, or publicly disclose the intention to make any such offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. for a period of 180 days after the date of this prospectus, except for:

- grants of employee stock options pursuant to our stock option plan or long term incentive plan;
- issuances of common stock pursuant to the exercise of such options;
- the delivery of common stock to holders of our Series A, B, C, D, E, AA, BB or CC preferred stock upon the conversion of the preferred stock into common stock; and
- the delivery of common stock in effectuation of the reverse stock split.

Further, in the event that (1) during the last 17 days of the 180-day "lock-up" period we release earnings results or (2) prior to the expiration of the 180-day "lock-up" period we announce that we will release earnings results during the 16-day period beginning on the last day of such "lock-up" period, then in either case such "lock-up" period will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results, unless Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. waive, in writing, such extension.

Our officers and directors and substantially all of our stockholders have agreed that they will not:

- offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or enter into a transaction which would have the same effect;
- enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any such transaction is to be settled by delivery of our common stock or other securities, in cash or otherwise; or
- publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement;

without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. for a period of 180 days after the date of this prospectus.

However, if the reported last sale price of our common stock on The NASDAQ National Market is at least 50% greater than the offering price per share for 20 of the 30 trading days ending on the last trading day before the 100th day after the date of this prospectus, then 20% of the shares of our common stock owned by the officers, directors and stockholders described above that are subject to the 180-day restrictions described above, or shares, will be released from these restrictions. Further, in the event that (1) during the last 17 days of either the initial 100-day "lock-up" period or the full 180-day "lock-up" period we release earnings results or (2) prior to the expiration of either the initial 100-day "lock-up" period or the full 180-day "lock-up" period we announce that we will release earnings results during the 16-day period beginning on the last day of each "lock-up" period, then in either case the "lock-up" period will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results, unless Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. waive, in writing, the extension. The foregoing "lock-up" provisions applicable to our officers, directors and substantially all of our stockholders do not prohibit the exercise of options held by them or the conversion of any shares of our Series A, B, C, D, E, AA, BB or CC preferred stock held by them into our common stock.

Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. have advised us that they have no present intent or arrangement to release any shares subject to a lock-up, and will consider the release of any lock-up on a case-by-case basis. Upon a request to release any shares subject to a lock-up, Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. would consider the particular circumstances surrounding the request, including, but not limited to, the length of time before the lock-up expires, the number of shares requested to be released, reasons for the request, the possible impact on the market for our common stock and whether the holder of our shares requesting the release is an officer, director or other affiliate of ours.

Rule 144

In general, under Rule 144 as currently in effect, a person, including an affiliate, who has beneficially owned shares for at least one year is entitled to sell, within any three-month period commencing 90 days after the date of this prospectus, a number of shares that does not exceed the greater of:

- one percent of the number of shares of common stock then outstanding (approximately shares immediately after this offering); or
- the average weekly trading volume of our common stock on The NASDAQ National Market during the four calendar weeks before a notice of the sale on Form 144 is filed.

Sales under Rule 144 are also subject to specified manner of sale provisions and notice requirements and to the availability of specified public information about our company.

Rule 144(k)

Under Rule 144(k), a person who is not deemed to have been our affiliate at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least two years, including the holding period of any prior owner except an affiliate of us, is entitled to sell those shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144.

Rule 701

Shares of our common stock issued in reliance on Rule 701, such as those shares acquired upon exercise of options granted under our stock plans or other compensatory arrangement, are also restricted and, beginning 90 days after the effective date of this prospectus, may be sold by stockholders other than our affiliates subject only to the manner of sale provisions of Rule 144 and by affiliates under Rule 144 without compliance with its one-year holding requirement.

Options

Shortly after the closing of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register for resale all shares of common stock issued or issuable under our 1996 Stock Option Plan and our 2006 Long-Term Stock Incentive Plan and not otherwise freely transferable. Accordingly, shares covered by that registration statement will be eligible for sale in the public markets, unless those options are subject to vesting restrictions.

Registration Rights

Following this offering and, in some cases, the expiration of the lock-up period described above, certain holders of shares of our outstanding common stock will have demand registration rights with respect to their shares of common stock that will enable them to require us to register their shares of common stock under the Securities Act, and they will also have rights to participate in any of our future registrations of securities by us. See “Description of Capital Stock — Registration Rights” for more information regarding these registration rights.

CERTAIN UNITED STATES FEDERAL TAX CONSIDERATIONS TO NON-U.S. HOLDERS

This discussion describes the material United States federal income and estate tax consequences of the ownership and disposition of shares of our common stock by a non-U.S. holder. When we refer to a non-U.S. holder, we mean a beneficial owner of our common stock that, for U.S. federal income tax purposes, is other than:

- a citizen or resident of the United States;
- a corporation (including for this purpose any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that is subject to the primary supervision of a U.S. court and to the control of one or more U.S. persons, or that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (including for this purpose any other entity, either organized within or without the United States, treated as a partnership for U.S. federal income tax purposes) holds the shares, the tax treatment of a partner as a beneficial owner of the shares generally will depend upon the status of the partner and the activities of the partnership. Foreign partnerships also generally are subject to special U.S. tax documentation requirements.

This discussion does not consider the specific facts and circumstances that may be relevant to a particular non-U.S. holder and does not address the treatment of a non-U.S. holder under the laws of any state, local or foreign taxing jurisdiction, nor does it discuss special tax provisions which may apply to you if you relinquished United States citizenship or residence. This section is based on the tax laws of the United States, including the Internal Revenue Code, existing and proposed regulations and administrative and judicial interpretations, all as currently in effect. These laws are subject to change, possibly on a retroactive basis. This discussion is limited to non-U.S. holders who hold shares of common stock as capital assets. If you are an individual, you may, in many cases, be deemed to be a resident alien, as opposed to a nonresident alien, by virtue of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year. For these purposes, all the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year are counted. Resident aliens are subject to United States federal income tax as if they were United States citizens.

You should consult a tax advisor regarding the U.S. federal tax consequences of acquiring, holding and disposing of our common stock in your particular circumstances, as well as any tax consequences that may arise under the laws of any state, local or foreign taxing jurisdiction.

Dividends

We currently do not intend to pay dividends with respect to our common stock. However, if we were to pay dividends with respect to our common stock, dividends paid to a non-U.S. holder, except as described below, would be subject to withholding of U.S. federal income tax at a 30% rate or at a lower rate if the holder is eligible for the benefits of an income tax treaty that provides for a lower rate (and the holder has furnished to us a valid Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, your status as a non-United States person and your entitlement to the lower treaty rate with respect to such payments).

If dividends paid to a non-U.S. holder are “effectively connected” with such holder’s conduct of a trade or business within the United States, and, if required by a tax treaty, the dividends are attributable to a permanent establishment that the non-U.S. holder maintains in the United States, we generally are not required to withhold tax from the dividends, provided that the non-U.S. holder has furnished to us a valid Internal Revenue Service Form W-8ECI or an acceptable substitute form upon which you certify,

under penalties of perjury, your status as a non-United States person and your entitlement to this exemption from withholding. Instead, "effectively connected" dividends are taxed at rates applicable to United States persons. If a non-U.S. holder is a corporation, "effectively connected" dividends that it receives may, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or at a lower rate if the holder is eligible for the benefits of an income tax treaty that provides for a lower rate.

You must comply with the certification procedures described above, or, in the case of payments made outside the United States with respect to an offshore account, certain documentary evidence procedures, directly or under certain circumstances through an intermediary, to obtain the benefits of a reduced rate under an income tax treaty with respect to dividends paid with respect to your common stock. In addition, if you are required to provide an Internal Revenue Service Form W-8ECI or successor form, as discussed above, you must also provide your tax identification number.

If you are eligible for a reduced rate of United States withholding tax pursuant to an income tax treaty, you may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the Internal Revenue Service.

Gain on Disposition of Common Stock

Non-U.S. holders generally will not be subject to United States federal income tax on gain that they recognize on a disposition of our common stock unless:

- the holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met;
- such gain is effectively connected with the holder's conduct of a trade or business within the United States and, if certain tax treaties apply, is attributable to a U.S. permanent establishment maintained by the holder (and, in which case, if you are a foreign corporation, you may be subject to an additional branch profits tax equal to 30% or a lower rate as may be specified by an applicable income tax treaty);
- the holder is subject to the Internal Revenue Code provisions applicable to certain U.S. expatriates; or
- we are or have been a "U.S. real property holding corporation" for U.S. federal income tax purposes and, assuming that our common stock is deemed to be "regularly traded on an established securities market," the holder held, directly or indirectly at any time during the five-year period ending on the date of disposition or such shorter period that such shares were held, more than five percent of our common stock. We have not been, are not and do not anticipate becoming, a United States real property holding corporation for United States federal income tax purposes.

Special rules may apply to certain non-U.S. holders, such as "controlled foreign corporations," "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax. Such entities should consult their own tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them.

Federal Estate Taxes

If our common stock is held by a non-U.S. holder at the time of death, such stock will be included in the holder's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

Backup Withholding and Information Reporting

A non-U.S. holder generally will be exempt from backup withholding and information reporting with respect to dividend payments and the payment of the proceeds from the sale of our common stock effected at a United States office of a broker, as long as:

- the income associated with such payments is otherwise exempt from U.S. federal income tax;
- the payor or broker does not have actual knowledge or reason to know that you are a U.S. person; and
- you have furnished to the payor or broker a valid Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-U.S. person, or other documentation upon which it may rely to treat the payments as made to a non-U.S. person in accordance with U.S. Treasury regulations (or you otherwise establish an exemption).

Payment of the proceeds from the sale of our common stock effected at a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, a sale of our common stock that is effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

- the proceeds are transferred to an account maintained by you in the United States;
- the payment of proceeds or the confirmation of the sale is mailed to you at a United States address; or
- the sale has some other specified connection with the United States as provided in U.S. Treasury regulations,

unless the documentation requirements described above are met or you otherwise establish an exemption and the broker does not have actual knowledge or reason to know that you are a U.S. person.

In addition, a sale of our common stock will be subject to information reporting if it is effected at a foreign office of a broker that is:

- a U.S. person;
- a controlled foreign corporation for U.S. tax purposes;
- a foreign person 50% or more of whose gross income is effectively connected with the conduct of a U.S. trade or business for a specified period; or
- a foreign partnership, if at any time during its tax year one or more of its partners are "U.S. persons," as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or such foreign partnership is engaged in the conduct of a U.S. trade or business,

unless the documentation requirements described above are met or a non-U.S. holder otherwise establishes an exemption and the broker does not have actual knowledge or reason to know that the holder is a United States person. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that the holder is a U.S. person.

A non-U.S. holder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed its income tax liability by filing an appropriate refund claim with the Internal Revenue Service.

In addition to the foregoing, we must report annually to the IRS and to each non-U.S. holder on Internal Revenue Service Form 1042-S the entire amount of any distribution and the tax withheld, regardless of whether withholding was required. This information may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , 2006, we and the selling stockholders have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. are acting as representatives, the following respective numbers of shares of common stock:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Goldman, Sachs & Co.	
C.E. Unterberg, Towbin, LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
RBC Capital Markets Corporation	
Thomas Weisel Partners LLC	
Total	

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in the offering if any are purchased, other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

The selling stockholders have granted to the underwriters a 30-day option to purchase on a pro rata basis up to additional shares at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of common stock.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of $ per share. The underwriters and selling group members may allow a discount of $ per share on sales to other broker/dealers. After the initial public offering, the representatives may change the public offering price and concession and discount to broker/dealers.

The following table summarizes the compensation and estimated expenses we and the selling stockholders will pay:

	Per Share		Total	
	Without Over-allotment	With Over-allotment	Without Over-allotment	With Over-allotment
Underwriting Discounts and Commissions paid by us	$	$	$	$
Expenses payable by us	$	$	$	$
Underwriting Discounts and Commissions paid by the selling stockholders	$	$	$	$
Expenses payable by the selling stockholders	$	$	$	$

The underwriters will not confirm sales to any accounts over which they exercise discretionary authority without first receiving a written consent from those accounts.

Affiliates of Credit Suisse Securities (USA) LLC own 10% or more of our common stock and 10% or more of the aggregate of all classes of our preferred stock and, upon consummation of the offering and related transactions, will own 10% or more of our common stock. The Company will also pay to affiliates of Credit Suisse Securities (USA) LLC $ million from the proceeds of this offering, the concurrent private placement and borrowings under our new term loan (or % of the total proceeds) in satisfaction of the amounts due to the affiliates upon the conversion into common stock of their holdings of our

Series A, B, C, D and E preferred stock (including accrued dividends, and assuming the offering is completed on 2006). Thus, the underwriters may be deemed to have a "conflict of interest" under the applicable provisions of Rule 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc. Accordingly, this offering will be made in compliance with the applicable provisions of Rule 2720 of the Conduct Rules. Rule 2720 requires that the initial public offering price of the shares of common stock not be higher than that recommended by a "qualified independent underwriter," as defined by the National Association of Securities Dealers, Inc. Goldman, Sachs & Co. has served in that capacity and performed due diligence investigations and reviewed and participated in the preparation of the registration statement of which this prospectus forms a part. Goldman, Sachs & Co. has received $10,000 from us as compensation for such role.

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of the representatives for a period of 180 days after the date of this prospectus, except for:

- issuances of common stock pursuant to the exercise of options outstanding on the date of this prospectus;
- grants of employee stock options pursuant to our stock option plan or long term incentive plan;
- issuances of common stock pursuant to the exercise of such options;
- the delivery of common stock to holders of our Series A, B, C, D, E, AA, BB or CC preferred stock upon the conversion of such preferred stock into common stock; and
- the delivery of common stock in effectuation of the reverse stock split.

Further, in the event that (1) during the last 17 days of the 180-day "lock-up" period we release earnings results or (2) prior to the expiration of the 180-day "lock-up" period we announce that we will release earnings results during the 16-day period beginning on the last day of such "lock-up" period, then in either case such "lock-up" period will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results, unless the representatives waive, in writing, such extension.

Our officers, directors and substantially all of our stockholders have agreed that they will not:

- offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock or enter into a transaction that would have the same effect;
- enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise; or
- publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement;

without, in each case, the prior written consent of the representatives for a period of 180 days after the date of this prospectus.

However, if the reported last sale price of our common stock on The NASDAQ National Market is at least 50% greater than the offering price per share for 20 of the 30 trading days ending on the last trading day before the 100th day after the date of this prospectus, then 20% of the shares of our common stock owned by the officers, directors and stockholders described above that are subject to the 180-day restrictions described above, or shares, will be released from these restrictions. Further, in the event that (1) during the last 17 days of either the initial 100-day "lock-up" period or the full 180-day

"lock-up" period we release earnings results or (2) prior to the expiration of either the initial 100-day "lock-up" period or the full 180-day "lock-up" period we announce that we will release earnings results during the 16-day period beginning on the last day of each "lock-up" period, then in either case the "lock-up" period will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results, unless the representatives waive, in writing, the extension. The foregoing "lock-up" provisions applicable to our officers, directors and substantially all of our stockholders do not prohibit the exercise of options held by them or the conversion of any shares of our Series A, B, C, D, E, AA, BB or CC preferred stock held by them into our common stock.

Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. have advised us that they have no present intent or arrangement to release any shares subject to a lock-up, and will consider the release of any lock-up on a case-by-case basis. Upon a request to release any shares subject to a lock-up, Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. would consider the particular circumstances surrounding the request, including, but not limited to, the length of time before the lock-up expires, the number of shares requested to be released, reasons for the request, the possible impact on the market for our common stock and whether the holder of our shares requesting the release is an officer, director or other affiliate of ours.

We and the selling stockholders have agreed to indemnify the underwriters and Goldman, Sachs & Co. in its capacity as qualified independent underwriter against liabilities under the Securities Act, or contribute to payments that the underwriters or Goldman, Sachs & Co. in its capacity as qualified independent underwriter may be required to make in that respect.

We have applied to list the shares of common stock on The NASDAQ National Market.

Certain of the underwriters and their respective affiliates have from time to time performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for us and our affiliates in the ordinary course of business, for which they received, or will receive, customary fees and expenses. In addition, we have the following relationships with certain of the underwriters and their affiliates:

- Affiliates of Credit Suisse Securities (USA) LLC own approximately % of our common stock as of , 2006 (calculated without giving effect to this offering or the conversion of any shares of preferred stock into common stock), 98.1% of our Series A preferred stock, 89.8% of our Series B preferred stock, 100% of our Series C preferred stock, 80.9% of our Series D Preferred Stock, 100% of our Series E preferred stock, 13.4% of our Series AA preferred stock, 30.0% of our Series BB preferred stock and 15.4% of our Series CC preferred stock, and, upon completion of the offering and related transactions, will own approximately % of our common stock. See "Principal and Selling Stockholders." Concurrently with the completion of the offering, affiliates of Credit Suisse Securities (USA) LLC will deposit all shares of our common stock held by them that exceed 5.0% of our then outstanding common stock into a voting trust under which the shares will be voted by an independent trustee. See "Principal and Selling Stockholders" and "Description of Capital Stock — Voting Trust Agreement" for more information regarding the voting trust agreement.
- Mr. Thomas Barry, one of our directors, is a limited partner in an investment fund associated with DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Barry.
- Mr. Edward A. Johnson, one of our directors, also serves as a managing director of Credit Suisse Securities (USA) LLC and a partner at DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. Mr. Johnson will resign his position as a director of our

company immediately prior to the completion of the offering. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Johnson.

- Mr. Frank J. Fanzilli, Jr., one of our directors, formerly served in several capacities at Credit Suisse Securities (USA) LLC. Currently, Mr. Fanzilli is a limited partner in an investment fund associated with the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Fanzilli.
- Mr. Keith Geeslin, one of our directors, formerly served in several capacities at various affiliates of Credit Suisse Securities (USA) LLC, including as a managing partner of the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. Currently, Mr. Geeslin is a limited partner in certain investment funds associated with DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC, and the Sprout Group. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Geeslin.
- Mr. Daniel Pulver, one of our directors, formerly served as a director of Credit Suisse Securities (USA) LLC and a principal at DLJ Merchant Banking, the corporate leveraged buyout arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. Currently, Mr. Pulver is a limited partner in an investment fund associated with DLJ Merchant Banking. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Pulver.
- Mr. N. Robert Hammer, our chairman, chief executive officer and president, formerly served in several capacities at various affiliates of Credit Suisse Securities (USA) LLC, including as a venture partner of the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. Currently, Mr. Hammer is a limited partner in certain investment funds associated with the Sprout Group. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Hammer.
- Mr. Alan G. Bunte, our executive vice president and chief operating officer, is a limited partner in an investment fund associated with the Sprout Group, the venture capital arm of Credit Suisse's asset management business, which conducts its activities through affiliates of Credit Suisse Securities (USA) LLC. See "Management" and "Certain Relationships and Related Party Transactions" for more information regarding Mr. Bunte.
- An affiliate of RBC Capital Markets Corporation owns approximately 2.2% of our Series BB preferred Stock and 0.095% of our Series CC preferred stock, and upon completion of the offering and related transactions will own approximately % of our common stock.
- Affiliates and related parties of C.E. Unterberg, Towbin, LLC own approximately 5.0% of our Series CC preferred stock, and upon completion of the offering and related transactions will own approximately % of our common stock.
- Affiliates of Credit Suisse Securities (USA) LLC will receive $ million of the net proceeds to us from the offering, the concurrent private placement and borrowings under our new term loan in satisfaction of amounts due upon the conversion of their holdings of our Series A, B, C, D and E preferred stock (including accrued dividends, and assuming the offering is completed on 2006). See "Certain Relationships and Related Party Transactions" for more information regarding these payments.

The decision of Credit Suisse Securities (USA) LLC, C.E. Unterberg, Towbin, LLC and RBC Capital Markets Corporation to distribute our common stock was not influenced by their affiliates who own shares of our common stock and preferred stock, and those affiliates had no involvement in determining whether or when to distribute the common stock under this offering or the terms of this offering. Credit Suisse Securities (USA) LLC, C.E. Unterberg, Towbin, LLC and RBC Capital Markets Corporation will not receive any benefit from this offering other than as described in this prospectus. See "Risk Factors — Risks Related to the Offering — Credit Suisse Securities (USA) LLC, an underwriter in this offering, has an interest in the successful completion of this offering beyond the discounts and commissions it will receive."

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by a negotiation between us, the underwriters and Goldman, Sachs & Co. in its capacity as qualified independent underwriter and will not necessarily reflect the market price of the common stock following the offering. The principal factors that will be considered in determining the public offering price will include:

- the information in this prospectus and otherwise available to the underwriters;
- market conditions for initial public offerings;
- the history and the prospects for the industry in which we compete;
- the ability of our management;
- the prospects for our future earnings;
- the present state of our development and our current financial condition;
- the recent market prices of, and the demand for, publicly traded common stock of generally comparable companies; and
- the general condition of the securities markets at the time of this offering.

We cannot assure you that the initial public offering price will correspond to the price at which the common stock will trade in the public market subsequent to the offering or that an active trading market for the common stock will develop and continue after the offering.

In connection with the offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, penalty bids and passive market making in accordance with Regulation M under the Securities Exchange Act of 1934, as amended:

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.
- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. If the underwriters sell more shares than could be covered by the over- allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.
- In passive market making, market makers in the common stock who are underwriters or prospective underwriters may, subject to limitations, make bids for or purchases of our common stock until the time, if any, at which a stabilizing bid is made.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on The NASDAQ National Market or otherwise and, if commenced, may be discontinued at any time.

Each of the underwriters has represented and agreed that:

(a) it has not made or will not make an offer of shares to the public in the United Kingdom within the meaning of section 102B of the Financial Services and Markets Act 2000 ("FSMA"), as amended, except to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities or otherwise in circumstances which do not require the publication by our Company of a prospectus pursuant to the Prospectus Rules of the Financial Services Authority ("FSA");

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of the FSMA does not apply to our Company; and

(c) it has complied with, and will comply with, all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the manager for any such offer; or

(d) in any other circumstances which do not require the publication by our Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of

sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

The shares may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the shares may be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The shares have not been and will not be registered under the Securities and Exchange Law of Japan (the "Securities and Exchange Law") and each underwriter has agreed that it will not offer or sell any shares, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Each person who is in possession of this prospectus is aware of the fact that no German sales prospectus (Verkaufsprospekt) within the meaning of the Securities Sales Prospectus Act (Wertpapier-Verkaufsprospektgesetz, the "Act") of the Federal Republic of Germany has been or will be published with respect to our shares. In particular, each underwriter has represented that it has not engaged and has agreed that it will not engage in a public offering (offentliches Angebot) within the meaning of the Act with respect to any of our shares otherwise than in accordance with the Act and all other applicable legal and regulatory requirements.

Each underwriter has agreed that the shares are being issued and sold outside the Republic of France and that, in connection with their initial distribution, it has not offered or sold and will not offer or sell,

directly or indirectly, any shares to the public in the Republic of France, and that it has not distributed and will not distribute or cause to be distributed to the public in the Republic of France this prospectus or any other offering material relating to the shares, and that such offers, sales and distributions have been and will be made in the Republic of France only to qualified investors (investisseurs qualifiés) in accordance with Article L.411-2 of the Monetary and Financial Code and decrét no. 98-880 dated 1st October, 1998.

Our shares may not be offered, sold, transferred or delivered in or from The Netherlands as part of their initial distribution or at any time thereafter, directly or indirectly, other than to individuals or legal entities situated in The Netherlands who or which trade or invest in securities in the conduct of a business or profession (which includes banks, securities intermediaries (including dealers and brokers), insurance companies, pension funds, collective investment institutions, central governments, large international and supranational organizations, other institutional investors and other parties, including treasury departments of commercial enterprises, which as an ancillary activity regularly invest in securities; hereinafter, "Professional Investors"), provided that in the offer, the prospectus and in any other documents or advertisements in which a forthcoming offering of our shares is publicly announced (whether electronically or otherwise) in The Netherlands it is stated that such offer is and will be exclusively made to such Professional Investors. Individual or legal entities who are not Professional Investors may not participate in the offering of our shares, and this prospectus or any other offering material relating to our shares may not be considered an offer or the prospect of an offer to sell or exchange our shares.

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

LEGAL MATTERS

Certain legal matters in connection with the sale of the shares of common stock offered hereby will be passed upon for us by Mayer, Brown, Rowe & Maw LLP, Chicago, Illinois. The underwriters have been represented by Cravath, Swaine & Moore LLP, New York, New York.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements and schedule at March 31, 2006 and March 31, 2005, and for each of the three years in the period ended March 31, 2006, as set forth in their report. We have included our financial statements and schedule in the prospectus and elsewhere in the registration statement in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

The SEC auditor independence rules require an auditor to be independent of its audit client and the audit client's affiliates. Based on the definition of affiliate in Rule 2-01(f)(4) of Regulation S-X, Credit Suisse Group would be deemed to be an affiliate of CommVault because Credit Suisse Group is in a position to ultimately control CommVault through Credit Suisse Group's ownership, through its subsidiaries, of a majority of CommVault's common shares. Concurrently with the completing of this offering, Credit Suisse Group and its affiliates will deposit all shares of our common stock held by them that exceed 5.0% of our then-outstanding common stock into a voting trust under which the shares will be voted by an independent trustee. See "Description of Capital Stock — Voting Trust Agreement" for more information regarding the voting trust agreement.

Our independent auditors, Ernst & Young LLP, do not audit Credit Suisse Group. Ernst & Young has informed us that, among other things, Ernst & Young, its affiliates, its partners and employees have certain financial and other relationships with Credit Suisse Group and its related entities and Ernst &

Young has performed certain non-audit services for Credit Suisse Group and its related entities that are not in accordance with the auditor independence standards in Regulation S-X and of the Public Company Accounting Oversight Board. None of these interests, relationships or services involves CommVault directly, nor CommVault's consolidated financial statements.

Our audit committee reviewed these matters with representatives of Ernst & Young. The audit committee considered all relevant facts and circumstances, including Ernst & Young's representations with respect to its relationships with Credit Suisse Group and its related entities and Ernst & Young's conclusion that it is independent with respect to CommVault, and concluded that none of the relationships between Ernst & Young and Credit Suisse Group and its related entities involved CommVault, nor did they have any impact on our consolidated financial statements and, thus, the arrangements did not compromise Ernst & Young's independence with respect to CommVault.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act that registers the shares of our common stock to be sold in this offering. This prospectus does not contain all of the information set forth in the registration statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. For further information about us and the shares to be sold in this offering, please refer to the registration statement. Statements contained in this prospectus as to the contents of any agreement or any other document referred to are not necessarily complete and, in each instance, we refer you to the copy of the agreement or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference.

You may read and copy the registration statement, and the exhibits and schedules to the registration statement, at the public reference room maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information regarding the public reference room. You may also obtain copies of all or part of the registration statement by mail from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates.

The SEC also maintains a website that contains reports, proxy and information statements and other information about issuers, including CommVault, that file electronically with the SEC. The address of that site is http://www.sec.gov.

Upon completion of this offering, we will become subject to the reporting and information requirements of the Securities Exchange Act of 1934, as amended, and we will file reports, proxy statements and other information with the SEC.

CommVault Systems, Inc.

Consolidated Financial Statements

Years ended March 31, 2006, 2005, 2004

Index to Consolidated Financial Statements and Schedule

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
CommVault Systems, Inc.

We have audited the accompanying consolidated balance sheets of CommVault Systems, Inc. and subsidiaries as of March 31, 2006 and 2005 and the related consolidated statements of operations, stockholders' deficit, and cash flows for each of the three years in the period ended March 31, 2006. Our audits also include the financial statement schedule listed in the Index at page F-1. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of CommVault Systems, Inc. and subsidiaries at March 31, 2006 and 2005, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2006, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

MetroPark, New Jersey
June 28, 2006

CommVault Systems, Inc.

Consolidated Balance Sheets
(In thousands, except per share data)

	March 31, 2005	March 31, 2006	Pro Forma March 31, 2006 (Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$ 24,795	$ 48,039	$
Trade accounts receivable, less allowance for doubtful accounts of $602 and $475 at March 31, 2005 and 2006, respectively	18,305	18,238	
Prepaid expenses and other current assets	1,986	1,877	
Total current assets	45,086	68,154	
Property and equipment, net	2,085	3,322	
Other assets	342	1,092	
Total assets	$ 47,513	$ 72,568	$
Liabilities, cumulative redeemable convertible preferred stock and stockholders' deficit			
Current liabilities:			
Accounts payable	$ 1,755	$ 1,565	$
Accrued liabilities	10,451	12,685	
Term loan	166	—	
Deferred revenue	19,273	29,765	
Total current liabilities	31,645	44,015	
Deferred revenue, less current portion	3,281	3,036	
Term loan, less current portion	—	—	
Other liabilities	90	13	
Commitments and contingencies			
Cumulative redeemable convertible preferred stock:			
Series A through E, at liquidation value	93,507	99,168	
Stockholders' deficit:			
Convertible preferred stock, $.01 par value: 5,000 shares Series AA authorized, 4,362 issued and outstanding; 5,000 shares Series BB authorized, 2,758 issued and outstanding; 12,150 shares Series CC authorized, 12,132 issued and outstanding; liquidation value $96,339 at March 31, 2006	94,352	94,352	
Common stock, $.01 par value, 120,850 shares authorized, 37,617 and 37,920 shares issued and outstanding at March 31, 2005 and 2006, respectively; shares issued and outstanding pro forma at March 31, 2006 (unaudited)	377	379	
Additional paid-in capital	—	4,506	
Deferred compensation	(61)	(8,134)	
Accumulated deficit	(175,904)	(165,148)	
Accumulated other comprehensive income	226	381	
Total stockholders' deficit	(81,010)	(73,664)	
	$ 47,513	$ 72,568	$

CommVault Systems, Inc.

Consolidated Statements of Operations
(In thousands, except per share data)

	Year Ended March 31,		
	2004	2005	2006
Revenues:			
Software	$ 39,474	$ 49,598	$ 62,422
Services	21,772	33,031	47,050
Total revenues	61,246	82,629	109,472
Cost of revenues:			
Software	1,168	1,497	1,764
Services	8,049	9,975	13,231
Total cost of revenues	9,217	11,472	14,995
Gross margin	52,029	71,157	94,477
Operating expenses:			
Sales and marketing	37,592	43,248	51,326
Research and development	16,214	17,239	19,301
General and administrative	8,599	8,955	12,275
Depreciation and amortization	1,396	1,390	1,623
Income (loss) from operations	(11,772)	325	9,952
Interest expense	(60)	(14)	(7)
Interest income	134	346	1,262
Income (loss) before income taxes	(11,698)	657	11,207
Income tax expense	—	(174)	(451)
Net income (loss)	(11,698)	483	10,756
Less: accretion of preferred stock dividends	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders	$ (17,374)	$ (5,178)	$ 5,095
Net income (loss) attributable to common stockholders per share:			
Basic	$ (0.47)	$ (0.14)	$ 0.09
Diluted	$ (0.47)	$ (0.14)	$ 0.08
Weighted average shares used in computing per share amounts:			
Basic	37,201	37,424	37,678
Diluted	37,201	37,424	61,866
Unaudited pro forma net income (loss) attributable to common stockholders per share:			
Basic			$
Diluted			$
Unaudited pro forma weighted average shares used in computing per share amounts:			
Basic			
Diluted			

CommVault Systems, Inc.

Consolidated Statements of Stockholders' Deficit
Years ended March 31, 2004, 2005 and 2006
(In thousands)

	Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Deferred Compensation	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount	Shares	Amount					
Balance at March 31, 2003	14,461	$ 79,650	37,399	$ 374	$ —	$ —	$ (155,656)	$ 71	$ (75,561)
Stock options exercised			168	2	371				373
Repurchase and retirement of common stock			(8)	—					—
Issuance of shares in private placement	4,791	14,702							14,702
Issuance of common stock warrant to a customer					1,696				1,696
Comprehensive income (loss):									
Net loss							(11,698)		(11,698)
Other comprehensive income (loss):									
Foreign currency translation adjustment								250	250
Total comprehensive income (loss)									(11,448)
Deferred compensation related to stock options					86	(86)			—
Amortization of deferred compensation						4			4
Accretion of dividends on preferred stock					(2,153)		(3,523)		(5,676)
Balance at March 31, 2004	19,252	94,352	37,559	376	—	(82)	(170,877)	321	(75,910)
Stock options exercised			61	1	151				152
Repurchase and retirement of common stock			(3)	—					—
Comprehensive income (loss):									
Net income							483		483
Other comprehensive income (loss):									
Foreign currency translation adjustment								(95)	(95)
Total comprehensive income (loss)									388
Amortization of deferred compensation						21			21
Accretion of dividends on preferred stock					(151)		(5,510)		(5,661)
Balance at March 31, 2005	19,252	94,352	37,617	377	—	(61)	(175,904)	226	(81,010)
Stock options exercised			303	2	703				705
Comprehensive income:									
Net income							10,756		10,756
Other comprehensive income:									
Foreign currency translation adjustment								155	155
Total comprehensive income									10,911
Acceleration of stock options					263				263
Deferred compensation related to stock options					9,201	(9,201)			—
Amortization of deferred compensation						1,128			1,128
Accretion of dividends on preferred stock					(5,661)				(5,661)
Balance at March 31, 2006	19,252	$ 94,352	37,920	$ 379	$ 4,506	$ (8,134)	$ (165,148)	$ 381	$ (73,664)

CommVault Systems, Inc.

Consolidated Statements of Cash Flows
(In thousands)

	Year Ended March 31,		
	2004	2005	2006
Cash flows from operating activities			
Net income (loss)	$ (11,698)	$ 483	$ 10,756
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,425	1,431	1,682
Noncash stock compensation	4	21	1,391
Issuance of common stock warrants	1,696	—	—
Changes in operating assets and liabilities:			
Accounts receivable	(352)	(2,759)	67
Prepaid expenses and other current assets	225	(588)	109
Other assets	3	(120)	105
Accounts payable	1,018	(1,060)	(664)
Accrued expenses	214	2,617	2,234
Deferred revenue and other liabilities	8,366	3,815	10,170
Net cash provided by operating activities	901	3,840	25,850
Cash flows from investing activities			
Purchase of property and equipment	(1,244)	(1,860)	(2,814)
Net cash used in investing activities	(1,244)	(1,860)	(2,814)
Cash flows from financing activities			
Proceeds from issuance of preferred stock	14,702	—	—
Proceeds from term loan	497	—	—
Repayments on term loan	(131)	(200)	(166)
Deferred offering costs	—	—	(486)
Proceeds from issuance of common stock	372	152	705
Net cash provided by (used in) financing activities	15,440	(48)	53
Effects of exchange rate — changes in cash	250	(95)	155
Net increase in cash and cash equivalents	15,347	1,837	23,244
Cash and cash equivalents at beginning of year	7,611	22,958	24,795
Cash and cash equivalents at end of year	$ 22,958	$ 24,795	$ 48,039
Supplemental disclosures of cash flow information			
Interest paid	$ 60	$ 14	$ 7
Income taxes paid (received)	$ 15	$ 48	$ 483

CommVault Systems Inc.

Notes to Consolidated Financial Statements
(In thousands, except per share data)

1. Nature of Business

CommVault Systems, Inc and its subsidiaries ("CommVault" or the "Company") is a leading provider of data management software applications and related services in terms of product breadth and functionality and market penetration. The Company develops, markets and sells a suite of software applications and services, primarily in the United States, Europe, Canada, Mexico and Australia, that provides its customers with high-performance data protection, global data availability, disaster recovery of data for business continuance and archiving for regulatory compliance and other data management purposes. The Company's unified suite of data management software applications, which is sold under the QiNetix brand, shares an underlying architecture that has been developed to minimize the cost and complexity of managing data on globally distributed and networked storage infrastructures. The Company also provides its customers with a broad range of professional and global support services.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of the Company. All intercompany transactions and balances have been eliminated.

Unaudited Pro Forma Information

The unaudited pro forma balance sheet, unaudited pro forma net income (loss) attributable to common stockholders per share and unaudited pro forma weighted average shares used in computing per share amounts have been presented to give effect to the following events that will occur immediately before or upon the completion of the Company's initial public offering:

- The issuance on June 15, 2006 of a total of shares of common stock upon the cashless exercise of a warrant held by Dell Ventures, L.P. and pursuant to preemptive rights held by the holders of Series AA, BB and CC preferred stock that were triggered by the exercise of the warrant;
- the conversion of all outstanding shares of preferred stock into a total of shares of common stock;
- the payment of $ in satisfaction of the cash amount due to holders of Series A, B, C, D and E preferred stock upon its conversion into common stock (including accrued dividends, and assuming the initial public offering is completed in 2006);
- the borrowing of $ under a new term loan at an interest rate equal to 30-day LIBOR plus 1.50%, and assumed to be % per year in connection with the payments to the holders of Series A, B, C, D and E preferred stock (assuming that the initial public offering and the concurrent private placement are priced at $ per share, the midpoint of the estimated price range shown on the cover of the prospectus); and
- the completion of the concurrent private placement of shares of the Company's common stock at the public offering price and the application of the proceeds therefrom. Assuming an offering price of $ per share (the midpoint of the estimated price range shown on the cover page of the prospectus) the Company will raise $ in proceeds from the concurrent private placement.

The unaudited pro forma balance sheet has been presented as if each event occurred at March 31, 2006, and the unaudited pro forma net income (loss) attributable to common stockholders per share and unaudited pro forma weighted average shares used in computing per share amounts have been presented as if each event occurred at April 1, 2005.

CommVault Systems Inc.

Notes to Consolidated Financial Statements — (Continued)
(In thousands, except per share data)

The following table shows the adjustments to net income (loss) attributable to common stockholders for the periods shown to arrive at the corresponding pro forma net income (loss) attributable to common stockholders:

	Year Ended March 31, 2006
Net income attributable to common stockholders	$ 5,095
Plus:	
Elimination of accretion of preferred stock dividends	5,661
Less:	
Interest expense associated with term loan borrowings, net of taxes of $	
Pro forma net income attributable to common stockholders	$

The following tables show the adjustments to the basic and diluted weighted average number of shares used in computing pro forma per share amounts:

	Year Ended March 31, 2006
Basic weighted average number of shares used in computing per share amounts	37,678
Plus:	
Shares issued upon conversion of outstanding preferred stock	
Shares issued in the concurrent private placement	
Shares issued upon warrant exercise and related shares issued pursuant to preemptive rights	
Basic pro forma weighted average number of shares used in computing per share amounts	

	Year Ended March 31, 2006
Diluted weighted average number of shares used in computing per share amounts	61,866
Less:	
Dilutive effect of common stock warrants	
Plus:	
Shares issued upon conversion of outstanding preferred stock	
Shares issued in the concurrent private placement	
Shares issued upon warrant exercise and related shares issued pursuant to preemptive rights	
Diluted pro forma weighted average number of shares used in computing per share amounts	

Use of Estimates

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles requires management to make judgments and estimates that affect the amounts reported in the Company's consolidated financial statements and the accompanying notes. The Company bases its estimates and judgments on historical experience and on various other assumptions that

it believes are reasonable under the circumstances. The amounts of assets and liabilities reported in the Company's balance sheets and the amounts of revenues and expenses reported for each of its periods presented are affected by estimates and assumptions, which are used for, but not limited to, the accounting for revenue recognition, allowance for doubtful accounts, income taxes, stock-based compensation and accounting for research and development costs. Actual results could differ from those estimates.

Revenue Recognition

The Company derives revenues from two primary sources, or elements: software licenses and services. Services include customer support, consulting, assessment and design services, installation services and training. A typical sales arrangement includes both of these elements. The Company applies the provisions of Statement of Position ("SOP") 97-2, *Software Revenue Recognition*, as amended by SOP 98-4 and SOP 98-9, and related interpretations to all transactions to determine the recognition of revenue.

For software arrangements involving multiple elements, the Company recognizes revenue using the residual method as described in SOP 98-9. Under the residual method, the Company allocates and defers revenue for the undelivered elements based on relative fair value and recognizes the difference between the total arrangement fee and the amount deferred for the undelivered elements as revenue. The determination of fair value of the undelivered elements in multiple element arrangements is based on the price charged when such elements are sold separately, which is commonly referred to as vendor-specific objective-evidence, or VSOE.

The Company's software licenses typically provide for a perpetual right to use the Company's software and are sold on a per-copy basis or as site licenses. Site licenses give the customer the additional right to deploy the software on a limited basis during a specified term. The Company recognizes software revenue through direct sales channels upon receipt of a purchase order or other persuasive evidence and when all other basic revenue recognition criteria are met as described below. The Company recognizes software revenue through all indirect sales channels on a sell-through model. A sell-through model requires that the Company recognize revenue when the basic revenue recognition criteria are met as described below and these channels complete the sale of the Company's software products to the end user. Revenue from software licenses sold through an original equipment manufacturer partner is recognized upon the receipt of a royalty report or purchase order from that original equipment manufacturer partner.

Services revenue includes revenue from customer support and other professional services. Customer support includes software updates on a when-and-if-available basis, telephone support and bug fixes or patches. Customer support revenue is recognized ratably over the term of the customer support agreement, which is typically one year. To determine the price for the customer support element when sold separately, the Company primarily uses historical renewal rates and, in certain cases, it uses stated renewal rates. Historical renewal rates are supported by performing an analysis in which the Company segregates its customer support renewal contracts into different classes based on specific criteria including, but not limited to, the dollar amount of the software purchased, the level of customer support being provided and the distribution channel. As a result of this analysis, the Company has concluded that it has sufficient VSOE for the different classes of customer support when the support is sold as part of a multiple-element arrangement.

The Company's other professional services include consulting, assessment and design services, installation services and training. Other professional services provided by the Company are not mandatory and can also be performed by the customer or a third party. The Company's consulting, assessment and design services and installation services are generally evidenced by a signed Statement of Work ("SOW"), which defines the specific scope of such services to be performed. Revenues from consulting, assessment and design services and installation services are based upon a daily or weekly rate and are recognized when the services are completed. Training includes courses taught by the Company's instructors or third party

contractors either at one of the Company's facilities or at the customer's site. Training fees are recognized after the training course has been provided. Based on the Company's analysis of such other professional services transactions sold on a stand-alone basis, the Company has concluded it has established VSOE for such other professional services when sold in connection with a multiple-element software arrangement. The Company generally performs its other professional services within 60 to 90 days of entering into an agreement. The price for other professional services has not materially changed for the periods presented.

The Company has analyzed all of the undelivered elements included in its multiple-element arrangements and determined that VSOE of fair value exists to allocate revenues to services. Accordingly, assuming all basic revenue recognition criteria are met, software revenue is recognized upon delivery of the software license using the residual method in accordance with SOP 98-9.

The Company considers the four basic revenue recognition criteria for each of the elements as follows:

- *Persuasive evidence of an arrangement with the customer exists.* The Company's customary practice is to require a purchase order and, in some cases, a written contract signed by both the customer and the Company, a signed SOW evidencing the scope of certain other professional services, or other persuasive evidence that an arrangement exists prior to recognizing revenue on an arrangement.
- *Delivery or performance has occurred.* The Company's software applications are usually physically delivered to customers with standard transfer terms such as FOB shipping point. Software and/or software license keys for add-on orders or software updates are typically delivered via email. If products that are essential to the functionality of the delivered software in an arrangement have not been delivered, the Company does not consider delivery to have occurred. Services revenue is recognized when the services are completed, except for customer support, which is recognized ratably over the term of the customer support agreement, which is typically one year.
- *Vendor's fee is fixed or determinable.* The fee customers pay for software applications, customer support and other professional services is negotiated at the outset of an arrangement. The fees are therefore considered to be fixed or determinable at the inception of the arrangement.
- *Collection is probable.* Probability of collection is assessed on a customer-by-customer basis. Each new customer undergoes a credit review process to evaluate its financial position and ability to pay. If the Company determines from the outset of an arrangement that collection is not probable based upon the review process, revenue is recognized on a cash-collected basis, assuming all of the other basic revenue recognition criteria are met.

The Company's arrangements do not generally include acceptance clauses. However, if an arrangement does include an acceptance clause, revenue for such an arrangement is deferred and recognized upon acceptance. Acceptance occurs upon the earliest of receipt of a written customer acceptance, waiver of customer acceptance or expiration of the acceptance period.

The Company has offered limited price protection under certain original equipment manufacturer agreements. Any right to a future refund from such price protection is entirely within the Company's control. It is estimated that the likelihood of a future payout due to price protection is remote.

Cost of Revenue

Cost of software revenue consists primarily of third party royalties and other costs such as media, manuals, translation and distribution costs. Cost of services revenue consists primarily of salary, travel expenses and employee benefit costs in providing customer support and other professional services.

Accounting for Income Taxes

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, *Accounting for Income Taxes*. Under SFAS No. 109, deferred tax assets and liabilities are based on differences between the financial reporting and tax basis of assets and liabilities and are measured using the enacted tax rates that are expected to be in effect when the differences reverse. In addition, in accordance with SFAS No. 109, a valuation allowance is required to be recognized if it is not believed to be "more likely than not" that a deferred tax asset will be realized.

Net Income (Loss) Attributable to Common Stockholders per Share

The Company applies the provisions of EITF Issue No. 03-6, *Participating Securities and the Two — Class Method under FASB Statement 128* ("EITF No. 03-6"), which established standards regarding the computation of earnings per share by companies with participating securities or multiple classes of common stock. The Company's Series AA, BB and CC convertible preferred stock and Series A through E cumulative redeemable convertible preferred stock are participating securities due to their participation rights related to cash dividends declared by the Company. The holders of the Company's Series AA, BB and CC convertible preferred stock are entitled to receive a proportionate share of cash dividends declared on the Company's common stock, calculated on an as if-converted basis. In addition, the holders of the Company's Series A through E cumulative redeemable convertible preferred stock are entitled to receive dividends out of any assets legally available, prior and in preference to any declaration or payment of any dividend (payable other than in common stock or other non-redeemable equity securities and rights entitling the holder to receive additional shares of common stock of the Company) on the common stock of the Company, at a per share rate of $1.788 per annum, or, if greater, an amount equal to that paid on any other outstanding shares of the Company. Such dividends accrue and are cumulative.

EITF No. 03-6 requires net income (loss) attributable to common stockholders for the period to be allocated to common stock and participating securities to the extent that each security may share in earnings as if all of the earnings for the period had been distributed. As a result, basic net income (loss) attributable to common stockholders per share is calculated by dividing undistributed net income (loss) allocable to common stockholders by the weighted average number of shares outstanding during the period. Diluted net income (loss) attributable to common stockholders per share is computed by dividing net income (loss) for the period by the weighted average number of common and potential common shares outstanding during the period if the effect is dilutive. Potential common shares are comprised of incremental shares of common stock issuable upon the exercise of stock options and warrants and upon the conversion of preferred stock. EITF No. 03-6 does not require the presentation of basic and diluted earning per share information for securities other than common stock; therefore, the Company has only disclosed earnings per share amounts pertaining to its common stock. In compliance with EITF No. 03-6, the Company's preferred stock does not participate in losses, and therefore they are not included in the computation of net loss attributable to common stockholders per share.

CommVault Systems Inc.

Notes to Consolidated Financial Statements — (Continued)
(In thousands, except per share data)

The information required to compute basic and diluted net income (loss) attributable to common stockholders per share is as follows:

	Year Ended March 31,		
	2004	2005	2006
Reconciliation of net income (loss) to undistributed net income (loss) allocable to common stockholders for the basic computation:			
Net income (loss)	$ (11,698)	$ 483	$ 10,756
Accretion of preferred stock dividends(1)	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders	(17,374)	(5,178)	5,095
Undistributed net income allocable to Series AA, BB and CC convertible preferred stock, if converted(2)	—	—	(1,730)
Undistributed net income (loss) allocable to common stockholders	$ (17,374)	$ (5,178)	$ 3,365
Basic net income (loss) attributable to common stockholders per share:			
Basic weighted average shares outstanding	37,201	37,424	37,678
Basic net income (loss) attributable to common stockholders per share	$ (0.47)	$ (0.14)	$ 0.09
Reconciliation of net income (loss) to net income (loss) attributable to common stockholders for the diluted computation:			
Net income (loss)	$ (11,698)	$ 483	$ 10,756
Accretion of preferred stock dividends(1)	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders	$ (17,374)	$ (5,178)	$ 5,095
Diluted net income (loss) attributable to common stockholders per share:			
Basic weighted average shares outstanding	37,201	37,424	37,678
Series AA, BB and CC convertible preferred stock	—	—	19,374
Dilutive effect of stock options	—	—	4,384
Dilutive effect of common stock warrants	—	—	430
Diluted weighted average shares outstanding	37,201	37,424	61,866
Diluted net income (loss) attributable to common stockholders per share	$ (0.47)	$ (0.14)	$ 0.08

(1) Net income is reduced by the contractual amount of dividends ($1.788 per share) due on the Company's Series A through E cumulative redeemable convertible preferred stock.

(2) In the years ended March 31, 2004 and 2005, net loss attributable to common stockholders is not allocated to the preferred stockholders because the Company's preferred stock does not participate in losses. In the year ended March 31, 2006, net income attributable to common stockholders is reduced by the participation rights of the Series AA, BB and CC convertible preferred stock related to cash dividends declared by the Company. Net income attributable to common stockholders is not allocated

to the Series A through E cumulative redeemable convertible preferred stock because such stockholders only participate in cash dividends in excess of their contractual dividend amount of $1.788 per share, and the Company did not have the ability to distribute amounts in excess of $1.788 per share in the year ended March 31, 2006.

The following table summarizes the potential outstanding common stock of the Company at the end of each period, which has been excluded from the computation of diluted net income (loss) attributable to common stockholders per share, as its effect is anti-dilutive.

	Year Ended March 31,		
	2004	2005	2006
Stock options	9,529	11,357	—
Convertible preferred stock	32,039	32,039	12,665
Common stock warrants	4,615	4,615	—
Total options, preferred stock and warrants exercisable or convertible into common stock	46,183	48,011	12,665

Software Development Costs

Research and development expenditures are charged to operations as incurred. SFAS No. 86, *Accounting for the Costs of Computer Software to Be Sold, Leased or Otherwise Marketed*, requires capitalization of certain software development costs subsequent to the establishment of technological feasibility. Based on the Company's software development process, technological feasibility is established upon completion of a working model, which also requires certification and extensive testing. Costs incurred by the Company between completion of the working model and the point at which the product is ready for general release historically have been immaterial.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with maturity of three months or less at the date of acquisition to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable consist of amounts due to the Company from normal business activities. The Company maintains an allowance for estimated losses resulting from the inability of its customers to make required payments. The Company estimates uncollectible amounts based upon historical bad debts, evaluation of current customer receivable balances, age of customer receivable balances, the customer's financial condition and current economic trends.

Concentration of Credit Risk

The Company grants credit to customers in a wide variety of industries worldwide and generally does not require collateral. Credit losses relating to these customers have been minimal.

The Company had revenues from the U.S. Federal government which represented 13%, 9% and 8% of total revenues for the years ended March 31, 2004, 2005 and 2006, respectively. With the exception of certain annual customer support contracts, the Company generally does not sell directly to the U.S. Federal government but rather uses several federal resellers who, individually, do not represent more than 10% of total revenues for the respective periods.

One customer accounted for approximately 12% and 18% of total revenues for the year ended March 31, 2005 and 2006, respectively. No one customer accounted for more than 10% of total revenues for the years ended March 31, 2004. One customer accounted for 23% of accounts receivable as of March 31, 2006. No one customer accounted for more than 10% of accounts receivable as of March 31, 2005.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and the term loan approximate their fair values due to the short-term maturity of these instruments.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization. The Company provides for depreciation on property and equipment on a straight-line basis over the estimated useful lives of the assets, generally eighteen months to three years. Leasehold improvements are amortized over the shorter of the useful life of the improvement or the term of the related lease.

Long-Lived Assets

The Company reviews its long-lived assets for impairment in accordance with SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. To determine the recoverability of its long-lived assets, the Company evaluates the estimated future undiscounted cash flows that are directly associated with, and that are expected to arise as a direct result of, the use and eventual disposition of the long-lived asset. If the estimated future undiscounted cash flows demonstrate that recoverability is not probable, an impairment loss would be recognized. An impairment loss would be calculated based on the excess carrying amount of the long-lived asset over the long-lived asset's fair value. The fair value is determined based on valuation techniques such as a comparison to fair values of similar assets. There were no impairment charges recognized during the years ended March 31, 2004, 2005 and 2006.

Deferred Offering Costs

Costs directly attributable to the Company's initial public offering have been deferred and capitalized as part of Other Assets. These costs will be charged against the proceeds of the initial public offering once completed. The total amount deferred as of March 31, 2006 was approximately $855.

Deferred Revenue

Deferred revenues represent amounts collected from, or invoiced to, customers in excess of revenues recognized. This results primarily from the billing of annual customer support agreements, as well as billings for other professional services fees that have not yet been performed by the Company and billings for license fees that are deferred due to one or more of the basic revenue recognition criteria not being met. The value of deferred revenues will increase or decrease based on the timing of invoices and recognition of software revenue. The Company expenses internal direct and incremental costs related to contract acquisition and origination as incurred.

Deferred revenue consists of the following:

	March 31, 2005	March 31, 2006
Current:		
Deferred software revenue	$ 711	$ 2,957
Deferred services revenue	18,562	26,808
	$ 19,273	$ 29,765
Non-current:		
Deferred services revenue	$ 3,281	$ 3,036

Accounting for Stock-Based Compensation

The Company accounts for its stock-based employee compensation plans using the intrinsic value method under the recognition and measurement principles of APB Opinion No. 25, *Accounting for Stock Issued to Employees,* and related interpretations. The Company recognized $4, $21 and $1,128 of compensation expense during the fiscal years ended March 31, 2004, 2005 and 2006, respectively, related to the issuance of options with an exercise price below the fair market value of the common stock at the date of issuance. In addition, the Company recognized $263 of compensation expense in the year ended March 31, 2006 related to the acceleration of the vesting period relating to 81 stock options.

CommVault Systems Inc.

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In accordance with SFAS No. 148, *Accounting for Stock-Based Compensation — Transition and Disclosure — an amendment of FASB Statement No. 123*, the following table illustrates the effect on net income (loss) attributable to common stockholders if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock-based employee compensation:

	Year Ended March 31,		
	2004	2005	2006
Net income (loss)	$ (11,698)	$ 483	$ 10,756
Less: Accretion of preferred stock dividends	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders, as reported	(17,374)	(5,178)	5,095
Add: Stock-based compensation recorded under APB 25	4	21	1,391
Less: Stock-based compensation expense determined under fair value method for all awards	(4,321)	(4,438)	(5,321)
Pro forma net income (loss) attributable to common stockholders	(21,691)	(9,595)	1,165
Less: Undistributed net income allocable to Series AA, BB and CC convertible preferred stock, if converted	—	—	(395)
Pro forma undistributed net income (loss) allocable to common stockholders	$ (21,691)	$ (9,595)	$ 770
Net income (loss) attributable to common stockholders per share, as reported:			
Basic	$ (0.47)	$ (0.14)	$ 0.09
Diluted	$ (0.47)	$ (0.14)	$ 0.08
Pro forma net income (loss) attributable to common stockholders per share:			
Basic	$ (0.58)	$ (0.26)	$ 0.02
Diluted	$ (0.58)	$ (0.26)	$ 0.02

The pro forma information presented above has been determined as if employee stock options were accounted for under the fair value method of SFAS No. 123. The fair value for these options was estimated at the date of grant using the Black-Scholes option-pricing model.

The weighted average assumptions that were used for option grants in the respective periods are as follows:

	Year Ended March 31,		
	2004	2005	2006
Dividend yield	None	None	None
Expected volatility	65%	54%	48%
Risk-free interest rate	3.69%	4.08%	4.26%
Expected life (in years)	7.00	7.00	7.00

Option valuation models require the input of highly subjective assumptions, including the expected life of the option. Because the Company's employee stock options have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable, single measure of the fair value of its employee stock options.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses were $868, $1,268 and $1,551 for the years ended March 31, 2004, 2005 and 2006, respectively.

Foreign Currency Translation

The functional currency of the Company's foreign operations are deemed to be the local country's currency. In accordance with SFAS No. 52, *Foreign Currency Translation,* the assets and liabilities of the Company's international subsidiaries are translated at their respective year-end exchange rates, and revenues and expenses are translated at average currency exchange rates for the period. The resulting balance sheet translation adjustments are included in "Other comprehensive income (loss)" and are reflected as a separate component of stockholders' deficit. Foreign currency transaction gains and losses are immaterial in each year. To date, the Company has not hedged its exposure to changes in foreign currency exchange rates.

Comprehensive Income (Loss)

The Company applies the provisions of SFAS No. 130, *Reporting Comprehensive Income.* Comprehensive income (loss) is defined to include all changes in equity, except those resulting from investments by stockholders and distribution to stockholders, and is reported in the statement of stockholders' deficit. Included in the Company's comprehensive income (loss) are the net income (loss) and foreign currency translation adjustments.

Recent Accounting Pronouncements

In December 2004, the FASB issued SFAS No. 123 (revised 2004), *Share-Based Payment* ("SFAS No. 123(R)"), which replaces SFAS No. 123 and supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees.* SFAS No. 123(R) addresses the accounting for transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. SFAS No. 123(R) requires all share-based payments to employees, including grants of employee stock options and restricted stock grants, to be recognized as a compensation cost based on their fair values. The pro forma disclosures previously permitted under SFAS No. 123 no longer will be an alternative to financial statement recognition. The Company will adopt SFAS No. 123(R) on April 1, 2006 using the modified prospective approach and expects that the adoption of SFAS No. 123(R) will have a material impact on its consolidated results of operations, although it will not impact the Company's overall financial position. The future results will be impacted by the number and value of additional stock option grants subsequent to adoption and the rate of cancellation of unvested grants. The Company estimates that it will record stock-based compensation expense of approximately $5,400 in fiscal 2007 under SFAS No. 123(R) using the Black-Scholes option-pricing method based on existing unvested options. The stock-based compensation expense will increase when additional stock option grants are awarded.

3. Property and Equipment

Property and equipment consist of the following:

	March 31, 2005	March 31, 2006
Computer equipment	$ 11,316	$ 11,983
Furniture and fixtures	1,276	1,344
Purchased software	760	924
Other machinery and equipment	1,787	2,278
Leasehold improvements	599	912
	15,738	17,441
Less accumulated depreciation and amortization	(13,653)	(14,119)
	$ 2,085	$ 3,322

The Company recorded depreciation and amortization expense of $1,425, $1,431 and $1,682 for the years ended March 31, 2004, 2005 and 2006, respectively.

4. Accrued Liabilities

Accrued liabilities consist of the following:

	March 31, 2005	March 31, 2006
Compensation and related payroll taxes	$ 5,493	$ 5,943
Other	4,958	6,742
	$ 10,451	$ 12,685

5. Line of Credit and Term Loan

In January 2003, the Company entered into an agreement for a revolving credit facility (the “credit facility”) of up to $5,000 including an optional term loan of up to $500 for existing and new equipment purchases. In March 2005, the Company renewed the credit facility, which expired in March 2006, under essentially the same terms and conditions as the existing facility. The term loan accrued interest at the lender’s prime rate plus 1% and was repayable in declining monthly amounts over a 30 month period from July 2003 through January 2006. There were no amounts outstanding on the line of credit or term loan at March 31, 2006.

6. Commitments and Contingencies

The Company leases various office and warehouse facilities under noncancelable leases which expire on various dates through April 30, 2010. Future minimum lease payments under all operating leases at March 31, 2006 are as follows:

Year ending March 31:	
2007	$ 2,784
2008	2,392
2009	891
2010	178
2011	48
	$ 6,293

Rental expenses were $2,427, $2,618 and $2,844 for the years ended March 31, 2004, 2005 and 2006, respectively.

The Company offers a 90-day limited product warranty for its software. To date, costs related to this product warranty have not been material.

In the normal course of its business, the Company may be involved in various claims, negotiations and legal actions; however, at March 31, 2004, 2005 and 2006, the Company is not party to any litigation which will have a material effect on the Company's financial position, results of operations or cash flows.

The Company provides certain provisions within its software licensing agreements to indemnify its customers from any claim, suit or proceeding arising from alleged or actual intellectual property infringement. These provisions continue in perpetuity, along with the Company's software licensing agreements. The Company has never incurred a liability relating to one of these indemnification provisions, and management believes that the likelihood of any future payout relating to these provisions is remote. Therefore, the Company has not recorded a liability during any period for these indemnification provisions.

7. Cumulative Redeemable Convertible Preferred Stock: Series A through E

The Company has 7,000 authorized shares and has issued 3,166 shares of Series A through E Cumulative Redeemable Convertible Preferred Stock, par value of $.01 per share ("Series A through E" Stock). The Series A through E Stock is entitled to receive dividends out of any assets legally available, prior and in preference to any declaration or payment of any dividend (payable other than in common stock or other non-redeemable equity securities and rights entitling the holder to receive additional shares of common stock of the Company) on the common stock of the Company, at a per share rate of $1.788 per annum, or, if greater, an amount equal to that paid on any other outstanding shares of the Company. Such dividends accrue and are cumulative.

The consideration paid for each share of Series A through E stock was $14.90 and resulted in aggregate proceeds of approximately $47,177. The numbers of Series A through E shares authorized, issued and outstanding at March 31, 2006 are as follows:

	Date of Issuance	Shares Authorized	Shares Issued and Outstanding	Undeclared Dividends Per Share	Total Unpaid Dividends
Series A	May 1996	3,000	2,040	$ 17.62	$ 35,939
Series B	July 1997	1,000	346	15.55	5,382
Series C	December 1997	1,000	333	14.83	4,943
Series D	October 1998	1,000	247	12.98	3,210
Series E	March 1999	1,000	200	12.61	2,522

Subject to approval by the holders of a majority of the Series A through E Stock (voting as a single class) and any anti-dilution adjustments, the Series A through E Preferred Stock shall be convertible, in whole or in part, into: (i) four shares of Common Stock and (ii) a cash payment of $14.85 per share plus all accrued but unpaid dividends of $1.788 per share per year. Any election by the holders of the Series A through E Stock, made before a qualified initial public offering, to convert any share of Series A through E Preferred Stock, as described above, shall require the approval of a majority of Series AA and Series CC Preferred Stock, each voting as a separate class. The Company also has a right of first refusal to purchase the Series A through E Stock from any holder who intends to sell their shares.

Upon a liquidation event (including a sale of substantially all assets, merger, reorganization or other transaction in which more than 50% of the outstanding securities of the Company are transferred) or a qualified initial public offering, the Company is obligated to pay the aggregate cash amount of $14.85 per share plus the aggregate amount of unpaid dividends. A qualified initial public offering is an initial public offering of the Company's stock at a price of at least $6.26 per share, subject to adjustment, and resulting in net proceeds of at least $40,000. The Company has the option to pay the cash amount and accrued dividends to predominantly all the holders of Series A through E Stock in cash, by means of a note payable or any combination thereof. The aggregate amount of accrued dividends, the cash liquidation amount of $14.85 per share plus the par value of common shares is $99,015 at March 31, 2006.

8. Stockholders' Deficit

The Common Stock, the Series A through E Stock, the Series AA Preferred Stock ("Series AA Stock"), the Series BB Preferred Stock ("Series BB Stock") and the Series CC Preferred Stock ("Series CC Stock") will vote together as a single class on all matters submitted for stockholder consent or approval, with holders of the Series A through E Preferred Stock having 40 votes for each share of Series A through E Preferred Stock held. The Series A through E Stock, the Series AA Stock, the Series BB Stock and the Series CC Stock will also each vote separately as a class on certain matters.

The holders of the Company's Series AA Stock, Series BB Stock and Series CC Stock are entitled to receive a proportionate share of cash dividends declared on the Company's common stock, calculated on an as if-converted basis. In the event the Company declares any other dividend or distribution payable in securities of other persons, evidences of indebtedness issued by the Company or other persons, assets (excluding cash dividends) or options or rights to purchase any such securities or evidence of indebtedness, holders of the Company's Series AA Stock, Series BB Stock, Series CC Stock and Series A through E Stock are entitled to receive a proportionate share of any such dividend or distribution on an as if-converted basis.

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Series AA Convertible Preferred Stock

In April 2000, the Company issued 4,362 shares of Series AA Convertible Preferred Stock at $5.73 per share. The Series AA Stock will automatically convert into Common Stock at the then applicable conversion ratio at the closing of an initial public offering of the Company's stock at a price of at least $6.26 per share, subject to adjustment, and resulting in net proceeds of at least $40,000. The Series AA stockholders also have anti-dilution protection on a weighted-average basis, subject to customary exclusions. The conversion ratio for Series AA holders is 1.028:1.

In the event of any liquidation or winding up of the Company (including a sale of substantially all assets, merger, reorganization or other transaction in which more than 50% of the outstanding securities of the Company are transferred), the holders of the Series AA Stock shall be entitled to receive, in preference to the holders of the Series A through E Stock, the Series BB Stock and the Common Stock, and on parity with the holders of the Series CC Stock, an amount equal to $5.73, which is the amount of the original purchase price, plus all declared but unpaid dividends on such shares. The balance of the proceeds shall be paid to the holders of the Common Stock and other series of preferred stock in accordance with the Company's certificate of incorporation.

Series BB Convertible Preferred Stock

In November 2000, the Company issued 2,758 shares of Series BB Convertible Preferred Stock at $12.10 per share. The Series BB stockholders have the option to convert all or a portion of their shares into Common Stock on a 1:1 basis, subject to anti-dilution adjustments as described in the purchase agreement. The Series BB Stock will automatically convert into common shares at the then applicable conversion ratio at the closing of an initial public offering of the Company's stock at a price of at least $6.26 per share, subject to adjustment, and resulting in net proceeds of at least $40,000. The Series BB stockholders have no anti-dilution protections.

In the event of any liquidation or winding up of the Company (including a sale of substantially all assets, merger, reorganization or other transaction in which more than 50% of the outstanding securities of the Company are transferred), the holders of the Series BB Stock shall be entitled to receive, in preference to the holders of the Series A through E Stock and the Common Stock, an amount equal to $12.10, which is the amount of the original purchase price, plus all declared but unpaid dividends on such shares. The balance of the proceeds shall be paid to the holders of the Common Stock and other series of preferred stock in accordance with the Company's certificate of incorporation.

Series CC Convertible Preferred Stock

In February 2002 and September 2003, the Company issued 7,341 and 4,791 shares, respectively, totaling 12,132 shares of Series CC Convertible Preferred Stock at $3.13 ("Series CC Stock") per share. The Series CC stockholders have the option to convert all or a portion of their shares into Common Stock on a 1:1 basis, subject to anti-dilution adjustments as described in the purchase agreement. The Series CC Preferred Stock will automatically convert into common shares at the then applicable conversion ratio at the closing of an initial public offering of the Company's stock at a price of at least $6.26 per share, subject to adjustment, and resulting in net proceeds of at least $40,000. The Series CC stockholders have anti-dilution protection on a weighted-average basis, subject to customary exclusions.

In the event of any liquidation or winding up of the Company (including a sale of substantially all assets, merger, reorganization or other transaction in which more than 50% of the outstanding securities of the Company are transferred), the stockholders of the Series CC Preferred Stock shall be entitled to receive, in preference to the stockholders of the Series A through E Preferred Stock, the Series BB

Preferred Stock and the Common Stock, and on parity with the holders of the Series AA Preferred Stock, an amount equal to $3.13, which is the amount of the original purchase price, plus all declared but unpaid dividends on such shares. The balance of the proceeds shall be paid to the holders of the Common Stock and other series of preferred stock in accordance with the Company's certificate of incorporation. In addition, so long as any shares of Series CC Preferred Stock are outstanding, the Company may not, without the approval of at least a majority of the Series CC Preferred Stock, (i) sell all or substantially all of its assets, (ii) approve any merger or consolidation of the Company whereby (1) the Company is not the surviving entity and (2) more than 50% of voting power of the surviving entity is not held by the Company's stockholders, unless the consideration to be paid is at least $6.26 per share, or (iii) conduct an initial public offering that has an offering price of less than $6.26 per share, on an as adjusted basis.

Common Stock Warrants

In connection with the issuance of Series BB Stock in November 2000, one investor who is also a customer received a fully vested warrant to purchase 4,465 shares of common stock at an exercise price of $13.57. In July 2003, the warrant was cancelled and replaced with a fully vested warrant to purchase up to 3,000 shares of common stock at an exercise price of $6.27 per share. The new warrant had an aggregate fair value of approximately $30 and expires no later than 15 days after the Company gives notice to the holder of the warrant of its intention to file a registration statement relating to an initial public offering. The warrant expired without being exercised in February 2006.

In December 2003, the Company issued a warrant to purchase up to 1,615 shares of common stock at an exercise price of $5.25 per share to a customer at about the same time the Company signed a Software License Agreement with this customer. The Software License Agreement is cancelable by the customer without cause at any time. The warrant becomes exercisable in equal quarterly installments, commencing on the last day of the quarter ending March 31, 2004 and ending on the last day of the quarter ending December 31, 2005. The warrant may also be net exercised on a cashless basis. The number of common shares issuable on a cashless basis is equal to the vested warrants less the number of shares of common stock having an aggregate market price equal to the aggregate exercise price of the vested warrants. Market price is determined as the greater of (i) a product obtained by multiplying the Company's trailing 12-month revenues by six and (ii) the price of common stock sold in a qualified financing transaction within six months of the cashless exercise. The Company recorded $1,696 as a non-cash reduction of revenue during the year ended March 31, 2004 in connection with this transaction. As of March 31, 2006, no warrants have been exercised. On June 15, 2006, the holder of the warrant made a cashless exercise as disclosed in Note 13.

Shares Reserved for Issuance

The Company has reserved a sufficient number of shares to allow for the conversion of convertible preferred stock and cumulative redeemable convertible preferred stock and for the exercise of all available options and common stock warrants at March 31, 2006 as follows:

Exercise of common stock options	15,174
Conversion of Series A Stock	8,159
Conversion of Series B Stock	1,384
Conversion of Series C Stock	1,333
Conversion of Series D Stock	989
Conversion of Series E Stock	800
Conversion of Series AA Stock	4,484
Conversion of Series BB Stock	2,758
Conversion of Series CC Stock	12,132
Exercise of warrants	1,615
	48,828

9. Stock Plans

The Company maintains a stock option plan (the "Plan") pursuant to which the Company may grant options to purchase 23,410 shares of common stock to certain officers and employees.

The following summarizes the Plan's activity from March 31, 2003 to March 31, 2006:

	Number of Options	Weighted-Average Exercise Price
Options outstanding at March 31, 2003	7,348	2.33
Options granted	3,022	2.40
Options exercised	(168)	.97
Options canceled	(673)	2.93
Options outstanding at March 31, 2004	9,529	2.31
Options granted	2,349	2.83
Options exercised	(62)	2.46
Options canceled	(459)	2.90
Options outstanding at March 31, 2005	11,357	2.77
Options granted	4,987	2.79
Options exercised	(303)	2.31
Options canceled	(867)	2.76
Options outstanding at March 31, 2006	15,174	2.78

The weighted average grant-date fair value of the options granted with exercise prices equal to the fair value of the Company's common stock was $1.51 and $1.72 per share in the years ended March 31, 2004 and 2005, respectively. No options were granted with exercise prices equal to the fair value of the Company's common stock in the year ended March 31, 2006. The weighted average grant-date fair value

of the options granted with exercise prices below the fair value of the Company's common stock was $2.19, $1.76 and $3.18 per share in the years ended March 31, 2004, 2005 and 2006, respectively.

The following table summarizes information on stock options outstanding under the Plan at March 31, 2006:

Range of Exercise Prices	Outstanding Options at March 31, 2006	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Number of Options Exercisable at March 31, 2006	Weighted-Average Exercise Price
$0.0125	19	3.17	$ 0.0125	19	$ 0.0125
2.00	1,859	6.92	2.00	1,367	2.00
2.25	679	9.10	2.25	19	2.25
2.35	2,377	9.42	2.35	2	2.35
2.40	96	8.33	2.40	39	2.40
2.50	2,209	5.30	2.50	1,911	2.50
2.65	770	8.73	2.65	265	2.65
3.00	4,231	6.28	3.00	3,491	3.00
3.35	702	9.59	3.35	0	0.00
3.60	622	7.83	3.60	316	3.60
3.75	645	9.82	3.75	0	0.00
4.00	638	4.77	4.00	638	4.00
4.05	327	9.92	4.05	0	0.00
$0.0125-4.05	15,174	7.35	$ 2.78	8,067	$ 2.79

Stock options are granted at the discretion of the Board and expire 10 years from the date of the grant. Options generally vest over a four-year period. At March 31, 2005 and 2006, there were 1,121 and 999 options available for future grant under the Plan, respectively.

During the twelve month period ended March 31, 2006, the Company granted stock options with exercise prices as follows:

Grants Date	Number of Options Granted	Exercise Price	Retrospective Fair Value per Common Share	Intrinsic Value
May 5, 2005	719	$ 2.25	$ 3.46	$ 1.21
July 29, 2005	923	2.35	4.18	1.83
September 19, 2005	1,600	2.35	4.59	2.24
November 3, 2005	749	3.35	5.17	1.82
January 26, 2006	669	3.75	5.54	1.79
March 2, 2006	327	4.05	6.42	2.37
	4,987			

In establishing the Company's estimates of fair value of its common stock during the year ended March 31, 2006, the Company performed a retrospective determination of the fair value of its common stock based upon valuations performed by an unrelated valuation specialist. The retrospective determination of fair value of the Company's common stock utilized the probability weighted expected returns ("PWER") method described in the AICPA Technical Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*.

The reassessed fair value of the Company's common stock underlying 719 options granted to employees on May 5, 2005 was determined to be $3.46 per share. The increase in fair value as compared to the January 27, 2005 value was primarily due to the following:

- For the three months ended March 31, 2005, the Company had its most profitable quarter in its history, generating earnings of approximately $1,600;
- The Company achieved its first fiscal year of profitability for the year ended March 31, 2005;
- The Company entered into an original equipment manufacturer arrangement with Hitachi Data Systems; and
- The possibility of an initial public offering remained relatively low and a probability estimate of 30% was assigned under the PWER method as a result of the significant milestones to be achieved.

The reassessed fair value of the Company's common stock underlying 923 options granted to employees on July 29, 2005 was determined to be $4.18 per share. The increase in fair value as compared to the May 5, 2005 value was primarily due to the following:

- For the three months ended June 30, 2005, revenues and earnings exceeded budget;
- The Company increased its earnings forecast for the remainder of fiscal 2006; and
- The Company increased the probability estimate for the initial public offering scenario under the PWER method to 40% as a result of revenues and earnings exceeding budget.

The reassessed fair value of the Company's common stock underlying 1,600 options granted to employees on September 19, 2005 was determined to be $4.59 per share. On September 19, 2005, the Company's compensation committee awarded options to several key executives. The underlying assumptions that were in place as of the July 29, 2005 grant date were still in place on September 19, 2005, except the Company increased the probability estimate for the initial public offering scenario under the PWER method to 50% as a result of moving closer to a potential initial public offering and anticipating a profitable quarter ending September 30, 2005.

The reassessed fair value of the Company's common stock underlying 749 options granted to employees on November 3, 2005 was determined to be $5.17 per share. The increase in fair value as compared to the September 19, 2005 value was primarily due to the following:

- For the three and six months ended September 30, 2005, earnings exceeded the Company's original budget and revised forecasts;
- In the six months ended September 30, 2005, the Company started to achieve substantial revenue growth from its original equipment manufacturer arrangements with Dell and Hitachi Data Systems; and
- The Company increased the probability estimate for the initial public offering scenario under the PWER method to 60% as a result of earnings exceeding forecast and the substantial revenue growth the Company achieved from its original equipment manufacturer agreements.

The reassessed fair value of the Company's common stock underlying 669 options granted to employees on January 26, 2006 was determined to be $5.54 per share. The increase in fair value as compared to the November 3, 2005 value was primarily due to the following:

- On January 10, 2006, the Company initiated the process of an initial public offering when it held an organizational meeting; as a result, the Company increased the initial public offering scenario to 65% under the PWER method;
- The Company achieved consecutive quarters of profitability for the first time;
- For the three and nine months ended December 31, 2005, earnings exceeded original budget and revised forecasts; and
- The Company continued to generate cash flows from operations significantly exceeding budgeted, revised forecast and prior year amounts.

The reassessed fair value of the Company's common stock underlying 327 options granted to employees on March 2, 2006 was determined to be $6.42 per share. On March 2, 2006, the Company's compensation committee awarded options to certain strategic new hires. The underlying assumptions that were in place as of the January 26, 2006 grant date were still in place on March 2, 2006, except that the Company increased the probability estimate for the initial public offering scenario under the PWER method to 90% as a result of the imminence of the Company's potential initial public offering and anticipating fiscal 2006 earnings would exceed forecast and budget amounts.

The Company recorded approximately $9,201 of deferred stock-based compensation and recognized compensation expense of approximately $1,128 during the year ended March 31, 2006 related to stock options that were granted with an exercise price that was below the fair value of the Company's common stock on the date of grant. The deferred compensation for these options is being recognized ratably over the four-year vesting period.

On January 26, 2006, the Board of Directors authorized the creation of the Long-Term Stock Incentive Plan (the "LTIP"). The LTIP provides for a wide array of equity compensation vehicles and will become effective upon an initial public offering at which time the authorized shares will be determined. Currently, no shares are authorized.

10. Income Taxes

The components of income (loss) before income taxes were as follows:

	Year Ended March 31,		
	2004	2005	2006
Domestic	$ (6,585)	$ 3,778	$ 12,901
Foreign	(5,113)	(3,121)	(1,694)
	$ (11,698)	$ 657	$ 11,207

The components of current income tax expense were as follows:

	Year Ended March 31,		
	2004	2005	2006
Federal	$ —	$ 83	$ 239
State	—	89	172
Foreign	—	2	40
	$ —	$ 174	$ 451

The income tax expense for the year ended March 31, 2005 and 2006 primarily represents alternative minimum taxes due to the U.S. federal government as well as various state income taxes.

	Year Ended March 31,		
	2004	2005	2006
Statutory federal income tax expense (benefit) rate	(34.0)%	34.0%	34.0%
State and local income tax expense (benefit), net of federal income tax effect	(2.4)%	13.5%	0.9%
Foreign earnings taxed at different rates	1.5%	12.6%	0.5%
Permanent differences	4.2%	21.5%	(3.6)%
Research credits	(14.3)%	(111.3)%	(6.9)%
Other differences, net	0.1%	11.2%	1.9%
Change in valuation allowance	44.9%	45.0%	(22.8)%
Effective income tax expense (benefit) rate	0.0%	26.5%	4.0%

Deferred tax assets arise due to the recognition of income and expense items for tax purposes, which differ from those used for financial statement purposes. The significant components of the Company's deferred tax assets are as follows:

	March 31,	
	2005	2006
Deferred tax assets:		
Net operating losses	$ 42,566	$ 38,120
Depreciation and amortization	3,579	2,974
Accrued expenses	170	512
Deferred revenue	436	1,045
Deferred compensation	—	425
Allowance for doubtful accounts and other reserves	134	197
Tax credits	9,799	10,897
Total deferred tax assets	56,684	54,170
Less valuation allowance	(56,684)	(54,170)
Net deferred tax assets	$ —	$ —

Deferred U.S. income taxes have not been provided on undistributed earnings of foreign subsidiaries of the Company. The Company considers the undistributed earnings of its foreign subsidiaries permanently reinvested in the businesses. These undistributed foreign earnings could become subject to U.S. income tax if remitted, or deemed remitted, as a dividend. Determination of the deferred U.S. income tax liability on

these unremitted earnings is not practicable, since such liability, if any, is dependent on circumstances existing at the time of the remittance.

The cumulative amount of unremitted earnings from the foreign subsidiaries that is expected to be permanently reinvested was approximately $81 on March 31, 2006.

In the year ended March 31, 2006, the Company reduced its valuation allowance by $2,514 to offset current taxes payables. As of March 31, 2006, the Company maintains a full valuation allowance against its deferred tax asset as there is not sufficient positive evidence to enable the Company to conclude that it is more likely than not that the deferred tax assets will be realized. Even though the Company reported net income in the year ended March 31, 2006, it has incurred $459 in cumulative losses over the prior three fiscal years and has incurred $16,869 in cumulative losses over the prior four fiscal years. In addition, the Company has an accumulated deficit of approximately $165,148 reported on the consolidated balance sheet.

At March 31, 2006, the Company has federal and state net operating loss ("NOL") carryforwards of approximately $82,481 and $65,747 respectively. The federal NOL carryforwards expire from 2013 through 2024, and the state NOL carryforwards expire from 2009 to 2011. At March 31, 2006, the Company also has NOL carryforwards for foreign tax purposes of approximately $20,952 which begin to expire in 2008.

At March 31, 2006, the Company has federal and state research tax credit carryforwards of approximately $7,146 and $3,411 respectively. The federal research tax credit carryforwards expire from 2012 through 2026, and the state research tax credit carryforwards expire through 2013. At March 31, 2006, the Company has federal Alternative Minimum Tax credit carryforwards of $340.

11. Employee Benefit Plan

The Company has a defined contribution plan, as allowed under Section 401(k) of the Internal Revenue Code, covering substantially all employees. The Company may make contributions equal to a discretionary percentage of the employee's contributions determined by the Company. The Company has not made any contributions to the defined contribution plan.

12. Segment Information

The Company operates in one reportable segment, storage software solutions. The Company's products and services are sold throughout the world, through direct and indirect sales channels. The Company's chief operating decision maker, the chief executive officer, evaluates the performance of the Company based upon stand-alone revenue of product channels and the two geographic regions of the segment discussed below and does not receive discrete financial information about asset allocation, expense allocation or profitability from the Company's storage products or services.

The Company is organized into two geographic regions: the United States and all other countries. All transfers between geographic regions have been eliminated from consolidated revenues. This data is presented in accordance with SFAS No. 131, *Disclosure about Segments of an Enterprise and Related Information.*

	Year Ended March 31,		
	2004	2005	2006
Revenue:			
United States	$ 43,227	$ 60,562	$ 77,762
Other	18,019	22,067	31,710
Total	$ 61,246	$ 82,629	$ 109,472

No individual country other than the United States accounts for 10% or more of revenues in the years ended March 31, 2004, 2005 and 2006. Revenue included in the "Other" caption above primarily relates to the Company's operations in Europe, Australia and Canada.

	March 31, 2005	March 31, 2006
Long-lived assets:		
United States	$ 1,789	$ 3,298
Other	638	1,116
Total	$ 2,427	$ 4,414

At March 31, 2006, Germany had long-lived assets of $624. At March 31, 2005, the Netherlands had long-lived assets of $310. No other individual country other than the United States accounts for 10% or more of long-lived assets as of March 31, 2005 and 2006.

13. Subsequent Events

The Company has filed a registration statement on Form S-1 with the Securities and Exchange Commission ("SEC") relating to the proposed initial public offering of its common stock. The Company can give no assurance that the registration statement will be declared effective by the SEC.

The Company entered into a $20,000 term loan facility with Silicon Valley Bank in connection with the payments due to the holders of its Series A through E Stock. The term loan will be secured by substantially all of the Company's assets. Borrowings under the term loan will bear interest at a rate equal to 30-day LIBOR plus 1.50% with principal and interest to be repaid in quarterly installments over a 24-month period. The term loan will require the Company to maintain a "quick ratio," as defined in the term loan agreement, of at least 1.50 to 1. There are no amounts outstanding on the term loan.

On June 15, 2006, the holder of a warrant to purchase 1,615 shares of common stock at an exercise price of $5.25 per share made a cashless exercise of the warrant and received 630 shares of common stock. In addition, the Company issued 145 shares of common stock pursuant to preemptive rights held by the holders of the Series AA Stock, Series BB Stock and Series CC Stock (other than individuals that also own Series A through E Stock) that were triggered by the exercise of the warrant.

CommVault Systems Inc.

Schedule II — Valuation and Qualifying Accounts
(In thousands)

	Balance at Beginning of Period	Additions — Charged to Costs and Expenses	Deductions	Balance at End of Period
Year Ended March 31, 2004:				
Allowance for doubtful accounts	$ 303	$ 482	$ 99	$ 686
Valuation allowance for deferred taxes(1)	$ 51,130	$ 5,257	$ —	$ 56,387
Year Ended March 31, 2005:				
Allowance for doubtful accounts	$ 686	$ 107	$ 191	$ 602
Valuation allowance for deferred taxes(1)	$ 56,387	$ 297	$ —	$ 56,684
Year Ended March 31, 2006:				
Allowance for doubtful accounts	$ 602	$ 40	$ 167	$ 475
Valuation allowance for deferred taxes(1)	$ 56,684	$ —	$ 2,514	$ 54,170

(1) Adjustments associated with the Company's assessment of its deferred tax assets. The reduction in the valuation allowance for deferred taxes in the year ended March 31, 2006 is primarily due to utilization of federal and state net operating loss carryforwards.


CommVault®
Unified Data Management™

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The following table shows the expenses to be incurred in connection with the offering described in this registration statement, all of which will be paid by the registrant. All amounts are estimates, other than the SEC registration fee, the NASD filing fee and the NASDAQ listing fee.

SEC registration fee	$	16,050
NASD filing fee		15,500
NASDAQ listing fee		*
Accounting fees and expenses		*
Legal fees and expenses		*
Printing and engraving expenses		*
Transfer agent's fees		*
Blue sky fees and expenses		*
Miscellaneous		*
Total	$	*

* To be completed by amendment.

Item 14. ***Indemnification of Directors and Officers.***

Section 102 of the Delaware General Corporation Law ("DGCL"), as amended, allows a corporation to eliminate the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware law or obtained an improper personal benefit.

Section 145 of the DGCL provides, among other things, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, agents or employee of the corporation or is or was serving at the corporation's request as a director, officer, agent or employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding. The power to indemnify applies (a) if such person is successful on the merits or otherwise in defense of any action, suit or proceeding or (b) if such person acted in good faith and in a manner he reasonably believed to be in the best interests, or not opposed to the best interests, of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The power to indemnify applies to actions brought by or in the right of the corporation as well, but only to the extent of expenses (including attorneys' fees but excluding amounts paid in settlement) actually and reasonably incurred in the defense or settlement of such action and not to any satisfaction of judgment or settlement of the claim itself, and with the further limitation that in such actions no indemnification shall be made in the event of any adjudication of negligence or misconduct in the performance of duties to the corporation, unless the court believes that in light of all the circumstances indemnification should apply.

Section 174 of the DGCL provides, among other things, that a director, who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption, shall be held liable for such actions. A director who was either absent when the unlawful actions were approved or

dissented at the time, may avoid liability by causing his or her dissent to such actions to be entered on the books containing the minutes of the meetings of the board of directors at the time such actions occurred or immediately after such absent director receives notice of the unlawful acts.

Our certificate of incorporation provides that, pursuant to Delaware law, our directors shall not be liable for monetary damages for breach of the directors' fiduciary duty of care to us and our stockholders. This provision in the certificate of incorporation does not eliminate the duty of care, and in appropriate circumstances equitable remedies such as injunctive or other forms of non-monetary relief will remain available under Delaware law. In addition, each director will continue to be subject to liability for breach of the director's duty of loyalty to us or our stockholders, for acts or omissions not in good faith or involving intentional misconduct or knowing violations of law, for actions leading to improper personal benefit to the director and for payment of dividends or approval of stock repurchases or redemptions that are unlawful under Delaware law. The provision also does not affect a director's responsibilities under any other law, such as the federal securities laws or state or federal environmental laws.

Our bylaws provide that we must indemnify our directors and officers to the fullest extent permitted by Delaware law and require us to advance litigation expenses upon our receipt of an undertaking by or on behalf of a director or officer to repay such advances if it is ultimately determined that such director or officer is not entitled to indemnification. The indemnification provisions contained in our bylaws are not exclusive of any other rights to which a person may be entitled by law, agreement, vote of stockholders or disinterested directors or otherwise. We intend to obtain directors' and officers' liability insurance in connection with this offering.

In addition, we have entered or, concurrently with this offering, will enter, into agreements to indemnify our directors and certain of our officers in addition to the indemnification provided for in the certificate of incorporation and bylaws. These agreements will, among other things, indemnify our directors and some of our officers for certain expenses (including attorneys' fees), judgments, fines and settlement amounts incurred by such person in any action or proceeding, including any action by or in our right, on account of services by that person as a director or officer of CommVault or as a director or officer of any of our subsidiaries, or as a director or officer of any other company or enterprise that the person provides services to at our request.

The underwriting agreement provides for indemnification by the underwriters of us and our officers and directors, and by us of the underwriters, for certain liabilities arising under the Securities Act or otherwise in connection with this offering.

Item 15. ***Recent Sales of Unregistered Securities.***

Since January 1, 2003, the registrant has sold the following securities without registration under the Securities Act of 1933:

(1) In July 2003, the registrant issued an amended and restated warrant to purchase shares of its common stock at an exercise price of $ per share to EMC Investment Corporation, an accredited investor. The warrant expired without being exercised on February 2, 2006. The amended and restated warrant was issued to replace a warrant to purchase shares of the registrant's common stock at an exercise price of $ per share, subject to certain adjustments, that had been issued by the registrant to the holder in November 2000. The original warrant was issued to the holder in connection with the holder's purchase of shares of the registrant's Series BB preferred stock. No other persons were offered the opportunity to purchase the warrant or participate in the exchange and no commission or other remuneration was paid or given directly or indirectly to any person for soliciting the exchange. The issuance of the replacement warrant was therefore exempt from registration pursuant to Section 3(a)(9) of the Securities Act.

(2) In September 2003, the registrant sold 4,790,802 shares of registrant's Series CC preferred stock to four individuals and 21 investment funds and other investment entities for approximately $15 million. Each of the investors was an accredited investor. The offer and sale was exempt from registration pursuant to Section 4(2) of the Securities Act and Regulation D promulgated thereunder.

(3) In December 2003, the registrant issued a warrant to purchase shares of its common stock at an exercise price of $ per share to Dell Ventures, L.P., an accredited investor, in connection with the registrant's entering into a software licensing agreement with Dell Products, L.P. as an original equipment manufacturer. The number of warrant shares and exercise price are subject to customary antidilution adjustments upon the occurrence of certain events. The issuance of the warrant was exempt from registration pursuant to Section 4(2) of the Securities Act.

(4) On June 15, 2006, the registrant issued shares of its common stock upon the cashless exercise of the warrant held by Dell Ventures, L.P. that was issued to it in December 2003. The issuance of the shares was exempt from registration pursuant to Section 4(2) of the Securities Act.

(5) On June 15, 2006, the registrant issued shares of its common stock to the holders of its Series AA, BB and CC preferred stock pursuant to preemptive rights held by those stockholders that were triggered by the issuance of shares to Dell Ventures, L.P. upon the cashless exercise a warrant. The shares were issued to the holders of the Series AA, BB and CC preferred stock for no consideration. As there was no investment decision required by the holders of the Series AA, BB and CC preferred stock and the holders paid no consideration for the shares, there was no "sale" as defined in Section 2(a)(3) of the Securities Act of the shares of common stock and the issuance of the shares was not subject to Securities Act.

(6) Concurrently with the closing of this offering, the registrant will issue shares of its common stock to Aman Ventures, Mark Francis, K. Flynn McDonald, Greg Reyes, Reyes Family Trust, Van Wagoner Capital Partners, L.P., Van Wagoner Crossover Fund, L.P. and Marc Weiss in a private placement exempt from registration pursuant to Section 4(2) of the Securities Act.

(7) From January 1, 2003 to the date of this filing, the registrant granted options to purchase approximately shares of common stock under the registrant's 1996 Stock Option Plan. Approximately shares of common stock have been issued upon exercise of these options. All options were granted under Rule 701 promulgated under the Securities Act or, in the case of certain options granted to N. Robert Hammer, Section 4(2) of the Securities Act.

There were no underwriters employed in connection with any of the transactions set forth in this Item 15. With respect to each of the transactions described in paragraphs (2), (3), (4), (6) and (7) (with respect to the certain options granted to N. Robert Hammer), the recipients of securities represented their intention to acquire the securities for investment only and not with a view to any distribution thereof. Appropriate legends were affixed to the share certificates and other instruments issued in such transactions. All recipients were given the opportunity to ask questions and receive answers from representatives of the registrant concerning the business and financial affairs of the registrant. Each investor represented and acknowledged to CommVault in writing that it had this opportunity. Each of the recipients that were employees of the registrant had access to such information through their employment with the registrant. CommVault did not engage in any form of general solicitation or general advertisement with respect to any of the transactions set forth in this Item 15.

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) *Exhibits*

See the exhibit index, which is incorporated herein by reference.

(b) *Financial Statement Schedules*

Schedule II — Valuation and Qualifying Accounts for the years ended March 31, 2004, 2005 and 2006 (included on page F-29).

Item 17. ***Undertakings.***

(a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Oceanport, State of New Jersey, on June 30, 2006.

COMMVAULT SYSTEMS, INC.

By: /s/ N. ROBERT HAMMER

N. Robert Hammer
Chairman, President and Chief Executive Officer

POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on June 30, 2006.

Signature	Title
/s/ N. ROBERT HAMMER* N. Robert Hammer	Chairman, President and Chief Executive Officer
/s/ LOUIS F. MICELI* Louis F. Miceli	Vice President, Chief Financial Officer
/s/ BRIAN CAROLAN* Brian Carolan	Controller
/s/ THOMAS BARRY* Thomas Barry	Director
/s/ FRANK J. FANZILLI, JR.* Frank J. Fanzilli, Jr.	Director
/s/ EDWARD A. JOHNSON* Edward A. Johnson	Director
/s/ ARMANDO GEDAY* Armando Geday	Director
/s/ KEITH GEESLIN* Keith Geeslin	Director
/s/ F. ROBERT KURIMSKY* F. Robert Kurimsky	Director
/s/ DANIEL PULVER* Daniel Pulver	Director

Signature	Title
/s/ GARY SMITH* Gary Smith	Director
/s/ DAVID F. WALKER* David F. Walker	Director
*By: /s/ N. ROBERT HAMMER N. Robert Hammer Attorney-in-fact	

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INDEX TO EXHIBITS

Exhibit No.	Description
1.1*	Form of Underwriting Agreement
3.1**	Amended and Restated Certificate of Incorporation of CommVault Systems, Inc., dated as of August 29, 2003
3.2*	Amended and Restated Certificate of Incorporation of CommVault Systems, Inc., dated as of , 2006
3.3*	Amended and Restated Bylaws of CommVault Systems, Inc.
4.1*	Form of Common Stock Certificate
5.1*	Opinion of Mayer, Brown, Rowe & Maw LLP
9.1*	Voting Trust Agreement
10.1	Loan and Security Agreement, dated May 2, 2006, between Silicon Valley Bank and CommVault Systems, Inc.
10.2*	CommVault Systems, Inc. 1996 Stock Option Plan, as amended
10.3*	CommVault Systems, Inc. 2006 Long-Term Stock Incentive Plan
10.4*	Form of Non-Qualified Stock Option Agreement
10.5**	Employment Agreement, dated as of February 1, 2004, between CommVault Systems, Inc. and N. Robert Hammer
10.6**	Form of Employment Agreement between CommVault Systems, Inc. and Alan G. Bunte and Louis F. Miceli
10.7**	Form of Corporate Change of Control Agreement between CommVault Systems, Inc. and Alan G. Bunte and Louis F. Miceli
10.8**	Form of Corporate Change of Control Agreement between CommVault Systems, Inc. and David West, Ron Miiller, Scott Mercer and Steven Rose
10.9**	Form of Indemnity Agreement between CommVault Systems, Inc. and each of its current officers and directors
10.10**	Amended and Restated Registration Rights Agreement, dated as of September 2, 2003, by and among CommVault Systems, Inc. and the Series AA investors
10.11**	Amended and Restated Registration Rights Agreement, dated as of September 2, 2003, by and among CommVault Systems, Inc. and the Series BB investors
10.12**	Amended and Restated Registration Rights Agreement, dated as of September 2, 2003, by and among CommVault Systems, Inc. and the Series CC investors
10.13*	Registration Rights Agreement, dated , 2006 by and between CommVault Systems, Inc. and certain holders of Series A, B, C, D and E preferred stock
10.14	Purchase Agreement, dated April 14, 2000, by and between Microsoft Corporation, certain investors and CommVault Systems, Inc.
10.15	Purchase Agreement, dated November 10, 2000, by and between EMC Investment Corporation, certain investors and CommVault Systems, Inc.
10.16	Series CC Purchase Agreement, dated as of February 14, 2002, by and between funds and accounts managed by affiliates of Putnam Investments, LLC, certain investors and CommVault Systems, Inc.
10.17	Series CC Purchase Agreement, dated as of September 2, 2003, by and between certain investors and CommVault Systems, Inc.
10.18†	Software License Agreement, dated December 17, 2003, by and between Dell Products L.P. and CommVault Systems, Inc.
10.19†	Addendum One to the License and Distribution Agreement, dated May 5, 2004, by and between Dell Products L.P. and CommVault Systems, Inc.
10.20†	Addendum Two to the License and Distribution Agreement, dated November 22, 2004, by and between Dell Products L.P. and CommVault Systems, Inc.

Exhibit No.	Description
10.21†	Addendum Three to the License and Distribution Agreement, dated April 28, 2005, by and between Dell Products L.P. and CommVault Systems, Inc.
10.22†	Addendum Five to the License and Distribution Agreement, dated June 6, 2006, by and between Dell Products L.P. and CommVault Systems, Inc.
10.23†	CommVault Systems Reseller Agreement, effective as of April 6, 2005, between CommVault Systems and Dell Inc.
10.24	Letter Agreement, dated February 8, 2002, between the holders of Series A through E Preferred Stock and CommVault Systems, Inc.
10.25	Stockholders Agreement, dated as of May 22, 1996, among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P., David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc.
10.26	Amendment to the Stockholders Agreement, dated July 23, 1998, among DLJ Merchant Banking Partners, L.P., DLJ International Partners C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P., David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc.
10.27	Second Amendment to the Stockholders Agreement, dated November 6, 2000, among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P., David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc.
10.28	Third Amendment to the Stockholders Agreement, dated February 14, 2002, among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P., David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc.
10.29	Fourth Amendment to the Stockholders Agreement, dated September 2, 2003, among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P. , David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc.
10.30	Fifth Amendment to the Stockholders Agreement, dated May 22, 2006, by and among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, DLJ First ESC, L.P., DLJ ESC II, L.P., Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout Capital IX, L.P., Sprout Entrepreneurs' Fund, L.P., Sprout IX Plan Investors, L.P., Sprout CEO Fund L.P., Thomas J. Barry, Larry Cormier, Randy Fodero, Robert Freiburghouse, Bob Gailus, N. Robert Hammer, David H. Ireland, Lou Miceli, Tom Miller, Scotty R. Neal and CommVault Systems, Inc.
21.1**	List of Subsidiaries of CommVault Systems, Inc.
23.1	Consent of Ernst & Young LLP
23.2*	Consent of Mayer, Brown, Rowe & Maw LLP (included in Exhibit 5.1)
24.1**	Powers of Attorney (included on the signature page to the original registration statement)

* To be filed by amendment.

** Previously filed.

† Confidential treatment has been requested for portions of this document. Omitted portions have been filed separately with the SEC.

EXHIBIT 10.1

LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT (this "AGREEMENT") dated as of the Effective Date between SILICON VALLEY BANK, a California corporation ("BANK"), and COMMVAULT SYSTEMS, INC., a Delaware corporation ("BORROWER"), provides the terms on which Bank shall lend to Borrower and Borrower shall repay Bank. The parties agree as follows:

1. ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

2. LOAN AND TERMS OF PAYMENT

2.1 PROMISE TO PAY. Borrower hereby unconditionally promises to pay Bank the outstanding principal amount of all Credit Extensions and accrued and unpaid interest thereon as and when due in accordance with this Agreement.

2.1.1 TERM LOAN.

(a) Availability. Bank shall make one (1) term loan available on or after the Effective Date but no later than the earlier of (i) five (5) Business Days following Borrower closing on an initial public offering or (ii) July 31, 2006 to Borrower in an amount up to the Term Loan Amount, subject to the satisfaction of the terms and conditions of this Agreement.

(b) Repayment. Commencing on June 1, 2006 and on the first (1st) day of each quarter thereafter, Borrower shall repay the Term Loan in (i) equal installments of principal, which would fully amortize the Term Loan over a twenty-four (24) month period, plus (ii) accrued interest ((i) and (ii) collectively, the "TERM LOAN PAYMENT"). Borrower's final Term Loan Payment, due on the Term Loan Maturity Date, shall include all outstanding principal and accrued and unpaid interest under the Term Loan.

2.2 GENERAL PROVISIONS RELATING TO THE CREDIT EXTENSION. Borrower shall pay interest accrued on the Credit Extension at the rates and in the manner set forth in Section 2.3(b).

2.3 PAYMENT OF INTEREST ON THE CREDIT EXTENSION.

(a) Computation of Interest. Interest on the Credit Extension and all fees payable hereunder shall be computed on the basis of a 360-day year and the actual number of days elapsed in the period during which such interest accrues. In computing interest on any Credit Extension, the date of the making of such Credit Extension shall be included and the date

of payment shall be excluded; provided, however, that if any Credit Extension is repaid on the same day on which it is made, such day shall be included in computing interest on such Credit Extension.

(b) The Term Loan. The Term Loan shall bear interest on the outstanding principal amount thereof from the date when made, continued or converted until paid in full at a rate per annum equal to the LIBOR Rate plus the LIBOR Rate Margin.

(c) Default Interest. Except as otherwise provided in Section 2.3(b), after an Event of Default or after acceleration of the Obligations, Obligations shall bear interest at a rate per annum which is five percent (5.00%) above the rate effective immediately before the Event of Default (the "DEFAULT RATE"). Payment or acceptance of the increased interest provided in this Section is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Bank.

(d) Debit of Accounts. Bank may debit any of Borrower's deposit accounts, including the Designated Deposit Account, for principal and interest payments when due, or any other amounts Borrower owes Bank, when due. Bank shall promptly notify Borrower after it debits Borrower's accounts. These debits shall not constitute a set-off.

2.4 FEES. Borrower shall pay to Bank all Bank Expenses (including reasonable attorneys' fees and expenses, plus expenses for documentation and negotiation of this Agreement) incurred through and after the Effective Date, immediately upon receipt of an invoice therefore.

3. CONDITIONS OF LOANS

3.1 CONDITIONS PRECEDENT TO CREDIT EXTENSION. Bank's obligation to make the Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, such documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate, including, without limitation:

(a) Borrower shall have delivered duly executed original signatures to the Loan Documents to which it is a party;

(b) Borrower shall have delivered duly executed original signatures to the Control Agreement;

(c) Borrower shall have delivered its Operating Documents and a good standing certificate of Borrower certified by the Secretary of State of the State of Delaware and the Secretary of State of the State of New Jersey as of a date no earlier than thirty (30) days prior to the Effective Date;

(d) Borrower shall have delivered duly executed original signatures to the completed Borrowing Resolutions for Borrower;

(e) Bank shall have received certified copies, dated as of a recent date, of financing statement searches, as Bank shall request, accompanied by written evidence (including

any UCC termination statements) that the Liens indicated in any such financing statements either constitute Permitted Liens or have been or, in connection with the Credit Extension, will be terminated or released;

(f) Borrower shall have delivered the Perfection Certificate executed by Borrower;

(g) Borrower shall have delivered the insurance policies and/or endorsements required pursuant to Section 6.4 hereof evidence satisfactory to Bank that the insurance policies required by Section 6.4 hereof are in full force and effect, together with appropriate evidence showing loss payable and/or additional insured clauses or endorsements in favor of Bank; and

(h) Borrower shall have paid the fees and Bank Expenses specified in Section 2.4 hereof.

3.2 PROCEDURE FOR THE BORROWING OF CREDIT EXTENSIONS.

Subject to the prior satisfaction of all other applicable conditions to the making of the Term Loan set forth in this Agreement, the Term Loan shall be made upon Borrower's irrevocable written notice delivered to Bank in the form of a Notice of Borrowing, executed by a Responsible Officer of Borrower or his or her designee. Bank may rely on any telephone notice given by a person whom Bank believes is a Responsible Officer or designee. Borrower will indemnify Bank for any loss Bank suffers due to such reliance. Such Notice of Borrowing must be received by Bank prior to 11:00 a.m. Pacific time, at least three (3) Business Days prior to the Funding Date specifying the requested Funding Date.

The proceeds of the Term Loan will then be made available to Borrower on the Funding Date by Bank by transfer to the Designated Deposit Account and, subsequently, by wire transfer to such other account as Borrower may instruct in the Notice of Borrowing. No Credit Extensions shall be deemed made to Borrower, and no interest shall accrue on the Term Loan, until the related funds have been deposited in the Designated Deposit Account.

3.3 SPECIAL PROVISIONS GOVERNING THE TERM LOAN.

Notwithstanding any other provision of this Agreement to the contrary, the following provisions shall govern with respect to the Term Loan as to the matters covered:

(a) Determination of Applicable Interest Rate. As soon as practicable on each Interest Rate Determination Date, Bank shall determine (which determination shall, absent manifest error in calculation, be final, conclusive and binding upon all parties) the interest rate that shall apply to the Term Loan and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to Borrower.

(b) Inability to Determine Applicable Interest Rate. In the event that Bank shall have determined (which determination shall be final and conclusive and binding upon all parties hereto) on any Interest Rate Determination Date with respect to the Term Loan, that by reason of circumstances affecting the London interbank market adequate and fair means do not

exist for ascertaining the interest rate applicable to the Term Loan on the basis provided for in the definition of LIBOR, Bank shall on such date give notice (by facsimile or by telephone confirmed in writing) to Borrower of such determination, whereupon the Term Loan shall bear interest on the outstanding principal amount thereof at the Alternate Rate until such time as Bank determines that such circumstances cease to exist.

(c) Compensation for Breakage or Non-Commencement of Interest Periods. Borrower shall compensate Bank, upon written request by Bank (which request shall set forth the manner and method of computing such compensation), for all reasonable losses, expenses and liabilities, if any (including any interest paid by Bank to lenders of funds borrowed by it to make or carry its Term Loan and any loss, expense or liability incurred by Bank in connection with the liquidation or re-employment of such funds), that Bank may incur: (i) if for any reason (other than a default by Bank or due to any failure of Bank to fund a Term Loan due to impracticability or illegality under Sections 3.4(d) and 3.4(e)) a borrowing does not occur on a date specified in a Notice of Borrowing, or (ii) if any principal payment of any of its Term Loan occurs on a date prior to the last day of an Interest Period.

(d) Assumptions Concerning Funding of the Term Loan. Calculation of all amounts payable to Bank under this Section and under Section 3.4 shall be made as though Bank had actually funded the Term Loan through the purchase of a Eurodollar deposit bearing interest at LIBOR in an amount equal to the amount of such Term Loan and having a maturity comparable to the relevant Interest Period; provided, however, that Bank may fund the Term Loan in any manner it sees fit and the foregoing assumptions shall be utilized only for the purposes of calculating amounts payable under this Section and under Section 3.4.

3.4 ADDITIONAL REQUIREMENTS/PROVISIONS REGARDING THE TERM LOAN.

(a) If for any reason (including voluntary or mandatory prepayment or acceleration), Bank receives all or part of the principal amount of the Term Loan prior to the last day of the Interest Period, Borrower shall immediately notify Borrower's account officer at Bank and, on demand by Bank, pay Bank the amount (if any) by which (i) the additional interest which would have been payable on the amount so received had it not been received until the last day of such Interest Period exceeds (ii) the interest which would have been recoverable by Bank by placing the amount so received on deposit in the certificate of deposit markets, the offshore currency markets, or United States Treasury investment products, as the case may be, for a period starting on the date on which it was so received and ending on the last day of such Interest Period at the interest rate determined by Bank in its reasonable discretion. Bank's determination as to such amount shall be conclusive absent manifest error.

(b) Borrower shall pay Bank, upon demand by Bank, from time to time such amounts as Bank may determine to be necessary to compensate it for any costs incurred by Bank that Bank determines are attributable to its making or maintaining of any amount receivable by Bank hereunder in respect of any Credit Extensions relating thereto (such increases in costs and reductions in amounts receivable being herein called "ADDITIONAL COSTS"), in each case resulting from any Regulatory Change which:

(i) changes the basis of taxation of any amounts payable to Bank under this Agreement in respect of any Credit Extensions (other than changes which affect taxes measured by or imposed on the overall net income of Bank by the jurisdiction in which Bank has its principal office);

(ii) imposes or modifies any reserve, special deposit or similar requirements relating to any extensions of credit or other assets of, or any deposits with, or other liabilities of Bank (including any Credit Extensions or any deposits referred to in the definition of LIBOR); or

(iii) imposes any other condition affecting this Agreement (or any of such extensions of credit or liabilities).

Bank will notify Borrower of any event occurring after the Effective Date which will entitle Bank to compensation pursuant to this Section 3.4 as promptly as practicable after it obtains knowledge thereof and determines to request such compensation. Bank will furnish Borrower with a statement setting forth the basis and amount of each request by Bank for compensation under this Section 3.4. Determinations and allocations by Bank for purposes of this Section 3.4 of the effect of any Regulatory Change on its costs of maintaining its obligations to make Credit Extensions, of making or maintaining Credit Extensions, or on amounts receivable by it in respect of Credit Extensions, and of the additional amounts required to compensate Bank in respect of any Additional Costs, shall be conclusive absent manifest error.

(c) If Bank shall determine that the adoption or implementation of any applicable law, rule, regulation, or treaty regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank, or comparable agency charged with the interpretation or administration thereof, or compliance by Bank (or its applicable lending office) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank, or comparable agency, has or would have the effect of reducing the rate of return on capital of Bank or any Person controlling Bank (a "PARENT") as a consequence of its obligations hereunder to a level below that which Bank (or its Parent) could have achieved but for such adoption, change, or compliance (taking into consideration policies with respect to capital adequacy) by an amount deemed by Bank to be material, then from time to time, within fifteen (15) days after demand by Bank, Borrower shall pay to Bank such additional amount or amounts as will compensate Bank for such reduction. A statement of Bank claiming compensation under this Section 3.4(c) and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive absent manifest error.

(d) If, at any time, Bank, in its sole and absolute discretion, determines that (i) the amount of the Term Loan for periods equal to the corresponding Interest Periods are not available to Bank in the offshore currency interbank markets, or (ii) LIBOR does not accurately reflect the cost to Bank of lending the Term Loan, then Bank shall promptly give notice thereof to Borrower. Upon the giving of such notice, the Term Loan shall bear interest at the Alternate Rate until Bank determines that such circumstances have ceased to exist.

(e) If it shall become unlawful for Bank to maintain the Term Loan, or to perform its obligations hereunder, upon demand by Bank, Borrower shall prepay the Credit Extensions in full with accrued interest thereon and all other amounts payable by Borrower hereunder (including, without limitation, any amount payable in connection with such prepayment pursuant to Section 3.4(a)).

4. CREATION OF SECURITY INTEREST

4.1 GRANT OF SECURITY INTEREST. Borrower hereby grants Bank, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof. Borrower represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject only to Permitted Liens that may have superior priority to Bank's Lien under this Agreement). If Borrower shall acquire a commercial tort claim, Borrower shall promptly notify Bank in a writing signed by Borrower of the general details thereof and grant to Bank in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Bank.

If this Agreement is terminated, Bank's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations and at such time as Bank's obligation to make Credit Extensions has terminated, Bank shall, at Borrower's sole cost and expense, release its Liens in the Collateral and all rights therein shall revert to Borrower.

4.2 AUTHORIZATION TO FILE FINANCING STATEMENTS. Borrower hereby authorizes Bank to file financing statements, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Bank's interest or rights hereunder, including a notice that any disposition of the Collateral, by either Borrower or any other Person, shall be deemed to violate the rights of Bank under the Code.

5. REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 DUE ORGANIZATION AND AUTHORIZATION. Borrower and each of its Subsidiaries are duly existing and in good standing as Registered Organizations only in the State of Delaware and are qualified and licensed to do business and are in good standing in any jurisdiction in which the conduct of their business or their ownership of property requires that they be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, Borrower has delivered to Bank a completed certificate substantially in the form attached hereto as Exhibit E signed by Borrower, entitled "Perfection Certificate." Borrower represents and warrants to Bank that (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's

organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) Borrower (and each of its predecessors) has not, in the past five (5) years, changed its state of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (f) all other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete. If Borrower is not now a Registered Organization but later becomes one, Borrower shall promptly notify Bank of such occurrence and provide Bank with Borrower's organizational identification number.

The execution, delivery and performance of the Loan Documents have been duly authorized, and do not conflict with Borrower's organizational documents, nor constitute an event of default under any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could have a material adverse effect on Borrower's business.

5.2 COLLATERAL. Borrower has good title to, has rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Borrower has no deposit accounts other than (a) deposit accounts with Bank, (b) deposit accounts, if any, described in the Perfection Certificate delivered to Bank in connection herewith, and (c) deposit accounts with respect to which Borrower has given Bank notice and to the extent required under this Agreement, taken such actions as are necessary to give Bank a perfected security interest therein.

The Collateral is not in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate. None of the components of the Collateral shall be maintained at locations other than as provided in the Perfection Certificate or as Borrower has given Bank notice pursuant to Section 7.2. In the event that Borrower, after the date hereof, intends to store or otherwise deliver any portion of the Collateral to a bailee, then Borrower will first receive the written consent of Bank and such bailee must execute and deliver a bailee agreement in form and substance satisfactory to Bank in its sole discretion.

Borrower is the sole owner of its intellectual property, except for non-exclusive licenses granted to its customers in the ordinary course of business. Each patent is valid and enforceable, and no part of the intellectual property has been judged invalid or unenforceable, in whole or in part, and to the best of Borrower's knowledge, no claim has been made that any part of the intellectual property violates the rights of any third party except to the extent such claim could not reasonably be expected to have a material adverse effect on Borrower's business. Except as noted on the Perfection Certificate, Borrower is not a party to, or bound by, any material license or other agreement with respect to which Borrower is the licensee that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or any other property. Borrower shall provide written notice to Bank within ten (10) days of entering or becoming bound by any such license or agreement which is reasonably likely to have a material impact on Borrower's business or financial condition (other than over-the-counter software that is commercially available to the public). Borrower shall take such steps as Bank requests to obtain the consent of, or waiver by, any Person whose consent or waiver is necessary for all such licenses or contract rights to be deemed "Collateral" and for Bank to have

a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such license or agreement (such consent or authorization may include a licensor's agreement to a contingent assignment of the license to Bank if Bank determines that is necessary in its good faith judgment), whether now existing or entered into in the future.

5.3 LITIGATION. There are no actions or proceedings pending or, to the knowledge of the Responsible Officers, threatened in writing by or against Borrower or any of its Subsidiaries involving more than Two Hundred Fifty Thousand Dollars ($250,000).

5.4 NO MATERIAL DEVIATION IN FINANCIAL STATEMENTS. All consolidated financial statements for Borrower and any of its Subsidiaries delivered to Bank fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations as of the dates thereof. There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Bank.

5.5 SOLVENCY. Borrower is not left with unreasonably small capital after the transactions contemplated by this Agreement; and Borrower is able to pay its debts (including trade debts) as they mature.

5.6 REGULATORY COMPLIANCE. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations T and U of the Federal Reserve Board of Governors). Borrower has complied in all material respects with the Federal Fair Labor Standards Act. Borrower has not violated any laws, ordinances or rules, the violation of which could reasonably be expected to have a material adverse effect on its business. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all government authorities that are necessary to continue its business as currently conducted.

5.7 SUBSIDIARIES; INVESTMENTS. Borrower does not own any stock, partnership interest or other equity securities except for Permitted Investments.

5.8 TAX RETURNS AND PAYMENTS; PENSION CONTRIBUTIONS. Borrower has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower. Borrower may defer payment of any contested taxes, provided that Borrower (a) in good faith contests its obligation to pay the taxes by appropriate proceedings promptly and diligently instituted and conducted, (b) notifies Bank in writing of the commencement of, and any material development in, the proceedings, and (c) posts bonds or takes any other steps required to prevent the governmental authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien." Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and

payable by Borrower. Borrower has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.9 USE OF PROCEEDS. Borrower shall use the proceeds of the Credit Extensions solely to finance a dividend to Borrower's preferred shareholders and to fund its general business requirements and not for personal, family, household or agricultural purposes.

5.10 FULL DISCLOSURE. No written representation, warranty or other statement of Borrower in any certificate or written statement given to Bank, as of the date such representations, warranties, or other statements were made, taken together with all such written certificates and written statements given to Bank, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not misleading (it being recognized by Bank that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

6. AFFIRMATIVE COVENANTS

Borrower shall do all of the following:

6.1 GOVERNMENT COMPLIANCE. Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a material adverse effect on Borrower's business or operations. Borrower shall comply, and have each Subsidiary comply, with all laws, ordinances and regulations to which it is subject, noncompliance with which could have a material adverse effect on Borrower's business.

6.2 FINANCIAL STATEMENTS, REPORTS, CERTIFICATES.

(a) DELIVER TO BANK: (i) so long as Borrower is not subject to the reporting requirements under the Securities Exchange Act of 1934, as amended (the "ACT"), as soon as available, but no later than thirty (30) days after the last day of each month, a company prepared consolidated balance sheet and income statement covering Borrower's and each of its Subsidiary's operations during the period certified by a Responsible Officer and in a form acceptable to Bank; (ii) so long as Borrower is not subject to the reporting requirements under the Act, as soon as available, but no later than one hundred twenty (120) days after the last day of Borrower's fiscal year, audited consolidated financial statements prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements from an independent certified public accounting firm acceptable to Bank in its reasonable discretion; (iii) within five (5) days of delivery, copies of all statements, reports and notices made available to Borrower's security holders or to any holders of Subordinated Debt; (iv) in the event that Borrower becomes subject to the reporting requirements under the Act, within forty-five (45)

days of filing, all reports on Form 10-Q and 8-K filed with the Securities and Exchange Commission or a link thereto on Borrower's or another website on the Internet; (v) in the event that Borrower becomes subject to the reporting requirements under the Act, as amended, within one hundred twenty (120) days of Borrower's fiscal year end, all reports on Form 10-K filed with the Securities and Exchange Commission or a link thereto on Borrower's or another website on the Internet; (vi) a prompt report of any legal actions pending or threatened against Borrower or any of its Subsidiaries that could result in damages or costs to Borrower or any of its Subsidiaries of Fifty Thousand Dollars ($50,000) or more; (vii) prompt notice of an event that materially and adversely affects the value of the intellectual property; (viii) as soon as available, but no later than thirty (30) days after approval by Borrower's board of directors, copies of all annual financial projections, commensurate in form, substance and timing with those provided by Borrower to its venture capital and other investors and (ix) budgets, sales projections, operating plans and other financial information reasonably requested by Bank.

(b) Within (i) thirty (30) days after the last day of each month so long as Borrower is not subject to the reporting requirements under the Act or (ii) at all times that Borrower is subject to the reporting requirements of the Act, Borrower shall deliver to Bank within forty-five (45) days after the last day of each quarter, a duly completed Compliance Certificate signed by a Responsible Officer setting forth calculations showing compliance with the financial covenant set forth in this Agreement and as soon as available, but in no event more than seven (7) days after each month end, a cash balance report in form and detail satisfactory to Bank in all respects

(c) Allow Bank to audit Borrower's Collateral at Borrower's expense.

6.3 TAXES; PENSIONS. Make, and cause each of its Subsidiaries to make, timely payment of all foreign, federal, state, and local taxes or assessments (other than taxes and assessments which Borrower is contesting pursuant to the terms of Section 5.8 hereof) and shall deliver to Bank, on demand, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms.

6.4 INSURANCE. Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location and as Bank may reasonably request. Insurance policies shall be in a form, with companies, and in amounts that are satisfactory to Bank. All property policies shall have a lender's loss payable endorsement showing Bank as the sole loss payee and waive subrogation against Bank, and all liability policies shall show, or have endorsements showing, Bank as an additional insured. All policies (or the loss payable and additional insured endorsements) shall provide that the insurer must give Bank at least twenty (20) days notice before canceling, amending, or declining to renew its policy. At Bank's request, Borrower shall deliver certified copies of policies and evidence of all premium payments. Proceeds payable under any policy shall, at Bank's option, be payable to Bank on account of the Obligations. Notwithstanding the foregoing, (a) so long as no Event of Default has occurred and is continuing, Borrower shall have the option of applying the proceeds of any casualty insurance policy up to Two Hundred Fifty Thousand Dollars ($250,000), in the aggregate, toward the replacement or repair of destroyed or damaged property; provided that any such replaced or repaired property (i) shall be of equal or like value as the replaced or repaired Collateral and (ii)

shall be deemed Collateral in which Bank has been granted a first priority security interest, and (b) after the occurrence and during the continuance of an Event of Default, all proceeds payable under such casualty policy shall, at the option of Bank, be payable to Bank on account of the Obligations. If Borrower fails to obtain insurance as required under this Section 6.4 or to pay any amount or furnish any required proof of payment to third Persons and Bank, Bank may make all or part of such payment or obtain such insurance policies required in this Section 6.4, and take any action under the policies Bank deems prudent.

6.5 OPERATING ACCOUNTS.

(a) Maintain its primary operating accounts with Bank.

(b) Provide Bank not less than five (5) days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than Bank or its Affiliates. In addition, for each Collateral Account that Borrower at any time maintains, Borrower shall cause the applicable bank or financial institution (other than Bank) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereof; provided, however that no Control Agreement is required for any deposit account with an amount on deposit the does not at any time exceed Two Hundred Fifty Thousand Dollars ($250,000), so long as the aggregate amounts in such deposit accounts do not exceed One Million Dollars ($1,000,000). The provisions of the previous sentence which require a Control Agreement, shall not apply to deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such.

6.6 FINANCIAL COVENANTS. Borrower shall maintain, at all times, to be tested as of the last day of each month, unless otherwise noted, on a consolidated basis with respect to Borrower and its Subsidiaries a ratio of Quick Assets to Current Liabilities minus Deferred Revenue of at least 1.5 to 1.0 (the "ADJUSTED QUICK RATIO").

6.7 PROTECTION AND REGISTRATION OF INTELLECTUAL PROPERTY RIGHTS. Borrower shall:

(a) protect, defend and maintain the validity and enforceability of its intellectual property;

(b) promptly advise Bank in writing of material infringements of its intellectual property; and

(c) not allow any intellectual property material to Borrower's business to be abandoned, forfeited or dedicated to the public without Bank's written consent. If Borrower decides to register any copyrights or mask works in the United States Copyright Office, Borrower shall: (x) provide Bank with at least fifteen (15) days prior written notice of its intent to register such copyrights or mask works together with a copy of the application it intends to file with the United States Copyright Office (excluding exhibits thereto); (y) execute an intellectual property security agreement or such other documents as Bank may reasonably request to maintain the perfection and priority of Bank's security interest in the copyrights or mask works

intended to be registered with the United States Copyright Office; and (z) record such intellectual property security agreement with the United States Copyright Office contemporaneously with filing the copyright or mask work application(s) with the United States Copyright Office. Borrower shall promptly provide to Bank a copy of the application(s) filed with the United States Copyright Office together with evidence of the recording of the intellectual property security agreement necessary for Bank to maintain the perfection and priority of its security interest in such copyrights or mask works. Borrower shall provide written notice to Bank of any application filed by Borrower in the United States Patent and Trademark Office for a patent or to register a trademark or service mark within thirty (30) days after any such filing.

6.8 LITIGATION COOPERATION. From the date hereof and continuing through the termination of this Agreement, make available to Bank, without expense to Bank, Borrower and its officers, employees and agents and Borrower's books and records, to the extent that Bank may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Bank with respect to any Collateral or relating to Borrower.

6.9 FURTHER ASSURANCES. Borrower shall execute any further instruments and take further action as Bank reasonably requests to perfect or continue Bank's Lien in the Collateral or to effect the purposes of this Agreement.

7. NEGATIVE COVENANTS

Borrower shall not do any of the following without Bank's prior written consent:

7.1 DISPOSITIONS. Convey, sell, lease, transfer or otherwise dispose of (collectively, "TRANSFER"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for Transfers (a) of Inventory in the ordinary course of business; (b) of worn-out or obsolete Equipment; and (c) in connection with Permitted Liens and Permitted Investments.

7.2 CHANGES IN BUSINESS OR BUSINESS LOCATIONS.

(a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such Subsidiary, as applicable, or reasonably related thereto; or (b) liquidate or dissolve. Borrower shall not, without at least thirty (30) days prior written notice to Bank: (1) add any new offices or business locations, including warehouses (unless such new offices or business locations contain less than One Hundred Thousand Dollars ($100,000) in Borrower's assets or property), (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, or (5) change any organizational number (if any) assigned by its jurisdiction of organization.

7.3 MERGERS OR ACQUISITIONS. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person. A Subsidiary may merge or consolidate with or into another Subsidiary or into Borrower.

7.4 INDEBTEDNESS. Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 ENCUMBRANCE. Create, incur, or allow any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, permit any Collateral not to be subject to the first priority security interest granted herein, or enter into any agreement, document, instrument or other arrangement (except with or in favor of Bank) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's intellectual property, except as is otherwise permitted in Section 7.1 hereof and the definition of "Permitted Lien" herein.

7.6 MAINTENANCE OF COLLATERAL ACCOUNTS. Maintain any Collateral Account except pursuant to the terms of Section 6.5(b) hereof.

7.7 INVESTMENTS; DISTRIBUTIONS.

(a) Directly or indirectly make any Investment other than Permitted Investments, or permit any of its Subsidiaries to do so; or (b) pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock provided that (i) Borrower may convert any of its convertible securities into other securities pursuant to the terms of such convertible securities or otherwise in exchange thereof, (ii) Borrower may pay dividends solely in common stock, and (iii) Borrower may repurchase the stock of former employees or consultants pursuant to stock repurchase agreements so long as an Event of Default does not exist at the time of such repurchase and would not exist after giving effect to such repurchase, provided such repurchase does not exceed in the aggregate of Fifty Thousand Dollars ($50,000) per fiscal year.

7.8 TRANSACTIONS WITH AFFILIATES. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person.

7.9 SUBORDINATED DEBT.

(a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or

(b) Amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof or adversely affect the subordination thereof to Obligations owed to Bank.

7.10 COMPLIANCE. Become an "investment company" or a company controlled by an "investment company," under the Investment Company Act of 1940 or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation

U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur; fail or permit any Subsidiary to fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on Borrower's business; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

8. EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "EVENT OF DEFAULT") under this Agreement:

8.1 PAYMENT DEFAULT. Borrower fails to (a) make any payment of principal or interest on any Credit Extension on its due date, or (b) pay any other Obligations within three (3) Business Days after such Obligations are due and payable. During the cure period, the failure to cure the payment default is not an Event of Default (but no Credit Extension will be made during the cure period);

8.2 COVENANT DEFAULT.

(a) Borrower fails or neglects to perform any obligation in Sections 6.2, 6.5, 6.5, 6.6 or violates any covenant in Section 7; or

(b) Borrower fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement, any Loan Document, and as to any default (other than those specified in Section 8.8 below) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within ten (10) days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by Borrower be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default (but no Credit Extensions shall be made during such cure period). Grace periods provided under this Section shall not apply, among other things, to financial covenants or any other covenants set forth in subsection (a) above;

8.3 MATERIAL ADVERSE CHANGE. A Material Adverse Change occurs;

8.4 ATTACHMENT. (a) Any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver and the attachment, seizure or levy is not removed in ten (10) days; (b) the service of process upon Bank seeking to attach, by trustee or similar process, any funds of Borrower, or of any entity under control of Borrower (including a Subsidiary) on deposit with Bank; (c) Borrower is enjoined, restrained, or prevented by court order from conducting a material part of its business; (d) a judgment or other claim in excess of Fifty Thousand Dollars ($50,000) becomes a Lien on any of Borrower's assets; or (e) a notice of lien, levy, or assessment is filed against any of Borrower's assets by any government agency and not paid within ten (10) days after Borrower receives notice. These are not Events of Default if stayed or if a bond is posted pending contest by Borrower (but no Credit Extensions shall be made during the cure period);

8.5 INSOLVENCY. (a) Borrower is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower and not dismissed or stayed within thirty (30) days (but no Credit Extensions shall be made while of any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 OTHER AGREEMENTS. There is a default in any agreement to which Borrower is a party with a third party or parties resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount in excess of Two Hundred Fifty Thousand Dollars ($250,000) or that could have a material adverse effect on Borrower's business;

8.7 JUDGMENTS. A judgment or judgments for the payment of money in an amount, individually or in the aggregate, of at least Two Hundred Fifty Thousand Dollars ($250,000) (not covered by independent third-party insurance) shall be rendered against Borrower and shall remain unsatisfied and unstayed for a period of ten (10) days after the entry thereof (provided that no Credit Extensions will be made prior to the satisfaction or stay of such judgment);

8.8 MISREPRESENTATIONS. Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, in any other Loan Document or in any writing delivered to Bank or to induce Bank to enter this Agreement or any Loan Document, and such representation, warranty, or other statement is incorrect in any material respect when made; or

8.9 SUBORDINATED DEBT. A default or breach occurs under any agreement between Borrower and any creditor of Borrower that signed a subordination, intercreditor, or other similar agreement with Bank, or any creditor that has signed such an agreement with Bank breaches any terms of such agreement.

9. BANK'S RIGHTS AND REMEDIES

9.1 RIGHTS AND REMEDIES. While an Event of Default occurs and continues Bank may, without notice or demand, do any or all of the following:

(a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations are immediately due and payable without any action by Bank);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Bank;

(c) settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Bank considers advisable, notify any Person owing Borrower money of Bank's security interest in such funds, and verify the amount of such account;

(d) make any payments and do any acts it considers necessary or reasonable to protect the Collateral and/or its security interest in the Collateral. Borrower shall assemble the Collateral if Bank requests and make it available as Bank designates. Bank may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Borrower grants Bank a license to enter and occupy any of its premises, without charge, to exercise any of Bank's rights or remedies;

(e) apply to the Obligations any (i) balances and deposits of Borrower it holds, or (ii) any amount held by Bank owing to or for the credit or the account of Borrower;

(f) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Bank is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, patents, copyrights, mask works, rights of use of any name, trade secrets, trade names, trademarks, service marks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section, Borrower's rights under all licenses and all franchise agreements inure to Bank's benefit;

(g) place a "hold" on any account maintained with Bank and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(h) demand and receive possession of Borrower's Books; and

(i) exercise all rights and remedies available to Bank under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 POWER OF ATTORNEY. Borrower hereby irrevocably appoints Bank as its lawful attorney-in-fact, exercisable upon the occurrence and during the continuance of an Event of Default, to: (a) endorse Borrower's name on any checks or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Accounts directly with

Account Debtors, for amounts and on terms Bank determines reasonable; (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Bank or a third party as the Code permits. Borrower hereby appoints Bank as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of any security interest regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full and Bank is under no further obligation to make Credit Extensions hereunder. Bank's foregoing appointment as Borrower's attorney in fact, and all of Bank's rights and powers, coupled with an interest, are irrevocable until all Obligations have been fully repaid and performed and Bank's obligation to provide Credit Extensions terminates.

9.3 ACCOUNTS VERIFICATION; COLLECTION. Whether or not an Event of Default has occurred and is continuing, Bank may notify any Person owing Borrower money of Bank's security interest in such funds and verify the amount of such account. After the occurrence of an Event of Default, any amounts received by Borrower shall be held in trust by Borrower for Bank, and, if requested by Bank, Borrower shall immediately deliver such receipts to Bank in the form received from the Account Debtor, with proper endorsements for deposit.

9.4 PROTECTIVE PAYMENTS. If Borrower fails to obtain the insurance called for by Section 6.4 or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document, Bank may obtain such insurance or make such payment, and all amounts so paid by Bank are Bank Expenses and immediately due and payable, bearing interest at the then highest applicable rate, and secured by the Collateral. Bank will make reasonable efforts to provide Borrower with notice of Bank obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Bank are deemed an agreement to make similar payments in the future or Bank's waiver of any Event of Default.

9.5 APPLICATION OF PAYMENTS AND PROCEEDS. Unless an Event of Default has occurred and is continuing, Bank shall apply any funds in its possession, whether from Borrower account balances, payments, or proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, first, to Bank Expenses, including without limitation, the reasonable costs, expenses, liabilities, obligations and attorneys' fees incurred by Bank in the exercise of its rights under this Agreement; second, to the interest due upon any of the Obligations; and third, to the principal of the Obligations and any applicable fees and other charges, in such order as Bank shall determine in its sole discretion. Any surplus shall be paid to Borrower or other Persons legally entitled thereto; Borrower shall remain liable to Bank for any deficiency. If an Event of Default has occurred and is continuing, Bank may apply any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations in such order as Bank shall determine in its sole discretion. Any surplus shall be paid to Borrower or other Persons legally entitled thereto; Borrower shall remain liable to Bank for any deficiency. If Bank, in its good faith business judgment, directly or indirectly enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Bank

shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Bank of cash therefor.

9.6 BANK'S LIABILITY FOR COLLATERAL. So long as Bank complies with reasonable banking practices regarding the safekeeping of the Collateral in the possession or under the control of Bank, Bank shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bears all risk of loss, damage or destruction of the Collateral.

9.7 NO WAIVER; REMEDIES CUMULATIVE. Bank's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Bank thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by Bank and then is only effective for the specific instance and purpose for which it is given. Bank's rights and remedies under this Agreement and the other Loan Documents are cumulative. Bank has all rights and remedies provided under the Code, by law, or in equity. Bank's exercise of one right or remedy is not an election, and Bank's waiver of any Event of Default is not a continuing waiver. Bank's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.8 DEMAND WAIVER. Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Bank on which Borrower is liable.

10. NOTICES

All notices, consents, requests, approvals, demands, or other communication (collectively, "COMMUNICATION") by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Bank or Borrower may change its address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to Borrower: Commvault Systems, Inc.
2 Crescent Place
Oceanport, New Jersey 07757-0900
Attn: Lou Miceli, Chief Financial Officer
Fax: (732) 870-4514
Email: lmiceli@commvault.com

If to Bank: Silicon Valley Bank
5 Radnor Corporate Center, Suite 555
100 Matsonford Road
Radnor, PA 19087
Attn: Richard White
Fax: (610) 971-2063
Email: rwhite@svbank.com

11. CHOICE OF LAW, VENUE AND JURY TRIAL WAIVER AND JUDICIAL REFERENCE

Pennsylvania law governs the Loan Documents without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure Sections 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing

receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and order applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to the California Code of Civil Procedure Section 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

12. GENERAL PROVISIONS

12.1 SUCCESSORS AND ASSIGNS. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this Agreement or any rights or obligations under it without Bank's prior written consent (which may be granted or withheld in Bank's discretion). Bank has the right, without the consent of or notice to Borrower, to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights, and benefits under this Agreement and the other Loan Documents.

12.2 INDEMNIFICATION. Borrower agrees to indemnify, defend and hold Bank and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Bank harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "CLAIMS") asserted by any other party in connection with the transactions contemplated by the Loan Documents; and (b) all losses or Bank Expenses incurred, or paid by Bank from, following, or arising from transactions between Bank and Borrower (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by Bank's gross negligence or willful misconduct.

12.3 LIMITATION OF ACTIONS. Any claim or cause of action by Borrower against Bank, its directors, officers, employees, agents, accountants, attorneys, or any other Person affiliated with or representing Bank based upon, arising from, or relating to this Loan Agreement or any other Loan Document, or any other transaction contemplated hereby or thereby or relating hereto or thereto, or any other matter, cause or thing whatsoever, occurred, done, omitted or suffered to be done by Bank, its directors, officers, employees, agents, accountants or attorneys, shall be barred unless asserted by Borrower by the commencement of an action or proceeding in a court of competent jurisdiction by (a) the filing of a complaint within one year from the earlier of (i) the date any of Borrower's officers or directors had knowledge of the first act, the occurrence or omission upon which such claim or cause of action, or any part thereof, is based, or (ii) the date this Agreement is terminated, and (b) the service of a summons and complaint on an officer of Bank, or on any other Person authorized to accept service on behalf of Bank, within thirty (30)

days thereafter. Borrower agrees that such one-year period is a reasonable and sufficient time for Borrower to investigate and act upon any such claim or cause of action. The one-year period provided herein shall not be waived, tolled, or extended except by the written consent of Bank in its sole discretion. This provision shall survive any termination of this Loan Agreement or any other Loan Document.

12.4 TIME OF ESSENCE. Time is of the essence for the performance of all Obligations in this Agreement.

12.5 SEVERABILITY OF PROVISIONS. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.6 AMENDMENTS IN WRITING; INTEGRATION. All amendments to this Agreement must be in writing and signed by both Bank and Borrower. This Agreement and the Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Agreement and the Loan Documents merge into this Agreement and the Loan Documents.

12.7 COUNTERPARTS. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, are an original, and all taken together, constitute one Agreement.

12.8 SURVIVAL. All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to its terms and all Obligations (other than inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) have been satisfied. The obligation of Borrower in Section 12.2 to indemnify Bank shall survive until the statute of limitations with respect to such claim or cause of action shall have run.

12.9 CONFIDENTIALITY. In handling any confidential information, Bank shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (a) to Bank's Subsidiaries or Affiliates; (b) to prospective transferees or purchasers of any interest in the Credit Extensions (provided, however, Bank shall use commercially reasonable efforts to obtain such prospective transferee's or purchaser's agreement to the terms of this provision); (c) as required by law, regulation, subpoena, or other order; (d) to Bank's regulators or as otherwise required in connection with Bank's examination or audit; and (e) as Bank considers appropriate in exercising remedies under this Agreement. Confidential information does not include information that either: (i) is in the public domain or in Bank's possession when disclosed to Bank, or becomes part of the public domain after disclosure to Bank; or (ii) is disclosed to Bank by a third party, if Bank does not know that the third party is prohibited from disclosing the information.

12.10 ATTORNEYS' FEES, COSTS AND EXPENSES. In any action or proceeding between Borrower and Bank arising out of or relating to the Loan Documents, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

12.11 RIGHT OF SETOFF. Borrower hereby grants to Bank a Lien and a right of setoff as security for all Obligations to Bank, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of Bank (including a subsidiary of Bank) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Bank may setoff the same or any part thereof and apply the same to any liability or Obligation of Borrower even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

13. DEFINITIONS

13.1 DEFINITIONS. As used in this Agreement, the following terms have the following meanings:

"ACCOUNT" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to Borrower.

"ACCOUNT DEBTOR" is any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"ACT" is defined in Section 6.2(a).

"AFFILIATE" of any Person is (a) a Person that owns or controls directly or indirectly the Person, (b) any Person that controls or is controlled by or is under common control with the Person, and (c) each of that Person's senior executive officers, directors, partners and, for any Person that is a limited liability company, that Person's managers and members (such officers, directors, managers and members being called "Non Natural Affiliates").

"AGREEMENT" is defined in the preamble hereof.

"ALTERNATE RATE" is a floating rate equal to Prime Rate, minus one percent (1.0%) per annum.

"BANK" is defined in the preamble hereof.

"BANK EXPENSES" are all audit fees and expenses, costs, and expenses (including reasonable attorneys' fees and expenses) for preparing, negotiating, administering, defending and enforcing the Loan Documents (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower.

"BORROWER" is defined in the preamble hereof.

"BORROWER'S BOOKS" are all Borrower's books and records including ledgers, federal and state tax returns, records regarding Borrower's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"BORROWING RESOLUTIONS" are, with respect to any Person, those resolutions substantially in the form attached hereto as Exhibit D.

"BUSINESS DAY" is any day other than a Saturday, Sunday or other day on which banking institutions in the State of California are authorized or required by law or other governmental action to close, except that if any determination of a "Business Day" shall relate to the Term Loan, the term "Business Day" shall also mean a day on which dealings are carried on in the London interbank market.

"CASH EQUIVALENTS" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor's Ratings Group or Moody's Investors Service, Inc.; and (c) Bank's certificates of deposit issued maturing no more than one (1) year after issue.

"CODE" is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the Commonwealth of Pennsylvania; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Bank's Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of California, the term "CODE" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes on the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"COLLATERAL" is any and all properties, rights and assets of Borrower described on Exhibit A.

"COLLATERAL ACCOUNT" is any Deposit Account, Securities Account, or Commodity Account.

"COMMODITY ACCOUNT" is any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"COMMUNICATION" is defined in Section 10.

"COMPLIANCE CERTIFICATE" is that certain certificate in the form attached hereto as Exhibit C.

"CONTINGENT OBLIGATION" is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but "Contingent Obligation" does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

"CONTROL AGREEMENT" is a control agreement substantially in the form of Exhibit F.

"CREDIT EXTENSION" is any Term Loan or any other extension of credit by Bank for Borrower's benefit.

"CURRENT LIABILITIES" are all obligations and liabilities of Borrower to Bank that mature within one (1) year.

"DEFAULT" means any event which with notice or passage of time or both, would constitute an Event of Default.

"DEFAULT RATE" is defined in Section 2.3(c).

"DEFERRED REVENUE" is all amounts received or invoiced in advance of performance under contracts and not yet recognized as revenue.

"DEPOSIT ACCOUNT" is any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"DESIGNATED DEPOSIT ACCOUNT" is Borrower's deposit account, account number _____, maintained with Bank.

"DOLLARS," "DOLLARS" and "$" each mean lawful money of the United States.

"EFFECTIVE DATE" is the date Bank executes this Agreement and as indicated on the signature page hereof.

"EQUIPMENT" is all "equipment" as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"ERISA" is the Employment Retirement Income Security Act of 1974, and its regulations.

"EVENT OF DEFAULT" is defined in Section 8.

"FUNDING DATE" is the date on which the Term Loan is made to or on account of Borrower which shall be a Business Day.

"GAAP" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"GENERAL INTANGIBLES" is all "general intangibles" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work, whether published or unpublished, any patents, trademarks, service marks and, to the extent permitted under applicable law, any applications therefor, whether registered or not, any trade secret rights, including any rights to unpatented inventions, payment intangibles, royalties, contract rights, goodwill, franchise agreements, purchase orders, customer lists, route lists, telephone numbers, domain names, claims, income and other tax refunds, security and other deposits, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

"INDEBTEDNESS" is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations, and (d) Contingent Obligations.

"INSOLVENCY PROCEEDING" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

"INTEREST PERIOD" means the period commencing on the Funding Date and ending on the date that is one (1) month after the Funding Date, and each successive one (1) month period until the Term Loan Maturity Date; provided, however, that (a) no Interest Period shall end later than the Term Loan Maturity Date, (b) the last day of an Interest Period shall be determined in accordance with the practices of the LIBOR interbank market as from time to time in effect, (c) if any Interest Period would otherwise end on a day that is not a Business Day, that Interest Period shall be extended to the following Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the preceding Business Day, (d) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period, and (e) interest shall accrue from and include

the first Business Day of an Interest Period but exclude the last Business Day of such Interest Period.

"INTEREST RATE DETERMINATION DATE" means each date for calculating the LIBOR for purposes of determining the interest rate in respect of an Interest Period. The Interest Rate Determination Date shall be the second Business Day prior to the first day of the related Interest Period for the Term Loan.

"INVENTORY" is all "inventory" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower's custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

"INVESTMENT" is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

"IP AGREEMENT" is that certain Intellectual Property Security Agreement executed and delivered by Borrower to Bank dated as of the Effective Date.

"LIBOR" means, for any Interest Rate Determination Date, the rate of interest per annum determined by Bank to be the per annum rate of interest at which deposits in Dollars are offered to Bank in the London interbank market (rounded upward, if necessary, to the nearest 1/1000th of one percent (0.001%)) in which Bank customarily participates at 11:00 a.m. (local time in such interbank market) two (2) Business Days prior to the first day of such Interest Period for a period approximately equal to such Interest Period and in an amount approximately equal to the amount of the applicable Credit Extension.

"LIBOR RATE" means, for each Interest Period, an interest rate per annum (rounded upward to the nearest 1/1000th of one percent (0.001%)) equal to LIBOR for such Interest Period divided by one (1) minus the Reserve Requirement for such Interest Period.

"LIBOR RATE MARGIN" is one and one half of one percent (1.50%).

"LIEN" is a mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

"LOAN DOCUMENTS" are, collectively, this Agreement, the Perfection Certificate, the IP Agreement, any note or guaranty, executed by Borrower or any other Person and any other present or future agreement for the benefit of Bank in connection with this Agreement, all as amended, restated, or otherwise modified.

"MATERIAL ADVERSE CHANGE" is (a) a material impairment in the perfection or priority of Bank's Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in

the business, operations, or condition (financial or otherwise) of Borrower; or (c) a material impairment of the prospect of repayment of any portion of the Obligations.

"NOTICE OF BORROWING" means a notice given by Borrower to Bank substantially in the form of Exhibit B, with appropriate insertions.

"OBLIGATIONS" are Borrower's obligation to pay when due any debts, principal, interest, Bank Expenses and other amounts Borrower owes Bank now or later, whether under this Agreement, the Loan Documents, or otherwise, including, without limitation, all obligations relating to letters of credit, cash management services, and foreign exchange contracts, if any, and including interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of Borrower assigned to Bank, and the performance of Borrower's duties under the Loan Documents.

"OPERATING DOCUMENTS" are, for any Person, such Person's formation documents, as certified with the Secretary of State of such Person's state of formation on a date that is no earlier than 30 days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

"PERFECTION CERTIFICATE" is defined in Section 5.1.

"PERMITTED INDEBTEDNESS" is:

(a) Borrower's Indebtedness to Bank under this Agreement and the other Loan Documents;

(b) Indebtedness existing on the Effective Date and shown on the Perfection Certificate;

(c) Subordinated Debt;

(d) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(e) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(f) Indebtedness in an aggregate principal amount not to exceed One Million Dollars ($1,000,000) secured by Permitted Liens; and

(g) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (f) above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"PERMITTED INVESTMENTS" are:

(a) Investments shown on the Perfection Certificate and existing on the Effective Date;

(b) Cash Equivalents;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower;

(d) Investments consisting of deposit accounts in which Bank has a perfected security interest;

(e) Investments accepted in connection with Transfers permitted by Section 7.1;

(f) Investments of Subsidiaries in or to other Subsidiaries or Borrower and Investments by Borrower in Subsidiaries not to exceed One Million Dollars ($1,000,000);

(g) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrower or its Subsidiaries pursuant to employee stock purchase plans or agreements approved by Borrower's Board of Directors;

(h) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business; and

(i) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (i) shall not apply to Investments of Borrower in any Subsidiary.

"PERMITTED LIENS" are:

(a) Liens existing on the Effective Date and shown on the Perfection Certificate or arising under this Agreement and the other Loan Documents;

(b) Liens for taxes, fees, assessments or other government charges or levies, either not delinquent or being contested in good faith and for which Borrower maintains adequate reserves on Borrower's Books, if they have no priority over any of Bank's Liens;

(c) purchase money Liens (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than Five Hundred Thousand Dollars ($500,000) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;

(d) statutory Liens securing claims or demands of materialmen, mechanics, carriers, warehousemen, landlords and other Persons imposed without action of such parties, provided the aggregate amount of such Liens does not at any time exceed Fifty Thousand Dollars ($50,000);

(e) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business, provided, they have no priority over any of Bank's Liens and the aggregate amount of the Indebtedness secured by such Liens does not at any time exceed Fifty Thousand Dollars ($50,000);

(f) Liens incurred in the extension, renewal or refinancing of the indebtedness secured by Liens described in (a) through (c), but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness may not increase;

(g) leases or subleases of real property granted in the ordinary course of business, and leases, subleases, non-exclusive licenses or sublicenses of property (other than real property or intellectual property) granted in the ordinary course of Borrower's business, if the leases, subleases, licenses and sublicenses do not prohibit granting Bank a security interest;

(h) non-exclusive license of intellectual property granted to third parties in the ordinary course of business;

(i) Liens arising from judgments, decrees or attachments in circumstances not constituting an Event of Default under Section 8.4 or 8.7; and

(j) Liens in favor of other financial institutions arising in connection with Borrower's deposit and/or securities accounts held at such institutions, provided that Bank has a perfected security interest in the amounts held in such securities accounts.

"PERSON" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"PRIME RATE" is Bank's most recently announced "prime rate," even if it is not Bank's lowest rate.

"QUICK ASSETS" is, on any date, Borrower's unrestricted cash, Cash Equivalents, net billed accounts receivable and investments with maturities of fewer than twelve (12) months determined according to GAAP.

"REGISTERED ORGANIZATION" is any "registered organization" as defined in the Code with such additions to such term as may hereafter be made

"REGULATORY CHANGE" means, with respect to Bank, any change on or after the date of this Agreement in United States federal, state, or foreign laws or regulations, including Regulation D, or the adoption or making on or after such date of any interpretations, directives, or requests applying to a class of lenders including Bank, of or under any United States federal or

state, or any foreign, laws or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"RESPONSIBLE OFFICER" is any of the Chief Executive Officer, President, Chief Financial Officer and Controller of Borrower.

"RESERVE REQUIREMENT" means, for any Interest Period, the average maximum rate at which reserves (including any marginal, supplemental, or emergency reserves) are required to be maintained during such Interest Period under Regulation D against "Eurocurrency liabilities" (as such term is used in Regulation D) by member banks of the Federal Reserve System. Without limiting the effect of the foregoing, the Reserve Requirement shall reflect any other reserves required to be maintained by Bank by reason of any Regulatory Change against (a) any category of liabilities which includes deposits by reference to which the LIBOR Rate is to be determined as provided in the definition of LIBOR or (b) any category of extensions of credit or other assets which include Credit Extensions.

"SECURITIES ACCOUNT" is any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"SUBORDINATED DEBT" is indebtedness incurred by Borrower subordinated to all of Borrower's now or hereafter indebtedness to Bank (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Bank entered into between Bank and the other creditor), on terms acceptable to Bank.

"SUBSIDIARY" means, with respect to any Person, any Person of which more than 50% of the voting stock or other equity interests is owned or controlled, directly or indirectly, by such Person or one or more Affiliates of such Person (other than Credit Suisse, or any Non-Natural Affiliates).

"TERM LOAN" is a loan made by Bank pursuant to the terms of Section 2.1.1 hereof.

"TERM LOAN AMOUNT" is an aggregate amount equal to Twenty Million Dollars ($20,000,000) outstanding at any time.

"TERM LOAN MATURITY DATE" is the day which is twenty-four (24) months after the Funding Date, but in no event later than March 31, 2008.

"TERM LOAN PAYMENT" is defined in Section 2.1.1(b).

"TRANSFER" is defined in Section 7.1.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

BORROWER:

COMMVAULT SYSTEMS, INC.

By /s/ Louis F. Miceli

Name: Louis F. Miceli
Title: CFO

BANK:

SILICON VALLEY BANK

By /s/ Richard White

Name: Richard White
Title: Relationship Manager

Effective Date: May 2, 2006

[Signature page to Loan and Security Agreement]

EXHIBIT A

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles, commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and

All Borrower's Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

All other terms contained in this Exhibit, unless otherwise indicated, shall have the meanings provided by the Code (as defined herein), to the extent such terms are defined in the Code. For purposes hereof, the following terms shall have the following meanings:

"ACCOUNTS" are all existing and later arising accounts, contract rights, and other obligations owed Borrower in connection with its sale or lease of goods (including licensing software and other technology) or provision of services, all credit insurance, guaranties, other security and all merchandise returned or reclaimed by Borrower and Borrower's Books relating to any of the foregoing, as such definition may be amended from time to time according to the Code.

"BORROWER'S BOOKS" are all Borrower's books and records including ledgers, records regarding Borrower's assets or liabilities, the Collateral, business operations or financial condition and all computer programs or discs or any equipment containing the information.

"CODE" is the Uniform Commercial Code as adopted in Pennsylvania as amended and in effect from time to time.

"COPYRIGHTS" are all copyright rights, applications or registrations and like protections in each work or authorship or derivative work, whether published or not (whether or not it is a trade secret) now or later existing, created, acquired or held.

"EQUIPMENT" is all present and future machinery, equipment, tenant improvements, furniture, fixtures, vehicles, tools, parts and attachments in which Borrower has any interest.

"INTELLECTUAL PROPERTY" is:

(a) Copyrights, Trademarks, Mask Works and Patents including amendments, renewals, extensions, and all licenses or other rights to use and all license fees and royalties from the use;

(b) Any trade secrets and any intellectual property rights in computer software, chip design, chip mask works and computer software products now or later existing, created, acquired or held;

(c) All design rights, including chips, masks and associated software which may be available to Borrower now or later created, acquired or held;

(d) Any claims for damages (past, present or future) for infringement of any of the rights above, with the right, but not the obligation, to sue and collect damages for use or infringement of the intellectual property rights above;

(e) All Proceeds and products of the foregoing, including all insurance, indemnity or warranty payments.

"INVENTORY" is present and future inventory in which Borrower has any interest, including merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products intended for sale or lease or to be furnished under a contract of service, of every kind and description now or later owned by or in the custody or possession, actual or constructive, of Borrower, including inventory temporarily out of its custody or possession or in transit and including returns on any accounts or other proceeds (including insurance proceeds) from the sale or disposition of any of the foregoing and any documents of title.

"LETTER-OF-CREDIT RIGHT" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance.

"MASK WORKS" are all mask works or similar rights available for the protection of semiconductor chips, now owned or later acquired.

"PATENTS" are patents, patent applications and like protections, including improvements, divisions, continuations, renewals, reissues, extensions and continuations in part of the same.

"PROCEEDS" has the meaning described in the Code as in effect from time to time.

"SUPPORTING OBLIGATION" means a letter-of-credit right, secondary obligation or obligation of a secondary obligor or that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument or investment property.

"TRADEMARKS" are trademark and service mark rights, registered or not, applications to register and registrations and like protections, and the entire goodwill of the business of Borrower connected with the trademarks.

EXHIBIT B

FORM OF NOTICE OF BORROWING
COMMVAULT SYSTEMS, INC.

Date: _____

TO: SILICON VALLEY BANK
3003 Tasman Drive
Santa Clara, CA 95054
Attention: Corporate Services Department

RE: Loan and Security Agreement dated as of March __, 2006 (as amended, modified, supplemented or restated from time to time, the "Loan Agreement"), by and between Commvault Systems, Inc. ("Borrower"), and Silicon Valley Bank ("Bank")

Ladies and Gentlemen:

The undersigned refers to the Loan Agreement, the terms defined therein and used herein as so defined, and hereby gives you notice irrevocably, pursuant to Section 3.2 of the Loan Agreement, of the borrowing of an Advance.

1. The Funding Date, which shall be a Business Day, of the requested borrowing is _____.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the proposed Advance before and after giving effect thereto, and to the application of the proceeds therefrom, as applicable:

(a) all representations and warranties of Borrower contained in the Loan Agreement are true, accurate and complete in all material respects as of the date hereof;

(b) no Default or Event of Default has occurred and is continuing, or would result from such proposed Credit Extension; and

(c) the requested Credit Extension will not exceed the Term Loan Amount.

BORROWER COMMVAULT SYSTEMS, INC.

By: _____

Name: _____

Title: _____

For internal Bank use only

LIBOR Pricing Date	LIBOR	LIBOR Variance	Maturity Date

____%

EXHIBIT C

COMPLIANCE CERTIFICATE

TO: SILICON VALLEY BANK Date: _____
FROM: COMMVAULT SYSTEMS, INC.

The undersigned authorized officer of COMMVAULT SYSTEMS, INC. ("Borrower") certifies that under the terms and conditions of the Loan and Security Agreement between Borrower and Bank (the "Agreement"), (1) Borrower is in complete compliance for the period ending _____ with all required covenants except as noted below, (2) there are no Events of Default, (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date, (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.8of the Agreement, and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank. Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

PLEASE INDICATE COMPLIANCE STATUS BY CIRCLING YES/NO UNDER "COMPLIES" COLUMN.

REPORTING COVENANT	REQUIRED	COMPLIES
PRE-IPO		
Monthly financial statements with Compliance Certificate	Monthly within 30 days	Yes No
Annual financial statement (CPA Audited) + CC	FYE within 120 days	Yes No
Annual Board Projections	Board Approval plus 30 days	Yes No
POST-IPO		
Monthly Cash Balance Report	Monthly within 7 days	Yes No
Compliance Certificate	Quarterly within 45 days	Yes No
10-Q and 8-K	Quarterly within 45 days	Yes No
10-K	FYE plus 120 days	Yes No
Annual Board Projections	Board Approval plus 30 days	Yes No

The following Intellectual Property was registered after the Effective Date (if no registrations, state "None")

FINANCIAL COVENANT	REQUIRED	ACTUAL	COMPLIES
Maintain on a Monthly Basis:			
Minimum Quick Ratio	___1.5:1.0	_____:1.0	Yes No

The financial covenant analysis and information set forth in Schedule 1 attached hereto is true and accurate as of the date of this Certificate.

The following are the exceptions with respect to the certification above: (If no exceptions exist, state "No exceptions to note.")

- ---

- ---

- ---

COMMVAULT SYSTEMS, INC.

By: _____

Name: _____

Title: _____

BANK USE ONLY

Received by: _____
AUTHORIZED SIGNER

Date: _____

Verified: _____
AUTHORIZED SIGNER

Date: _____

Compliance Status: Yes No

SCHEDULE 1 TO COMPLIANCE CERTIFICATE

FINANCIAL COVENANTS OF BORROWER

Dated: _____

I. ADJUSTED QUICK RATIO (Section 6.6)

Required: 1.5:1.0

Actual:

A.	Value of Line I.D. (Quick Assets)	$_____
B.	Value of Line I.G. (Current Liabilities)	$_____
C.	Aggregate value of all amounts received or invoiced by Borrower in advance of performance under contracts and not yet recognized as revenue	$_____
D.	Line B minus line C	$_____
E.	Adjusted Quick Ratio (line A divided by line C)	_____

Is line E equal to or greater than 1.5:1:0?

_____ No, not in compliance _____ Yes, in compliance

EXHIBIT D

BORROWING RESOLUTIONS

EXHIBIT E

PERFECTION CERTIFICATE

TO: SILICON VALLEY BANK

The undersigned, the of COMMVAULT SYSTEMS, INC. (the "Company"), hereby represents and warrants to you on behalf of the Company as follows:

1. NAMES OF THE COMPANY

a. The name of the Company as it appears in its current Articles or Certificate of Incorporation is:

b. The federal employer identification number of the Company is:

c. The Company is formed under the laws of the State Delaware.

d. The organizational identification number of the Company is:

e. The Company transacts business in the following jurisdictions (list jurisdictions other than jurisdiction of formation):

f. The Company is duly qualified to transact business as a foreign entity in the following jurisdictions (list jurisdictions other than jurisdiction of formation):

g. The following is a list of all other names (including fictitious names, d/b/a's, trade names or similar names) currently used by the Company or used within the past five years:

Name	Period of Use

h. The following are the names of all entities which have been merged into the Company during the past five years:

Name of Merged Entity	Year of Merger

i. The following are the names and addresses of all entities from whom the Company has acquired any personal property in a transaction not in the ordinary course of business during the past five years, together with the date of such acquisition and the type of personal property acquired (e.g., equipment, inventory, etc.):

Name	Address	Date of Acquisition	Type of Property

2. PARENT/SUBSIDIARIES OF THE COMPANY.

a. The legal name of each subsidiary and parent of the Company is as follows. (A "parent" is an entity owning more than 50% of the outstanding capital stock of the Company. A "subsidiary" is an entity, 50% or more of the outstanding capital stock of which is owned by the Company.)

Name	Subsidiary/Parent	Fed. Employer ID No.
	Sub [ ] Parent [ ]	
	Sub [ ] Parent [ ]	
	Sub [ ] Parent [ ]	

b. The following is a list of the respective jurisdictions and dates of formation of the parent and each subsidiary of the Company:

Name	Jurisdiction	Date of Formation

c. The following is a list of all other names (including fictitious names, d/b/a's, trade names or similar names) currently used by each subsidiary of the Company or used during the past five years:

Name	Subsidiary

d. The following are the names of all corporations which have been merged into a subsidiary of the Company during the five years:

Name	Subsidiary

e. The following are the names and addresses of all entities from whom each subsidiary of the Company has acquired any personal property in a transaction not in the ordinary course of business during the past five years, together with the date of such acquisition and the type of personal property acquired (e.g., equipment, inventory, etc.):

Name	Address	Date of Acquisition	Type of Property	Subsidiary

LOCATIONS OF Company AND ITS SUBSIDIARIES

a. The chief executive offices of the Company and its subsidiaries are presently located at the following addresses:

Complete Street and Mailing Address, including County and Zip Code	Company/Subsidiary
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub

b. The Company's books and records and those of its subsidiaries are located at the following additional addresses (if different from the above):

Complete Street and Mailing Address, including County and Zip Code	Company/Subsidiary
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub

c. The following are all the locations where the Company and its subsidiaries own, lease, or occupy any real property:

Complete Street and Mailing Address, including County and Zip Code	Company/Subsidiary
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub

d. The following are all of the locations where the Company and its subsidiaries maintain any inventory, equipment, or other property:

Complete Address	Company/Subsidiary
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub
	Company [ ] OR Name of Sub

e. The following are the names and addresses of all warehousemen, bailees, or other third parties who have possession of any of the Company's inventory or equipment or any of the inventory or equipment of its subsidiaries:

Name	Complete Street and Mailing Address, including County and Zip Code	Company/Subsidiary
		Company [ ] OR Name of Sub
		Company [ ] OR Name of Sub
		Company [ ] OR Name of Sub
		Company [ ] OR Name of Sub

4. SPECIAL TYPES OF COLLATERAL

a. The Company and its subsidiaries own the following kinds of assets. (If the answer is "Yes" to any of the following questions, please attach a schedule describing each such asset owned by the Company or its subsidiaries and identifying which party owns the asset.)

Copyrights or copyright applications registered with the U.S. Copyright Office	Yes [ ]	No [ ]
Software registered with the U.S. Copyright Office	Yes [ ]	No [ ]
Software not registered with the U.S. Copyright Office	Yes [ ]	No [ ]
Patents and patent applications	Yes [ ]	No [ ]
Trademarks or trademark applications (including any service marks, collective marks and certification marks)	Yes [ ]	No [ ]
Licenses to use trademarks, patents and copyrights of others	Yes [ ]	No [ ]
Licenses, permits (including environmental), authorizations, or certifications issued by federal, state, or local governments issued to the Company and/or its subsidiaries or with respect to their assets, properties, or businesses	Yes [ ]	No [ ]
Stocks, bonds or other securities	Yes [ ]	No [ ]
Promissory notes, or other instruments or evidence of indebtedness	Yes [ ]	No [ ]
Leases of equipment, security agreements naming such person as secured party or other chattel paper	Yes [ ]	No [ ]
Aircraft	Yes [ ]	No [ ]
Vessels, Boats or Ships	Yes [ ]	No [ ]
Railroad Rolling Stock	Yes [ ]	No [ ]
Motor Vehicles	Yes [ ]	No [ ]

b. The following is a list of material contracts to which the Company is a party (include any equipment leases) or in which the Company has an interest (including whether such contract has a nonassignability provision which would require the other party's or another person's consent to the granting of a security interest in such contract):

Nonassignability Clause

Other Party to Contract	Title/Date of Contract	Asset Sale (Y/N)	Security (Y/N)	Interest	Consent Obtained (Y/N)

c. The following are all banks or savings institutions at which the Company and its subsidiaries maintain deposit accounts:

Bank Name	Account Number	Branch Address	Company/Subsidiary
			Company [ ] OR Name of Sub
			Company [ ] OR Name of Sub
			Company [ ] OR Name of Sub
			Company [ ] OR Name of Sub

d. Does or is it contemplated that the Company will regularly receive letters of credit from customers or other third parties to secure payments of sums owed to the Company? The following is a list of letters of credit naming the Company as "beneficiary" thereunder:

LC Number	Name of LC Issuer	LC Applicant

5. ENCUMBRANCES

The Company's and its subsidiaries' property are subject to the following liens or encumbrances:

Name of Holder of Lien/Encumbrance	Description of Property Encumbered	Company/Subsidiary
		Company [ ] OR Name of Sub
		Company [ ] OR Name of Sub
		Company [ ] OR Name of Sub

6. LITIGATION

a. The following is a complete list of pending and threatened litigation or claims involving amounts claimed against the Company in an indefinite amount or in excess of $50,000 in each case:

b. The following are the only claims which the Company has against others (other than claims on accounts receivable), which the Company is asserting or intends to assert, and in which the potential recovery exceeds $50,000:

7. TAXES

The following tax assessments are currently outstanding and unpaid:

Assessing Authority	Amount and Description

8. INSURANCE BROKER

The following broker handles the Company's property insurance:

BROKER	CONTACT	TELEPHONE	FAX	EMAIL

9. OFFICERS OF THE COMPANY AND ITS SUBSIDIARIES

The following are the names and titles of the officers of the Company and its subsidiaries.

Office/Title	Name of Officer	Company/Subsidiary
		Company [ ] OR Name of Sub

Company [ ] OR
Name of Sub

Company [ ] OR
Name of Sub

Company [ ] OR
Name of Sub

10. IRS FORM W9

The Company's completed and executed IRS Form W9 is attached hereto as Exhibit A.

11. LEGAL COUNSEL

The following attorney will represent the Company in connection with the loan documents:

ATTORNEY	LAW FIRM	TELEPHONE	FAX	EMAIL

The Company agrees to advise you of any change or modification to any of the foregoing information or any supplemental information provided on any continuation pages attached hereto, and, until such notice is received by you, you shall be entitled to rely upon such information and presume it is correct. The Company acknowledges that your acceptance of this Perfection Certificate and any continuation pages does not imply any commitment on your part to enter into a loan transaction with the Company, and that any such commitment may only be made by an express written loan commitment, signed by one of your authorized officers.

Date: _____

COMMVAULT SYSTEMS, INC.

By: _____

Its: _____

Email: _____

Phone: _____

Fax: _____

EXHIBIT F

ACCOUNT CONTROL AGREEMENT

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "AGREEMENT"), dated April 14, 2000, is by and between Microsoft Corporation, a Washington corporation ("MICROSOFT"), and the other persons listed on the signature page hereto (collectively with Microsoft, the "PURCHASERS"), and Comm Vault Systems, Inc., a Delaware corporation (the "COMPANY").

WHEREAS, the Company and Microsoft are entering into an arrangement whereby the Company may develop certain software for Microsoft and Microsoft will invest in the Company;

WHEREAS, each of the other Purchasers desire to invest in the Company; and

WHEREAS, the Company desires to issue and sell to the Purchasers an aggregate of 4,361,555 shares of its Series AA Preferred Stock (the "SHARES") and the Purchasers desire to purchase the Shares on the terms and subject to the conditions described herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, agreements and warranties herein contained, the parties hereto agree as follows:

1. DEFINITIONS. Capitalized terms that are not defined in the text of this Agreement have the meanings set forth below:

"Affiliate" shall mean, with respect to any specified Person, any other Person which, directly or indirectly, owns or controls, is under common ownership or control with, or is owned or controlled by, such specified Person. For purposes of this definition, a Person shall be deemed to control another Person if the first Person owns or holds more than 50% of the voting power of the second Person.

"Amended Certificate" shall mean the Amended and Restated Certificate of Incorporation of the Company in the form of Exhibit 2.

"Board of Directors" shall mean the board of directors of the Company.

"Engineering and Marketing Agreement" shall mean an Engineering and Marketing Agreement to be entered into between Microsoft and Company as of the Closing.

"Governmental Authority" shall mean the government of the United States or any foreign country or any state or political subdivision thereof and any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Initial Public Offering" shall mean the initial public offering or sale of common stock by the Company through underwriters or otherwise, that requires registration, qualification or the filing of a prospectus under applicable securities laws.

"Knowledge" means the actual knowledge of N. Robert Hammer, Louis Miceli, Larry Cormier or Al Bunte.

"Law" shall mean any law, statute, regulation, ordinance, rule, order, decree, judgment, consent decree, settlement agreement or governmental requirement enacted, promulgated, entered into, agreed or imposed by any Governmental Authority.

"Lien" shall mean any mortgage, lien (except for any lien for taxes not yet due and payable), charge, restriction, pledge, security interest, option, lease or sublease, claim, right of any third party, easement, encroachment or encumbrance.

"Material Adverse Effect" shall mean an effect on the business, operations, assets, liabilities, results of operations, cash flows or condition (financial or otherwise) of the Company which is material and adverse.

"Non-Preemptive Shares" shall mean any voting shares of the capital stock of the Company issued, sold, granted or conveyed (i) in connection with any acquisition of all or a portion of any Person or a merger or combination with any Person duly authorized by the Board of Directors, (ii) to any current or new director, officer, employee or consultant of the Company pursuant to any plan or arrangement, now or hereafter existing, duly authorized by the Board of Directors or (iii) pursuant to any of the items listed on Schedule B.

"Person" shall mean any individual, corporation, proprietorship, firm, partnership, limited partnership, trust, association or other entity.

"Preferred Stock" shall mean the Company's issued and outstanding Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock.

"Registration Rights Agreement" shall mean a Registration Rights Agreement to be entered into between Purchasers and the Company as of the Closing in the form of Exhibit 1.

"Related Agreements" shall mean, (i) with respect to the Company and Microsoft, the Engineering and Marketing Agreement, the Registration Rights Agreements and the Warrant and (ii) with respect to the other Purchasers, only the Registration Rights Agreement.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Stock Plan" shall mean the Company's stock plan, as described on SCHEDULE B.

"Subsidiaries" shall mean the Persons set forth on SCHEDULE A.

"Warrant" shall mean a warrant to be issued to Microsoft to purchase shares of common stock of the Company in connection the conditions specified in the Engineering and Marketing Agreement.

2. PURCHASE AND SALE OF SHARES.

(a) PURCHASE PRICE. Subject to the terms and conditions set forth in this Agreement, at the Closing (as hereinafter defined), the Purchasers shall purchase, and the Company shall issue and sell to the Purchasers the Shares for an aggregate purchase price (the "Purchase Price") of $25,000,002. The number of Shares being sold to each Purchaser and the portion of the Purchase Price attributable thereto is set forth under such Purchaser's name on the signature page hereto.

(b) CLOSING. The closing (the "Closing") of the transactions described herein shall occur on April 14, 2000, or such other date as agreed upon by the Purchasers and the Company. At the Closing, the Purchasers shall pay the Company the Purchase Price in cash by wire transfer of immediately available funds to an account designated by the Company at least three business days before the Closing and the Company shall deliver to each Purchaser a certificate representing the Shares purchased by such Purchaser.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to each of the Purchasers:

(a) DUE INCORPORATION; SUBSIDIARIES. Each of the Company and the Subsidiaries is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted. Each of the Company and the Subsidiaries is licensed or qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the nature of the properties owned, leased or operated by it and the businesses transacted by it require such licensing or qualification, except where the failure to be so licensed or qualified would not individually or in the aggregate have a Material Adverse Effect. Except as set forth on SCHEDULE A, the Company has no direct or indirect subsidiaries, either wholly or partially owned, and the Company does not hold any direct or indirect economic, voting or management interest in any Person or directly or indirectly own any security issued by any Person. Each Subsidiary is wholly owned by the Company.

(b) DUE AUTHORIZATION. The Company has full power and authority to enter into this Agreement and its Related Agreements and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and its Related Agreements have been duly and validly approved by the board of directors of the Company and no other actions or proceedings on the part of the Company are necessary to authorize this Agreement, the Related Agreements and the transactions contemplated hereby and thereby. The Company has duly and validly executed and delivered this Agreement and has duly and validly executed and delivered (or prior to or at the Closing will duly and validly execute and deliver) its Related Agreements. This Agreement constitutes legal, valid and binding obligations of the Company and the Company's Related Agreements upon execution and delivery by the Company will constitute legal, valid and binding obligations of the Company, in

each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(c) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement that has not been received by the Company is necessary in connection with the execution, delivery and performance by the Company of this Agreement and the execution, delivery and performance by the Company of Related Agreements or the consummation of the transactions contemplated hereby or thereby.

(ii) The execution, delivery and performance by Company of this Agreement and its Related Agreements do not and will not (1) violate any Law; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of the Company under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which the Company, is a party or by which the Company or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of the Company or indebtedness secured by its assets or properties; or (4) violate or conflict with any provision of any of the Certificate of Incorporation, charter or by-laws of the Company.

(d) CAPITALIZATION.

(i) The authorized capital stock of the Company is as described in the Amended Certificate. All of the outstanding capital stock of the Company and each Subsidiary (i) is validly issued, fully paid and nonassessable and (ii) is free of preemptive rights (except as provided in the Amended Certificate or this Agreement). When issued, the Shares, the Conversion Shares and the Warrant Shares will be validly issued, fully paid and nonassessable.

(ii) Except as set forth above or on SCHEDULE B, there are no shares of capital stock or other securities (whether or not such securities have voting rights) of the Company issued or outstanding or any subscriptions, options, warrants, calls, rights, convertible securities or other agreements or commitments of any character obligating the Company to issue, transfer or sell, or cause the issuance, transfer or sale of, any shares of its capital stock or other securities (whether or not such securities have voting rights). Except as set forth in SCHEDULE B, there are no outstanding contractual obligations of the Company which relate to the purchase, sale, issuance, repurchase, redemption, acquisition, transfer, disposition, holding or voting of any shares of its capital stock or other securities.

(e) LITIGATION.

(i) There is no claim, action, suit, investigation or proceeding ("Litigation") pending or, to the Knowledge of the Company, threatened against the Company or any

Subsidiary, or involving any of its properties or assets by or before any court, arbitrator or other Governmental Entity which (1) in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or (2) if resolved adversely to the Company or any Subsidiary, would reasonably be expected to have a Material Adverse Effect.

(ii) Neither the Company nor any Subsidiary is in default under or in breach of any order, judgment or decree of any court, arbitrator or other Governmental Authority, except for defaults or breaches, which individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect.

(f) COMPLIANCE WITH LAWS. The Company and each Subsidiary are in compliance in all material respects with allapplicable Laws.

(g) OFFERING OF SHARES. Neither the Company nor any Person acting on its behalf has taken or will take any action (including, without limitation, any offering of any securities of the Company under circumstances which would require, under the Securities Act, the integration of such offering with the offering and sale of the Shares) which might reasonably be expected to subject the offering, issuance or sale of the Shares to the registration requirements of the Securities Act.

(h) BROKERS. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

4. REPRESENTATIONS AND WARRANTIES OF PURCHASERS. Each of the Purchasers severally but not jointly hereby represents and warrants to the Company as follows:

(a) DUE INCORPORATION. Each Purchaser that is not an individual is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted.

(b) DUE AUTHORIZATION. Each Purchaser that is not an individual has full power and authority to enter into this Agreement and its Related Agreements and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Purchaser of this Agreement and its Related Agreements have been duly and validly approved by its governing body empowered to authorize the transactions contemplated by this Agreement and its Related Agreements and no other actions or proceedings on the part of such Purchaser are necessary to authorize this Agreement, its Related Agreements and the transactions contemplated hereby and thereby.

(c) DUE EXECUTION; BINDING EFFECT. Such Purchaser has validly executed and delivered this Agreement and has duly and validly executed and delivered (or prior to or at the Closing will duly and validly execute and deliver) its Related Agreements. This Agreement constitutes legal, valid and binding obligations of such Purchaser and such Purchaser's Related Agreements upon execution and delivery by such Purchaser (as applicable) will constitute legal,

valid and binding obligations of such Purchaser, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(d) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement is necessary in connection with the execution, delivery and performance by such Purchaser of this Agreement and its Related Agreements and the consummation of the transactions contemplated hereby and thereby.

(ii) The execution, delivery and performance by such Purchaser of this Agreement and its Related Agreements do not and will not (1) violate any Law; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of such Purchaser under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which Purchaser is a party or by which such Purchaser or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of such Purchaser or indebtedness secured by its assets or properties; or (4) for each Purchaser that is not an individual, violate or conflict with any provision of such Purchaser's organizational documents.

(e) BROKERS. No broker, lender or investment banker is entitled to any brokerage, lender's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based on arrangements made by or on behalf of such Purchaser.

(f) PURCHASE FOR INVESTMENT. Such Purchaser is purchasing the Shares hereunder for investment without any intent of the distribution thereof within the meaning of the Securities Act.

(g) ACCREDITED INVESTOR. Such Purchaser is an "accredited investor" within the meaning of Regulation 501(a) under the Securities Act and is able to bear the economic risk of acquisition of the Shares, can afford to sustain a total loss on such investment, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of the proposed investment. Such Purchaser has been furnished the opportunity to ask questions of and receive answers from representatives of the Company concerning the business and financial affairs of the Company.

5. COVENANTS.

(a) CONDUCT OF BUSINESS BY THE COMPANY PENDING THE CLOSING. The Company shall, and shall cause each of its Subsidiaries to, during the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement or the Closing, unless the Purchasers otherwise agree in writing, (1) conduct its business only in the ordinary course and

consistent with past practice; (2) maintain its books and records in the usual, regular and ordinary manner, on a basis consistent with past practice; and (3) comply in all material respects with applicable Laws. Except as expressly contemplated by this Agreement between the date of this Agreement and the Closing, the Company shall not do any of the following without the prior written consent of the Purchasers, which consent shall not be unreasonably withheld or delayed:

(i) change any of its methods of accounting or accounting practice, other than such changes required by GAAP;

(ii) (1) repurchase, redeem or otherwise acquire or exchange any share of its common stock or other equity interests; (2) except for issuances of its common stock pursuant to the exercise of options to purchase common stock outstanding on the date hereof pursuant to any of the arrangements listed on SCHEDULE B or an increase determined in good faith by the Company in the amount of common stock to be issued under the Stock Plan, issue or sell any additional shares of the capital stock of, or other equity interests in, the Company, or securities convertible into or exchangeable for such shares or other equity interests, or issue or grant any subscription rights, options, warrants or other rights of any character relating to shares of such capital stock, such other equity interests or such securities; or (3) declare, set aside, make or pay any dividend, or make any distribution, in respect of any of its shares of capital stock other than as required with respect to the Preferred Stock;

(iii) amend its charter or by-laws or other organizational documents except with respect to the filing of the Amended Certificate;

(iv) take any action that is reasonably likely to result in any of the representations and warranties set forth in Section 3 becoming false or inaccurate in any material respect as of the Closing; or

(v) agree to take any of the actions restricted by this Section 5(a).

(b) BOARD REPRESENTATION; OBSERVERS. Microsoft shall be entitled to designate for election to the Board of Directors one director (the "MICROSOFT DIRECTOR") and, in addition, designate one non-voting observer (the "NON-VOTING OBSERVER") to attend and participate in (but not vote at) all meetings of the Board of Directors. The Company will take all action necessary for the Microsoft Director to be elected to the Board of Directors as of the Closing. In connection with any annual meeting of stockholders of the Company at which the term of the Microsoft Director is to expire, the Company will take all necessary action to cause the Microsoft Director to be nominated and use its reasonable best efforts to cause the Microsoft Director to be elected to the Board of Directors. In the event a vacancy shall exist in the office of the Microsoft Director, Microsoft shall be entitled to designate a successor and the Board of Directors shall elect such successor and, in connection with the meeting of stockholders of the Company next following such election, nominate such successor for election as director by the stockholders and use its reasonable best efforts to cause the successor to be elected. The Non-Voting Observer shall have the same access to information concerning the business and operations of the Company and at the same time as the directors of the Company, and shall be entitled to participate in discussions and consult with the Board of Directors without voting. The provision of any such information to the Non-Voting Observer shall be subject to the receipt by

the Company of a confidentiality agreement covering such information and reasonably acceptable to the Company and the Non-Voting Observer. Microsoft's right to nominate the Microsoft Director and the Non-Voting Observer and the Company's obligation to take any action to cause the Microsoft Director to be elected to the Board of Director shall terminate as of the Initial Public Offering. In addition, the term of the Microsoft Director and all rights of the Microsoft Director and the Non-Voting Observer, including the rights to observe the books and records of the Company as provided above, shall expire as of such time. Microsoft agrees that the information provided by the Company, officers, directors and employees pursuant to this Section 5(b) will be used solely for the purpose of evaluating Microsoft's investment in the Shares, the Conversion Shares and the Warrant Shares, and that such information will be kept strictly confidential by Microsoft; PROVIDED that the foregoing obligation of Microsoft shall not (a) relate to any information that (i) is or becomes generally available other than as a result of unauthorized disclosure by Microsoft or by persons to whom Microsoft has made such information available or (ii) is or becomes available to Microsoft on a non-confidential basis from a third party that is not, to Microsoft's knowledge, bound by any other confidentiality agreement with the Company or its subsidiaries, or (b) prohibit disclosure of any information if required by Law or the rules of any stock exchange. Microsoft hereby acknowledges that it is aware that the United States securities laws prohibit any person who has received from an issuer or any Affiliate thereof any material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. Microsoft acknowledges and agrees that there would be no adequate remedy at Law if Microsoft fails to perform its obligations under this Section 5(b) and accordingly agrees that the Company, in addition to any other remedy to which it may be entitled at Law or in equity, shall be entitled to compel specific performance of the obligations of Microsoft under this Section 5(b).

(c) AMENDED CERTIFICATE. The Company shall, prior to or concurrently with the Closing, cause the Amended Certificate to be filed with the Secretary of State of the State of Delaware.

(d) COOPERATION. Each of the Purchasers and the Company agrees to use its reasonable best efforts to take, or cause to be taken, all such further actions as shall be necessary to make effective and consummate the transactions contemplated by this Agreement.

(e) RESERVE SHARES. The Company will at all times reserve and keep available, solely for issuance and delivery upon conversion of the Shares, the number of shares of common stock from time to time issuable upon conversion of all Shares at the time outstanding (the "CONVERSION SHARES") and any shares to be issued pursuant to the Warrant (the "WARRANT SHARES"). All Conversion Shares and Warrant Shares shall be duly authorized and, when issued upon such conversion or exercise, shall be validly issued, fully paid and nonassessable.

(f) RESTRICTIONS ON TRANSFER. The Purchasers will not, prior to the earlier of (a) December 31, 2004 or (b) the time of the closing of the Initial Public Offering, sell, transfer, assign, convey, gift, mortgage, pledge, encumber, hypothecate, or otherwise dispose of, directly or indirectly, ("TRANSFER") any of the Shares or any Conversion Shares except for (i) Transfers between and among the Purchasers and their Affiliates provided such Transfer is in accordance

with the transfer restrictions applicable to the Shares or the Conversion Shares under federal and state securities laws and the Affiliate transferee agrees to be bound by the restrictions applicable to such Shares or Conversion Shares, including without limitation the agreements set forth in this Section 5(f), and (ii) Transfers (x) pursuant to a bona fide tender or exchange offer made pursuant to a merger or other agreement approved by the Board of Directors to acquire securities of the Company; provided, that the Purchasers may not tender or exchange in such offer unless at least 50% of the outstanding voting securities of the Company have previously been tendered or exchanged by other holders of the Company's securities in connection therewith, (y) pursuant to any cash merger, or other business combination transaction to which the Company is a party or involved in which the common stock of the Company's stockholders is exchanged for cash upon consummation of such merger or other business combination or (z) agreed to in writing by the Company. Notwithstanding any other provision of this Section 5(f), no Purchaser shall avoid the provisions of this Section 5(f) by making one or more transfers to one or more Affiliates and then disposing of all or any portion of such Purchaser's interest in any such Affiliate.

(g) PREEMPTIVE RIGHT. If at any time the Company desires to issue or sell any shares (the "ADDITIONAL SHARES") of its capital stock that entitle the holder thereof to voting rights (other than Non-Preemptive Shares) to any Person, the Company shall give a written notice (the "ISSUANCE NOTICE") to the Purchasers setting forth the proposed terms of such Additional Shares and the quantity of Additional Shares to be issued, the issuance date and the price at which such Additional Shares shall be issued. Each of the Purchasers shall have the option to purchase the number of Additional Shares necessary to maintain such Purchaser's percentage of issued and outstanding voting shares of the Company at the time of the Issuance Notice, which option may be exercised by giving written notice to the Company (the "RESPONSE NOTICE") within 14 days of the Issuance Notice that contains an unconditional agreement to purchase all (and not less than all) of the Additional Shares to which such Purchaser is entitled to purchase. Failure by a Purchaser to give the Response Notice to the Company within such 14-day period shall be deemed to be a rejection of such option. At the option of the Company, within 14 days of Company's receipt of the Response Notice or at the time of the closing of the sale of Additional Shares to any Persons pursuant to the next sentence, the Company shall sell to such Purchaser and such Purchaser shall purchase the Additional Shares that such Purchaser agreed to purchase in the Response Notice, at the price and on the terms set forth in the Issuance Notice. For a period of 270 days after any Issuance Notice, the Company shall have the right to issue or sell to any Person up to the number of Additional Shares specified in the Issuance Notice less the number of Additional Shares pursuant to duly tendered Response Notices at a price and on terms not materially less favorable to the Company than as specified in the Issuance Notice. If the Company desires to issue or sell Additional Shares, (i) after such 270-day period, (ii) on terms materially less favorable to the Company than as specified in the Issuance Notice or (iii) in a quantity greater than as specified in the previous sentence, the Company must again comply with this Section 5(g). The rights and obligations of the parties pursuant to this Section 5(g) shall terminate upon the closing of an Initial Public Offering.

(h) COMPLIANCE WITH SECURITIES LAWS. Such Purchaser understands that the Shares, the Conversion Shares and the Warrant Shares will not be registered under the Securities Act or applicable state securities laws and agrees not to sell, pledge or otherwise transfer any of the Shares, Conversion Shares and the Warrant Shares in the absence of such registration or an opinion of counsel reasonably satisfactory to the Company that such registration is not required.

Except as set forth in the Registration Rights Agreement, such Purchaser acknowledges that the Company is not required to register the Shares, the Conversion Shares or the Warrant Shares.

6. CONDITIONS.

(a) CONDITIONS TO OBLIGATIONS OF THE PURCHASERS. The obligations of the Purchasers to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) Each of the representations and warranties of the Company contained in this Agreement shall be true and correct when made and as of the Closing (except to the extent such representations and warranties are made as of a particular date, in which case such representations and warranties shall have been true and correct in all material respects as of such date), except for failures to be true and correct which individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect;

(iii) The Company shall have performed, satisfied and complied in all material respects with all of its covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing;

(iv) The Company shall have delivered to the Purchasers an officer's certificate certifying as to the Company's compliance with the conditions set forth in clauses (ii) and (iii) of this Section 6(a);

(v) The Company shall have executed and delivered to each of the Purchasers the Registration Rights Agreement;

(vi) The Amended Certificate shall have been duly filed with the Secretary of State of the State of Delaware in accordance with the laws of the State of Delaware and the Amended Certificate shall be in full force and effect;

(vii) The Company shall have executed and delivered to Microsoft the Engineering and Marketing Agreement;

(viii) The Company shall have executed and delivered to Microsoft the Warrant;

(ix) The Conversion Shares and the Warrant Shares shall have been duly authorized and reserved for issuance;

(x) Mayer, Brown & Platt shall have delivered an opinion in form and substance reasonably satisfactory to Purchasers; and

(xi) There shall not have occurred any event, circumstances, condition, fact, effect, or other matter which has had or would reasonably be expected to have a Material Adverse Effect.

(b) CONDITIONS TO OBLIGATIONS OF THE COMPANY. The obligations of the Company to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) Each of the representations and warranties of the Purchasers contained in this Agreement shall be true and correct when made and as of the Closing (except to the extent such representations and warranties are made as of a particular date, in which case such representations and warranties shall have been true and correct in all material respects as of such date), except for failures to be true and correct which individually or in the aggregate would not reasonably be expected to have a material adverse effect on the Purchasers' ability to perform its obligations under this Agreement;

(iii) Each of the Purchasers shall have executed and delivered to the Company its Related Agreements;

(iv) The Purchasers shall have performed, satisfied and complied in all material respects with all of their covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing Date; and

(v) Each of Purchasers shall have delivered to the Company a certificate certifying as to his compliance with the conditions set forth in clauses (ii) and (iii) of this Section 6(b).

7. TERMINATION. This Agreement shall be terminable:

(i) by the parties upon mutual written agreement;

(ii) by the Company, on one hand, and the Purchasers, on the other hand, if the other party materially breaches any covenant, representation or warranty contained herein, upon written notice to such breaching party; and

(iii) by the Company, on one hand, and the Purchasers, on the other hand, if any condition precedent to any party's obligation to proceed with the Closing is not satisfied by May 31, 2000, upon written notice to the other party (provided that the right to terminate this Agreement shall not be available to any party whose failure to fulfill any obligation under this agreement had been the cause of or resulted in the failure of the Closing to occur before such date).

Upon termination of this Agreement, all obligations of each party hereunder shall terminate except those obligations pursuant to Sections 13, 19, 20, 21 and 22. Neither party shall have any

liability to the other party upon a termination of this Agreement, unless such termination arises under clause (ii) above.

8. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties of the parties contained in this Agreement shall expire on the 18-month anniversary of the Closing. After the expiration of such period, any claim by a party based upon any such representation or warranty shall be of no further force and effect, except to the extent a party has given notice to the other party of a claim for breach of any such representation or warranty prior to the expiration of such period, in which event any representation or warranty to which such claim relates shall survive with respect to such claim until such claim is resolved as provided in this Section 8. The covenants and agreements of the parties hereto contained in this Agreement shall survive the Closing until performed in accordance with their terms.

9. RESTRICTIVE LEGENDS. In addition to the restrictions set forth in Section 5(f), no Shares, Conversion Shares or Warrant Shares may be transferred without registration under the Securities Act and applicable state securities laws unless counsel acceptable to the Company shall advise the Company that such transfer may be effected without such registration. Each certificate representing any of the foregoing shall bear legends in substantially the following form:

> THE SECURITIES EVIDENCED BY THIS CERTIFICATE SHALL BE CONVERTIBLE INTO THE COMPANY'S COMMON STOCK IN THE MANNER AND ACCORDING TO THE TERMS SET FORTH IN THE CERTIFICATE OF INCORPORATION. THE COMPANY IS AUTHORIZED TO ISSUE MORE THAN ONE CLASS OR SERIES OF STOCK. AS REQUIRED UNDER DELAWARE LAW, THE COMPANY SHALL FURNISH TO ANY HOLDER UPON REQUEST AND WITHOUT CHARGE, A FULL SUMMARY STATEMENT OF THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE SHARES OF EACH CLASS OR SERIES AUTHORIZED TO BE ISSUED BY THE COMPANY SO FAR AS THEY HAVE BEEN FIXED AND DETERMINED AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO FIX AND DETERMINE THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE CLASSES AND SERIES OF SECURITIES OF THE COMPANY.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER ANY APPLICABLE STATE LAWS. THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED BY THE REGISTERED OWNER HEREOF FOR INVESTMENT AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH ANY DISTRIBUTION THEREOF WITHIN THE MEANING OF THE 1933 ACT. THE SHARES MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER

THE PROVISIONS OF THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN A TRANSACTION OTHERWISE IN COMPLIANCE WITH APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

THE SALE, PLEDGE, TRANSFER, ASSIGNMENT OR OTHER DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND SUBJECT TO THE PROVISIONS OF A PURCHASE AGREEMENT DATED AS OF APRIL 14, 2000, A COPY OF WHICH IS AVAILABLE UPON REQUEST FOR INSPECTION AT THE OFFICE'S OF THE COMPANY. ANY SUCH REQUEST SHOULD BE ADDRESSED TO THE SECRETARY OF THE COMPANY.

10. SUCCESSORS AND ASSIGNS; NO THIRD PARTY BENEFICIARIES. This Agreement shall bind and inure to the benefit of the Company and the Purchasers and the respective successors, permitted assigns, heirs and personal representatives of the Company and the Purchasers; PROVIDED that the Company may not assign its rights or obligations under this Agreement to any Person without the prior written consent of the Purchasers, and provided further that the Purchasers may not assign their rights or obligations under this Agreement to any Person (other than an Affiliate) without the prior written consent of the Company. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

11. NOTICES. Each notice, demand, request, request for approval, consent, approval, disapproval, designation or other communication (each of the foregoing being referred to herein as a notice) required or desired to be given or made under this Agreement shall be in writing (except as otherwise provided in this Agreement), and shall be effective and deemed to have been received (i) when delivered in person, (ii) when sent by fax with receipt acknowledged, (iii) five days after having been mailed by certified or registered United States mail, postage prepaid, return receipt requested, or (iv) the next business day after having been sent by a nationally recognized overnight mail or courier service, receipt requested. Notices shall be addressed as set forth below:

If to Microsoft:

Microsoft Corporation
One Microsoft Way
Redmond, Washington 98502
Attn: Chief Financial Officer
Facsimile: (425) 936-7329
with a copy to: Law and Corporate Affairs
Facsimile: (425) 936-7329

If to any of the other Purchasers, at the address set forth under his name on the signature page.

With a copy to:

Preston, Gates & Ellis
701 5th Avenue, Suite 5000
Seattle, Washington 98104
Attn: Richard B. Dodd
Facsimile: (206) 623-7022

If to the Company:

CommVault Systems, Inc.
2 Crescent Place
Oceanport, New Jersey 07757
Attn: N. Robert Hammer
Facsimile: (732) 870-4514

With a copy to:

Mayer, Brown & Platt
190 S. LaSalle Street
Chicago, Illinois 60603
Attention: Philip J. Niehoff
Facsimile: (312) 701-7711

12. FURTHER ASSURANCES. At any time or from time to time after the Closing, the Company, on the one hand, and the Purchasers, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

13. PUBLIC DISCLOSURE. Except as required by Law or the rules of any stock exchange, no public announcement or other publicity regarding the transactions referred to herein shall be made by any of the Purchasers or the Company or any of their respective Affiliates, officers, directors, employees, representatives or agents, without the prior written agreement of Purchasers and Company, in any case, as to form, content, timing and manner of distribution or publication; provided, however, that nothing in this Section shall prevent such parties from (i) discussing such transactions with those Persons whose approval, agreement or opinion, as the case may be, is required for consummation of such particular transaction or transactions or (ii) disclosing such information about such transactions in a registration statement or prospectus in connection with the Initial Public Offering. Each of the parties acknowledge and agree that there would be no adequate remedy at Law if it fails to perform its obligations under this Section 13 and accordingly agrees that each of the other parties, in addition to any other remedy to which it may be entitled at Law or in equity, shall be entitled to compel specific performance of the obligations of the first party under this Section 13.

14. WAIVER. No party may waive any of the terms or conditions of this Agreement except by a duly signed writing referring to the specific provision to be waived.

15. ENTIRE AGREEMENT. This Agreement and the Related Agreements constitute the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties hereto and their affiliates with respect to the matters set forth herein.

16. SEVERABILITY. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the other provisions hereof shall not be affected thereby, and there shall be deemed substituted for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue.

17. CAPTIONS. The Section references herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

18. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

19. GOVERNING LAW. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

20. [INTENTIONALLY OMITTED]

21. WAIVER OF JURY TRIAL. THE COMPANY AND THE PURCHASERS HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

22. FEES AND EXPENSES. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such costs or expense.

23. JOINT PARTICIPATION IN DRAFTING. Each party to this Agreement has participated in the negotiation and drafting of this Agreement. As such, the language used herein shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first written above.

MICROSOFT CORPORATION

By: /S/ ILLEGIBLE

Name:

Title:

Shares: 2,616,933

Purchase Price: $15,000,000

/S/ GREG REYES

GREG REYES
1901 Guadelupe Parkway
San Jose, CA 95131
Shares: 87,321

Purchase Price: 500,000

THE VAN WAGONER FUNDS

By: /S/ GARRETT R. VAN WAGONER

Name: GARRETT R. VAN WAGONER

Title: DIRECTOR
       ----
345 California Street
Suite 2450
San Francisco, California 94104
Shares: 582,703
Purchase Price: $3,339,995

VAN WAGONER CAPITAL PARTNERS, L.P.

By: /S/ GARRETT R. VAN WAGONER

Name: GARRETT R. VAN WAGONER

Title: GENERAL PARTNER
       ----
345 California Street
Suite 2450
San Francisco, California 94104
Shares: 22,021
Purchase Price: $126,222

VAN WAGONER CROSSOVER FUND, LP

By: /S/ GARRETT R. VAN WAGONER

Name: GARRETT R. VAN WAGONER

Title: MANAGING MEMBER GENERAL PARTNER
       ----
345 California Street
Suite 2450
San Francisco, California 94104
Shares: 1,000,329
Purchase Price: $5,733,785

/S/ BILL RUSHER

BILL RUSHER
142 Sansome Street
5th Floor
San Francisco, CA 94104
Shares: 8,723

Purchase Price: $50,000

/S/ FRANK JUSKA

FRANK JUSKA
142 Sansome Street
5th Floor
San Francisco, CA 94104
Shares: 8,723

Purchase Price: $50,000

/S/ WILL HERMAN

WILL HERMAN
8 Cobblestone Place
Sudbury, MA 01776
Shares: 34,842

Purchase Price: $200,000

COMMVAULT SYSTEMS, INC.

By: /S/ N. ROBERT HAMMER

Name: N. ROBERT HAMMER

Title: CEO

SCHEDULE A

SUBSIDIARIES

CommVault Systems (Canada) Inc., a Canadian corporation
CommVault Systems Mexico S de RL de CV, a Mexican company
CommVault Holding Company BV, a Netherlands company
CommVault Systems Netherlands BV, a Netherlands company

SCHEDULE B

1. Employment Agreement, dated as of January 20, 1999, between the Company and N. Robert Hammer, under which Mr. Hammer has received options to purchase common stock.

2. Corporate Change of Control Agreements, between the Company and (i) Louis Miceli, (ii) Brian McAteer, (iii) Harry Cormier and (iv) Al Bunte.

3. Stock Plan dated as of May 22, 1996, pursuant to which (i) the Company is authorized to issue options to purchase 8.7 million shares of its common stock and (ii) options to purchase 8.2 million shares of common stock have been granted.

4. Preferred Stock holders have conversion rights, pursuant to the Amended Certificate, and preemptive rights pursuant to the Stockholders' Agreement, dated as of May 22, 1996 and amended as of July 23, 1998, between the Company and DLJ Merchant Banking Partners, L.P., DLJ International Partners C.V., DLJ Offshore Partners C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II L.P., Sprout CEO Fund L.P. and certain other investors.

5. A Warrant to purchase common stock was issued to DLJ Merchant Banking Partners, L.P. and certain of its Affiliates in connection with the Loan Agreement dated as of January 14, 2000, between the Company and the Lenders therein.

6. Purchase Agreement, dated as of August 4, 1999, between the Company and Comm Vault Systems International, B.V. ("CVSI") and the shareholders of CVSI, pursuant to which the Company's common stock would be issued in consideration for the acquisition of the business of CVSI by the Company.

7. The Company expects to consummate an acquisition of Northern Concepts Incorporated ("NCI"), pursuant to which the Company's common stock may be issued in consideration for the acquisition of the business of NCI by the Company.

The Company may, from time to time, issue additional shares of common stock or options or warrants to purchase its common stock in an effort to recruit new officers and employees.

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "AGREEMENT"), dated as of November 10, 2000, is by and between EMC Investment Corporation, a Delaware corporation ("EMC"), and the other persons listed on the signature page hereto (collectively with EMC, the "PURCHASERS"), and CommVault Systems, Inc., a Delaware corporation (the "COMPANY").

WHEREAS, each of the Purchasers desire to invest in the Company; and

WHEREAS, the Company desires to issue and sell to the Purchasers an aggregate of 2,758,358 shares of its Series BB Preferred Stock (the "SHARES") and the Purchasers desire to purchase the Shares on the terms and subject to the conditions described herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, agreements and warranties herein contained, the parties hereto agree as follows:

1. DEFINITIONS. Capitalized terms that are not defined in the text of this Agreement have the meanings set forth below:

"Affiliate" shall mean, with respect to any specified Person, any other Person which, directly or indirectly, owns or controls, is under common ownership or control with, or is owned or controlled by, such specified Person. For purposes of this definition, a Person shall be deemed to control another Person if the first Person owns or holds more than 50% of the voting power of the second Person.

"Amended Certificate" shall mean the Amended and Restated Certificate of Incorporation of the Company in the form of Exhibit 2.

"Board of Directors" shall mean the board of directors of the Company.

"Conversion Shares" shall have the meaning set forth in Section 5(e).

"Governmental Authority" shall mean the government of the United States or any foreign country or any state or political subdivision thereof and any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Initial Public Offering" shall mean the initial public offering or sale of common stock by the Company through underwriters or otherwise, that requires registration, qualification or the filing of a prospectus under applicable securities laws.

"Knowledge" means the actual knowledge of N. Robert Hammer, Louis Miceli, Larry Cormier or Al Bunte.

"Law" shall mean any law, statute, regulation, ordinance, rule, order, decree, judgment, consent decree, settlement agreement or governmental requirement enacted, promulgated, entered into, agreed or imposed by any Governmental Authority.

"Lien" shall mean any mortgage, lien (except for any lien for taxes not yet due and payable), charge, restriction, pledge, security interest, option, lease or sublease, claim, right of any third party, easement, encroachment or encumbrance.

"Material Adverse Effect" shall mean an effect on the business, operations, assets, liabilities, results of operations, cash flows or condition (financial or otherwise) of the Company which is material and adverse.

"Non-Preemptive Shares" shall mean any voting shares of the capital stock of the Company issued, sold, granted or conveyed (i) in connection with any acquisition of all or a portion of any Person or a merger or combination with any Person duly authorized by the Board of Directors, (ii) to any current or new director, officer, employee or consultant of the Company pursuant to any plan or arrangement, now or hereafter existing, duly authorized by the Board of Directors or (iii) pursuant to any of the items listed on SCHEDULE B.

"Person" shall mean any individual, corporation, proprietorship, firm, partnership, limited liability company, limited partnership, trust, association or other entity.

"Preferred Stock" shall mean, collectively, the Company's issued and outstanding Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock and Series AA Preferred Stock.

"Registration Rights Agreement" shall mean a Registration Rights Agreement to be entered into between Purchasers and the Company as of the Closing in the form of Exhibit 1.

"Related Agreements" shall mean, (i) with respect to the Company and EMC, the Registration Rights Agreement and the Warrant and (ii) with respect to the other Purchasers, only the Registration Rights Agreement.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Stock Plan" shall mean the Company's stock plan, as described on SCHEDULE B.

"Subsidiaries" shall mean the Persons set forth on SCHEDULE A.

"Warrant" shall mean a warrant to be issued to EMC to purchase shares of common stock of the Company in the form of Exhibit 3.

"Warrant Shares" shall have the meaning set forth in Section 5(e).

2. PURCHASE AND SALE OF SHARES.

(a) PURCHASE PRICE. Subject to the terms and conditions set forth in this Agreement, at the Closing (as hereinafter defined), the Purchasers shall purchase, and the Company shall issue and sell to the Purchasers the Shares for an aggregate purchase price (the "Purchase Price") of $33,376,131.80. The number of Shares being sold to each Purchaser and the portion of the Purchase Price attributable thereto is set forth under such Purchaser's name on the signature page hereto.

(b) CLOSING. The closing (the "Closing") of the transactions described herein shall occur on November 10, 2000, or such other date as agreed upon by the Purchasers and the Company. At the Closing, the Purchasers shall pay the Company the Purchase Price in cash by wire transfer of immediately available funds to an account designated by the Company at least two business days before the Closing and the Company shall deliver to each Purchaser a certificate representing the Shares purchased by such Purchaser.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to each of the Purchasers:

(a) DUE INCORPORATION; SUBSIDIARIES. Each of the Company and the Subsidiaries is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted. Each of the Company and the Subsidiaries is licensed or qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the nature of the properties owned, leased or operated by it and the businesses transacted by it require such licensing or qualification, except where the failure to be so licensed or qualified would not individually or in the aggregate have a Material Adverse Effect. Except as set forth on SCHEDULE A, the Company has no direct or indirect subsidiaries, either wholly or partially owned, and the Company does not hold any direct or indirect economic, voting or management interest in any Person or directly or indirectly own any security issued by any Person. Each Subsidiary is wholly owned by the Company.

(b) DUE AUTHORIZATION. The Company has full power and authority to enter into this Agreement and its Related Agreements and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and its Related Agreements have been duly and validly approved by the board of directors of the Company and no other actions or proceedings on the part of the Company are necessary to authorize this Agreement, the Related Agreements and the transactions contemplated hereby and thereby. The Company has duly and validly executed and delivered this Agreement and has duly and validly executed and delivered (or prior to or at the Closing will duly and validly execute and deliver) its Related Agreements. This Agreement constitutes legal, valid and binding obligations of the Company and the Company's Related Agreements upon execution and delivery by the Company will constitute legal, valid and binding obligations of the Company, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(c) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement that has not been received by the Company is necessary in connection with the execution, delivery and performance by the Company of this Agreement and the execution, delivery and performance by the Company of Related Agreements or the consummation of the transactions

contemplated hereby or thereby (including, without limitation, the offer, issuance, sale and delivery of the Shares, the Conversion Shares and the Warrant Shares).

(ii) The execution, delivery and performance by the Company of this Agreement and its Related Agreements do not and will not (1) violate any Law; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of the Company under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which the Company, is a party or by which the Company or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of the Company or indebtedness secured by its assets or properties; or (4) violate or conflict with any provision of any of the Amended Certificate or by-laws of the Company.

(d) CAPITALIZATION.

(i) The authorized capital stock of the Company is as described in the Amended Certificate. All of the outstanding capital stock of the Company and each Subsidiary (i) is validly issued, fully paid and nonassessable and (ii) is free of preemptive rights (except as provided in the Amended Certificate or this Agreement). When issued, the Shares, the Conversion Shares and the Warrant Shares will be validly issued, fully paid and nonassessable and will not have been issued in violation of any preemptive rights or rights of first refusal. The authorized capital stock as described in the Amended Certificate contains a sufficient number of shares of common stock for issuance of the Conversion Shares and Warrant Shares.

(ii) Except as set forth above or on SCHEDULE B, there are no shares of capital stock or other securities (whether or not such securities have voting rights) of the Company issued or outstanding or any subscriptions, options, warrants, calls, rights, convertible securities or other agreements or commitments of any character obligating the Company to issue, transfer or sell, or cause the issuance, transfer or sale of, any shares of its capital stock or other securities (whether or not such securities have voting rights). Except as set forth in SCHEDULE B, there are no outstanding contractual obligations of the Company which relate to the purchase, sale, issuance, repurchase, redemption, acquisition, transfer, disposition, holding or voting of any shares of its capital stock or other securities. The maximum number of shares of common stock that the Company has issued and would be obligated to issue as of the date hereof pursuant to the agreements listed in paragraphs 1-8 of SCHEDULE B is 57,868,509 shares on a fully diluted basis, plus any Shares issued hereunder (including the Warrant Shares) and the shares issuable pursuant to the warrant listed in paragraph 9 of SCHEDULE B.

(e) LITIGATION.

(i) There is no claim, action, suit, investigation or proceeding ("LITIGATION") pending or, to the Knowledge of the Company, threatened against the Company or any Subsidiary, or involving any of its properties or assets by or before any court, arbitrator or other Governmental Entity which (1) in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or (2) if resolved adversely to

the Company or any Subsidiary, would reasonably be expected to have a Material Adverse Effect.

(ii) Neither the Company nor any Subsidiary is in default under or in breach of any order, judgment or decree of any court, arbitrator or other Governmental Authority, except for defaults or breaches, which individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect.

(f) INTELLECTUAL PROPERTY. The Company has title and ownership of, or has license to, all patents, patent applications, trademarks, service marks, trade names, copyrights, trade secrets and other confidential and proprietary information (collectively, the "PROPRIETARY ASSETS") necessary to enable it to carry on its business as now conducted and as presently proposed to be conducted without any conflict with or infringement of the rights of others, except where any failure to have such title, ownership or license would not have a Material Adverse Effect. To the Knowledge of the Company, no person or entity has any ownership right, title, interest, claim in or lien on any of the Company's Proprietary Assets. No current or former employee or consultant of the Company has any ownership right, title, interest, claim in or lien on any of the Company's Proprietary Assets, other than such rights, title, interests, claims or liens that would not have a Material Adverse Effect. The Company has not granted and, to the Knowledge of the Company, there are not outstanding, any options, licenses or agreements of any kind relating to any Proprietary Asset of the Company, nor is the Company bound by or a party to any option, license or agreement of any kind with respect to any of its Proprietary Assets. To the Knowledge of the Company, the Company has not violated or infringed, and would not, by conducting its business as currently proposed, violate or infringe, any Proprietary Asset of any other person or entity except for such violations or infringements that would not have a Material Adverse Effect. Each employee of the Company hired after January 1, 1998 has signed an Employee Inventions and Confidentiality Agreement in the form attached hereto as Exhibit 4.

(g) FINANCIAL STATEMENTS. The Company has furnished to each of the requesting Purchasers a complete and correct copy of the balance sheet of the Company at September 30, 2000, and the statement of income for the period from March 31, 2000 through September 30, 2000 (collectively, the "FINANCIAL STATEMENTS"). The Financial Statements are complete and correct, are in accordance with the books and records of the Company and present fairly in all material respects the financial condition and results of operations of the Company, at the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied, except that the unaudited Financial Statements may not be in accordance with GAAP because of the absence of footnotes normally contained therein and are subject to normal year-end adjustments which in the aggregate are not expected to be material.

(h) ABSENCE OF UNDISCLOSED LIABILITIES. The Company does not have any liability (whether known or unknown and whether absolute or contingent), except for (a) liabilities shown on the Financial Statements, (b) liabilities that have arisen since September 30, 2000 in the ordinary course of business and (c) contractual and other liabilities incurred in the ordinary course of business that are not material and not required by GAAP to be reflected on a balance sheet.

(i) ABSENCE OF CHANGES. Since September 30, 2000, the Company has conducted its business in the ordinary course, consistent with past practice.

(j) CONTRACTS. The Company does not have and is not bound by any contract, agreement, lease or commitment, other than (i) contracts for the purchase of supplies and services or the licensing of technology that were entered into in the ordinary course of business that do not involve more than $250,000 per year and do not extend for more than one year, (ii) sales contracts entered into in the ordinary course of business, (iii) the leases for the Company's office or other space, (iv) contracts terminable at will by the Company on no more than 30 days' notice without cost or liability to the Company, (v) an agreement with Microsoft Corporation, dated as of April 12, 2000, or (vi) other contacts the loss of which would not have a Material Adverse Effect. To the Knowledge of the Company, all of the contracts to which it is a party are valid and binding and are in full force and effect as of the date of this Agreement.

(k) REGISTRATION RIGHTS. Other than the Registration Rights Agreement, the registration rights agreement with the holders of the Series AA Preferred Stock, dated April 14, 2000, the Stockholders Agreement listed in paragraph 4 of SCHEDULE B, and the piggyback registration rights granted pursuant to the Purchase Agreement listed in paragraph 6 of SCHEDULE B, the Company has not granted any registration rights to any party for any of its securities.

(l) COMPLIANCE WITH LAWS. The Company and each Subsidiary are in compliance in all material respects with all applicable Laws. All securities issued by the Company prior to the date hereof have been issued in transactions exempt from the registration requirements of Section 5 of the Securities Act.

(m) OFFERING OF SHARES. Neither the Company nor any Person acting on its behalf has taken or will take any action (including, without limitation, any offering of any securities of the Company under circumstances which would require, under the Securities Act, the integration of such offering with the offering and sale of the Shares) which might reasonably be expected to subject the offering, issuance or sale of the Shares to the registration requirements of the Securities Act. Subject to the continuing accuracy of the Purchasers' representations in Section 4, the offer, sale and issuance of the Shares, the Conversion Shares and the Warrant Shares in conformity with the terms of this Agreement, the Amended Certificate and the Warrant constitute or will constitute transactions exempt from the registration requirements of Section 5 of the Securities Act.

(n) BROKERS. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

4. REPRESENTATIONS AND WARRANTIES OF PURCHASERS. Each of the Purchasers severally but not jointly hereby represents and warrants to the Company as follows:

(a) DUE INCORPORATION. Each Purchaser that is not an individual is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, with all

requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted.

(b) DUE AUTHORIZATION. Each Purchaser that is not an individual has full power and authority to enter into this Agreement and its Related Agreements and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Purchaser of this Agreement and its Related Agreements have been duly and validly approved by its governing body empowered to authorize the transactions contemplated by this Agreement and its Related Agreements and no other actions or proceedings on the part of such Purchaser are necessary to authorize this Agreement, its Related Agreements and the transactions contemplated hereby and thereby.

(c) DUE EXECUTION; BINDING EFFECT. Such Purchaser has validly executed and delivered this Agreement and has duly and validly executed and delivered (or prior to or at the Closing will duly and validly execute and deliver) its Related Agreements. This Agreement constitutes legal, valid and binding obligations of such Purchaser and such Purchaser's Related Agreements upon execution and delivery by such Purchaser (as applicable) will constitute legal, valid and binding obligations of such Purchaser, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(d) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement is necessary in connection with the execution, delivery and performance by such Purchaser of this Agreement and its Related Agreements and the consummation by such Purchaser of the transactions contemplated hereby and thereby.

(ii) The execution, delivery and performance by such Purchaser of this Agreement and its Related Agreements do not and will not (1) violate any Law applicable to such Purchaser; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of such Purchaser under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which Purchaser is a party or by which such Purchaser or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of such Purchaser or indebtedness secured by its assets or properties; or (4) for each Purchaser that is not an individual, violate or conflict with any provision of such Purchaser's organizational documents.

(e) BROKERS. No broker, lender or investment banker is entitled to any brokerage, lender's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based on arrangements made by or on behalf of such Purchaser.

(f) PURCHASE FOR INVESTMENT. Such Purchaser is purchasing the Shares hereunder for investment without any intent of the distribution thereof within the meaning of the Securities Act.

(g) ACCREDITED INVESTOR. Such Purchaser is an "accredited investor" within the meaning of Regulation 501(a) under the Securities Act and is able to bear the economic risk of acquisition of the Shares, can afford to sustain a total loss on such investment, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of the proposed investment. Such Purchaser has been furnished the opportunity to ask questions of and receive answers from representatives of the Company concerning the business and financial affairs of the Company.

5. COVENANTS.

(a) FINANCIAL INFORMATION. (1) As soon as practicable after the end of each fiscal year of the Company, and in any event within 120 days thereafter, the Company shall furnish to each Purchaser that holds (together with its Affiliates) at least 750,000 Shares, an audited balance sheet and income statement of the Company (the "FINANCIAL INFORMATION") as at the end of such fiscal year, prepared in accordance with GAAP consistently applied.

(2) As soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of the Company, and in any event within 60 days thereafter, the Company shall furnish to each Purchaser that holds (together with its Affiliates) at least 750,000 Shares, unaudited Financial Information for such period and for such fiscal year to date, prepared in accordance with GAAP consistently applied, subject to changes resulting from normal year-end audit adjustments, and except that such Financial Information need not contain the notes required by GAAP.

(3) Each Purchaser acknowledges that any information obtained by such Purchaser pursuant to this Section 5(a) that may be proprietary to the Company or otherwise confidential shall not be disclosed without the prior written consent of the Company and the provision of such information shall be subject to the receipt by the Company of a confidentiality agreement covering such information and reasonably acceptable to the Company and such Purchaser. Each Purchaser further acknowledges and understands that any information so obtained that may be considered "inside" non-public information shall not be utilized by such Purchaser in connection with purchases and/or sales of the Company's securities except in compliance with applicable state and federal antifraud statutes. The Company may exclude a Purchaser from the distribution of the information to be delivered pursuant hereto if the Board of Directors determines in good faith upon advice of counsel that such exclusion is reasonably necessary to preserve attorney-client privilege or to protect other similar confidential information. The rights and obligations of the parties pursuant to this Section 5(a) shall terminate upon the closing of an Initial Public Offering.

(b) BOARD OBSERVER. EMC shall be entitled to designate one non-voting observer (the "NON-VOTING OBSERVER") to attend (but not vote at) all meetings of the Board of Directors. The Non-Voting Observer shall have the same access to information concerning the business and operations of the Company and at the same time as the directors of the Company, except for such

information that the Company reasonably determines it cannot distribute for confidentiality reasons, and shall be entitled to ask questions of the Board of Directors, but shall not be entitled to vote or otherwise seek to influence the business decisions of the Board of Directors. Any other Purchaser that owns (together with its Affiliates) at least 750,000 Shares shall also have the same access to financial information of the Company at the same time as the directors of the Company, except for such information that the Company reasonably determines it cannot distribute for confidentiality reasons. The provision of any such information to the Non-Voting Observer and any such Purchasers shall be subject to the receipt by the Company of a confidentiality agreement covering such information and reasonably acceptable to the Company and such Purchaser. If (1) the Company receives or solicits an expression of interest to purchase or sell (i) more than 50% of the voting stock of the Company or (ii) all or substantially all of the assets of the Company, or (2) there occurs a Material Adverse Effect, then the Company shall promptly notify EMC of such expression of interest or Material Adverse Effect, as the case may be, and EMC shall be entitled to designate for election to the Board of Directors one director (the "EMC DIRECTOR"). The Company will, to the extent requested by EMC, take all action necessary for the EMC Director to be elected to the Board of Directors as soon as possible after such request by EMC. In connection with any annual meeting of stockholders of the Company at which the term of the EMC Director is to expire, the Company will take all necessary action to cause the EMC Director to be nominated and use its reasonable best efforts to cause the EMC Director to be elected to the Board of Directors. In the event a vacancy shall exist in the office of the EMC Director, EMC shall be entitled to designate a successor and the Board of Directors shall elect such successor and, in connection with the meeting of stockholders of the Company next following such election, nominate such successor for election as director by the stockholders and use its reasonable best efforts to cause the successor to be elected. EMC's right to nominate the EMC Director (if such right comes into existence after the date hereof) and the Non-Voting Observer and the Company's obligation (if such obligation comes into existence after the date hereof) to take any action to cause the EMC Director to be elected to the Board of Directors shall terminate as of the Initial Public Offering. In addition, the term of the EMC Director and all rights of the EMC Director and the Non-Voting Observer and any other Purchasers, including the rights to observe and have access to the books and records of the Company and other information as provided above, shall expire as of such time. Subject to any other agreement between the parties, EMC and any other Purchaser that receives information agrees that the information provided by the Company, officers, directors and employees pursuant to this Section 5(b) will be used solely for the purpose of evaluating such Purchaser's investment in the Shares, the Conversion Shares and the Warrant Shares, as applicable, and that such information will be kept strictly confidential by such Purchaser; PROVIDED that the foregoing obligation of such Purchaser shall not (a) relate to any information that (i) is or becomes generally available other than as a result of unauthorized disclosure by such Purchaser or by persons to whom such Purchaser has made such information available, (ii) is already in such Purchaser's possession, provided that such information is not subject to another confidentiality agreement with or other obligation of secrecy to the Company or (iii) is or becomes available to such Purchaser on a non-confidential basis from a third party that is not, to such Purchaser's knowledge, bound by any other confidentiality agreement with the Company or its subsidiaries, or (b) prohibit disclosure of any information if required by Law or the rules of any stock exchange. EMC and each other Purchaser hereby acknowledges that it is aware that the United States securities laws prohibit any person who has received from an issuer or any

Affiliate thereof any material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

(c) AMENDED CERTIFICATE. The Company shall, prior to or concurrently with the Closing, cause the Amended Certificate to be filed with the Secretary of State of the State of Delaware.

(d) COOPERATION. Each of the Purchasers and the Company agrees to use its reasonable best efforts to take, or cause to be taken, all such further actions as shall be necessary to make effective and consummate the transactions contemplated by this Agreement.

(e) RESERVE SHARES. The Company will at all times reserve and keep available, solely for issuance and delivery upon conversion of the Shares, the number of shares of common stock from time to time issuable upon conversion of all Shares at the time outstanding (the "CONVERSION SHARES") and any shares of common stock to be issued pursuant to the Warrant (the "WARRANT SHARES"). All Conversion Shares and Warrant Shares shall be duly authorized and, when issued upon such conversion or exercise in accordance with the Amended Certificate or the Warrant, as the case may be, shall be validly issued, fully paid and nonassessable.

(f) RESTRICTIONS ON TRANSFER. The Purchasers will not, prior to the earlier of (a) December 31, 2004 or (b) the time of the closing of the Initial Public Offering, sell, transfer, assign, convey, gift, mortgage, pledge, encumber, hypothecate, or otherwise dispose of, directly or indirectly, ("TRANSFER") any of the Shares or any Conversion Shares except for (i) Transfers between and among the Purchasers and their Affiliates provided such Transfer is in accordance with the transfer restrictions applicable to the Shares or the Conversion Shares under federal and state securities laws and the Affiliate transferee agrees to be bound by the restrictions applicable to such Shares or Conversion Shares, including without limitation the agreements set forth in this Section 5(f), and (ii) Transfers (x) pursuant to a bona fide tender or exchange offer made pursuant to a merger or other agreement approved by the Board of Directors to acquire securities of the Company; PROVIDED, that the Purchasers may not tender or exchange in such offer unless at least 50% of the outstanding voting securities of the Company have previously been tendered or exchanged by other holders of the Company's securities in connection therewith, (y) pursuant to any cash merger, or other business combination transaction to which the Company is a party or involved in which the common stock of the Company's stockholders is exchanged for cash upon consummation of such merger or other business combination or (z) agreed to in writing by the Company. Notwithstanding any other provision of this Section 5(f), no Purchaser shall avoid the provisions of this Section 5(f) by making one or more transfers to one or more Affiliates and then disposing of all or any portion of such Purchaser's interest in any such Affiliate.

(g) PREEMPTIVE RIGHT. If at any time the Company desires to issue or sell any shares (the "ADDITIONAL Shares") of its capital stock that entitle the holder thereof to voting rights (other than Non-Preemptive Shares) to any Person, the Company shall give a written notice (the "ISSUANCE NOTICE") to the Purchasers setting forth the proposed terms of such Additional Shares and the quantity of Additional Shares to be issued, the issuance date and the price at which such Additional Shares shall be issued. Each of the Purchasers shall have the option to purchase the number of Additional Shares necessary to maintain such Purchaser's percentage of issued and

outstanding voting shares of the Company at the time of the Issuance Notice, which option may be exercised by giving written notice to the Company (the "RESPONSE NOTICE") within 14 days of the Issuance Notice that contains an unconditional agreement to purchase all (and not less than all) of the Additional Shares to which such Purchaser is entitled to purchase. Failure by a Purchaser to give the Response Notice to the Company within such 14-day period shall be deemed to be a rejection of such option. At the option of the Company, within 14 days of Company's receipt of the Response Notice or at the time of the closing of the sale of Additional Shares to any Persons pursuant to the next sentence, the Company shall sell to such Purchaser and such Purchaser shall purchase the Additional Shares that such Purchaser agreed to purchase in the Response Notice, at the price and on the terms set forth in the Issuance Notice. For a period of 270 days after any Issuance Notice, the Company shall have the right to issue or sell to any Person up to the number of Additional Shares specified in the Issuance Notice less the number of Additional Shares pursuant to duly tendered Response Notices at a price and on terms not materially less favorable to the Company than as specified in the Issuance Notice. If the Company desires to issue or sell Additional Shares, (i) after such 270-day period, (ii) on terms materially less favorable to the Company than as specified in the Issuance Notice or (iii) in a quantity greater than as specified in the previous sentence, the Company must again comply with this Section 5(g). The rights and obligations of the parties pursuant to this Section 5(g) shall terminate upon the closing of an Initial Public Offering.

(h) COMPLIANCE WITH SECURITIES LAWS. Such Purchaser understands that the Shares, the Conversion Shares and the Warrant Shares will not be registered under the Securities Act or applicable state securities laws and agrees not to sell, pledge or otherwise transfer any of the Shares, Conversion Shares and the Warrant Shares in the absence of such registration or an opinion of counsel reasonably satisfactory to the Company that such registration is not required. Except as set forth in the Registration Rights Agreement, such Purchaser acknowledges that the Company is not required to register the Shares, the Conversion Shares or the Warrant Shares.

6. CONDITIONS.

(a) CONDITIONS TO OBLIGATIONS OF THE PURCHASERS. The obligations of the Purchasers to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) The Company shall have performed, satisfied and complied in all material respects with all of its covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing;

(iii) The Company shall have executed and delivered to each of the Purchasers the Registration Rights Agreement;

(iv) The Amended Certificate shall have been duly filed with the Secretary of State of the State of Delaware in accordance with the laws of the State of Delaware and the Amended Certificate shall be in full force and effect;

(v) The Company shall have executed and delivered to EMC the Warrant;

(vi) The Conversion Shares and the Warrant Shares shall have been duly authorized and reserved for issuance;

(vii) Mayer, Brown & Platt shall have delivered an opinion in form and substance reasonably satisfactory to Purchasers;

(viii) The Company shall have delivered a good standing certificate for the Company; and

(ix) There shall not have occurred any event, circumstances, condition, fact, effect, or other matter which has had or would reasonably be expected to have a Material Adverse Effect.

(b) CONDITIONS TO OBLIGATIONS OF THE COMPANY. The obligations of the Company to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) Each of the Purchasers shall have executed and delivered to the Company its Related Agreements; and

(iii) The Purchasers shall have performed, satisfied and complied in all material respects with all of their covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing Date.

7. [INTENTIONALLY OMITTED]

8. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties of the parties contained in this Agreement shall expire on the 18-month anniversary of the Closing, except for those representations and warranties contained in Sections 3(b) and 3(d) which shall expire on the later of (i) the 18-month anniversary of the Closing or (ii) the closing of an Initial Public Offering. After the expiration of such period, any claim by a party based upon any such representation or warranty shall be of no further force and effect, except to the extent a party has given notice to the other party of a claim for breach of any such representation or warranty prior to the expiration of such period, in which event any representation or warranty to which such claim relates shall survive with respect to such claim until such claim is resolved as provided in this Section 8. The covenants and

agreements of the parties hereto contained in this Agreement shall survive the Closing until performed in accordance with their terms.

9. RESTRICTIVE LEGENDS. In addition to the restrictions set forth in Section 5(f), no Shares, Conversion Shares or Warrant Shares may be transferred without registration under the Securities Act and applicable state securities laws unless counsel reasonably acceptable to the Company shall advise the Company that such transfer may be effected without such registration. Each certificate representing any of the foregoing shall bear legends in substantially the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE SHALL BE CONVERTIBLE INTO THE COMPANY'S COMMON STOCK IN THE MANNER AND ACCORDING TO THE TERMS SET FORTH IN THE CERTIFICATE OF INCORPORATION. THE COMPANY IS AUTHORIZED TO ISSUE MORE THAN ONE CLASS OR SERIES OF STOCK. AS REQUIRED UNDER DELAWARE LAW, THE COMPANY SHALL FURNISH TO ANY HOLDER UPON REQUEST AND WITHOUT CHARGE, A FULL SUMMARY STATEMENT OF THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE SHARES OF EACH CLASS OR SERIES AUTHORIZED TO BE ISSUED BY THE COMPANY SO FAR AS THEY HAVE BEEN FIXED AND DETERMINED AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO FIX AND DETERMINE THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE CLASSES AND SERIES OF SECURITIES OF THE COMPANY.

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER ANY APPLICABLE STATE LAWS. THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED BY THE REGISTERED OWNER HEREOF FOR INVESTMENT AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH ANY DISTRIBUTION THEREOF WITHIN THE MEANING OF THE 1933 ACT. THE SHARES MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE PROVISIONS OF THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN A TRANSACTION OTHERWISE IN COMPLIANCE WITH APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

THE SALE, PLEDGE, TRANSFER, ASSIGNMENT OR OTHER DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND SUBJECT TO THE PROVISIONS OF A PURCHASE AGREEMENT DATED AS OF NOVEMBER 10, 2000, A COPY OF WHICH IS AVAILABLE UPON REQUEST FOR INSPECTION AT THE OFFICE'S OF THE COMPANY. ANY SUCH REQUEST SHOULD BE ADDRESSED TO THE SECRETARY OF THE COMPANY.

10. SUCCESSORS AND ASSIGNS; NO THIRD PARTY BENEFICIARIES. This Agreement shall bind and inure to the benefit of the Company and the Purchasers and the respective successors, permitted assigns, heirs and personal representatives of the Company and the Purchasers; PROVIDED that the Company may not assign its rights or obligations under this Agreement to any Person without the prior written consent of the Purchasers, and PROVIDED FURTHER that the Purchasers may not assign their rights or obligations under this Agreement to any Person (other than an Affiliate) without the prior written consent of the Company. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

11. NOTICES. Each notice, demand, request, request for approval, consent, approval, disapproval, designation or other communication (each of the foregoing being referred to herein as a notice) required or desired to be given or made under this Agreement shall be in writing (except as otherwise provided in this Agreement), and shall be effective and deemed to have been received (i) when delivered in person, (ii) when sent by fax with receipt acknowledged, (iii) five days after having been mailed by certified or registered United States mail, postage prepaid, return receipt requested, or (iv) the next business day after having been sent by a nationally recognized overnight mail or courier service, receipt requested. Notices shall be addressed as set forth below:

If to EMC:

EMC Corporation
35 Parkwood Drive
Hopkinton, MA 01748
Attn: Office of the General Counsel
Facsimile: (508) 497-6915

with a copy to the Vice President, Corporate Development

Facsimile: (508) 435-8900

If to any of the other Purchasers, at the address set forth under his name on the signature page.

With a copy to:

Attn: _____

Facsimile: _____

If to the Company:

CommVault Systems, Inc.
2 Crescent Place
Oceanport, New Jersey 07757
Attn: N. Robert Hammer
Facsimile: (732) 870-4514

With a copy to:

Mayer, Brown & Platt
190 S. LaSalle Street
Chicago, Illinois 60603
Attention: Philip J. Niehoff
Facsimile: (312) 701-7711

12. FURTHER ASSURANCES. At any time or from time to time after the Closing, the Company, on the one hand, and the Purchasers, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

13. PUBLIC DISCLOSURE. Except as required by Law or the rules of any stock exchange (in which case the Company shall give EMC notice at least 24 hours prior to any public announcement containing its name), no public announcement or other publicity regarding the transactions referred to herein shall be made by any of the Purchasers or the Company or any of their respective Affiliates, officers, directors, employees, representatives or agents, without the prior written agreement of Purchasers and Company, in any case, as to form, content, timing and manner of distribution or publication; PROVIDED, HOWEVER, that nothing in this Section shall prevent such parties from (i) discussing such transactions with those Persons whose approval, agreement or opinion, as the case may be, is required for consummation of such particular transaction or transactions or (ii) disclosing such information about such transactions in a registration statement or prospectus in connection with the Initial Public Offering or (iii) if the disclosing party is a Purchaser, disclosing such Purchaser's investment herein provided that such disclosure does not mention any other Purchaser by name and is approved by the Company in writing. Each of the parties acknowledge and agree that there would be no adequate remedy at Law if it fails to perform its obligations under this Section 13 and accordingly agrees that each of the other parties, in addition to any other remedy to which it may be entitled at Law or in equity, shall be entitled to compel specific performance of the obligations of the first party under this Section 13.

14. WAIVER. No party may waive any of the terms or conditions of this Agreement except by a duly signed writing referring to the specific provision to be waived.

15. ENTIRE AGREEMENT. This Agreement and the Related Agreements constitute the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties hereto and their affiliates with respect to the matters set forth herein.

16. SEVERABILITY. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the other provisions hereof shall not be affected thereby, and there shall be deemed substituted for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue.

17. CAPTIONS. The Section references herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

18. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

19. GOVERNING LAW. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

20. WAIVER OF JURY TRIAL. THE COMPANY AND THE PURCHASERS HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

21. FEES AND EXPENSES. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such costs or expense.

22. JOINT PARTICIPATION IN DRAFTING. Each party to this Agreement has participated in the negotiation and drafting of this Agreement. As such, the language used herein shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first written above.

EMC INVESTMENT CORPORATION

By: /S/ MICHAEL J. CODY

Name: MICHAEL J. CODY

Title: VICE PRESIDENT, CORPORATE DEVELOPMENT

Shares: 1,652,893
Purchase Price: $20,000,005

THE VAN WAGONER FUNDS

By: /S/ GARRETT R. VAN WAGONER

Name: GARRETT R. VAN WAGONER

Title: PRESIDENT
---
345 California Street
Suite 2450
San Francisco, CA 94104
Facsimile:

Shares: 826,447
Purchase Price: $[10,000,008]

VAN WAGONER CAPITAL
PARTNERS, L.P.

By: /S/ GARRETT R. VAN WAGONER

Name:

Title:
---
345 California Street
Suite 2450
San Francisco, CA 94104
Facsimile:

Shares: None
Purchase Price: $

VAN WAGONER CROSSOVER FUND, L.P.

By:/S/ GARRETT R. VAN WAGONER

Name:

Title:
---
345 California Street
Suite 2450
San Francisco, CA 94104
Facsimile:

Shares: None
Purchase Price: $

DRW VENTURE PARTNERS LP

By: Dain Rauscher Corporation, its General Partner

By: /S/ MARY ZIMMER

Name: MARY ZIMMER

Title: DIRECTOR, DRW FINANCE ADMINISTRATION
---

60 South 6th Street
Minneapolis, MN 55402
Attn: Mary Zimmer MS 54N2
Facsimile: (612) 373-1610

Shares: 61,984
Purchase Price: $750,006.40

PURCHASE AGREEMENT

MORGAN KEEGAN OPPORTUNITY FUND, L.P.

By: Merchant Bankers, Inc., its
General Partner

By: /S/ MINOR PERKINS

Name: MINOR PERKINS

Title: VICE PRESIDENT
---
50 North Front Street, 19th Floor
Memphis, TN 38103
Facsimile: (901) 579-4891
Shares: 132,000
Purchase Price: $1,597,200

MORGAN KEEGAN EMPLOYEE
INVESTMENT FUND, L.P.

By: Merchant Bankers, Inc., its
General Partner

By: /S/ MINOR PERKINS

Name: MINOR PERKINS

Title: VICE PRESIDENT
---
50 North Front Street, 19th Floor
Memphis, TN 38103
Facsimile: (901) 579-4891
Shares: 33,290
Purchase Price: $402,809

/S/ BARBARA M. BYRNE

Barbara M. Byrne
101 Hun Road
Princeton, NJ 08540
Shares: 8,265
Purchase Price: $100,006.50

/S/ GREG REYE

Greg Reyes
c/o Brocade Communication Systems
1745 Technology Drive
San Jose, CA 95110
Shares: 41,323
Purchase Price: $500,008.30

/S/ WILL HERMAN

Will Herman
8 Cobblestone Place
Sudbury, MA 01776
Shares: 2,156
Purchase Price: $26,087.60

COMMVAULT SYSTEMS, INC.

By: /S/ N. ROBERT HAMMER

Name: N. ROBERT HAMMER

Title: CEO

PURCHASE AGREEMENT

SCHEDULE A

SUBSIDIARIES

CommVault Systems (Canada) Inc., a Canadian corporation
CommVault Systems Mexico S de RL de CV, a Mexican company
CommVault Holding Company BV, a Netherlands company
CommVault Systems Netherlands BV, a Netherlands company

SCHEDULE B

1. Employment Agreement, dated as of January 20, 1999, between the Company and N. Robert Hammer, under which Mr. Hammer has received options to purchase common stock.

2. Corporate Change of Control Agreements, between the Company and (i) Louis Miceli, (ii) Brian McAteer, (iii) Larry Cormier, (iv) Al Bunte and (v) David West.

3. Stock Plan dated as of May 22, 1996, pursuant to which (i) the Company is authorized to issue options to purchase 9.7 million shares of its common stock and (ii) options to purchase 9.2 million shares of common stock have been granted.

4. Preferred Stock holders have conversion rights, pursuant to the Amended Certificate, and preemptive rights pursuant to the Stockholders' Agreement, dated as of May 22, 1996 and amended as of July 23, 1998, between the Company and DLJ Merchant Banking Partners, L.P., DLJ International Partners C.V., DLJ Offshore Partners C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II L.P., Sprout CEO Fund L.P. and certain other investors.

5. A Warrant to purchase 39,840 shares of common stock was issued to DLJ Merchant Banking Partners, L.P. and certain of its Affiliates in connection with the Loan Agreement dated as of January 14, 2000, between the Company and the Lenders therein, which Warrant has been exercised and such shares have been issued.

6. Purchase Agreement, dated as of August 4, 1999, between the Company and Comm Vault Systems International, B.V. ("CVSI") and the shareholders of CVSI, pursuant to which the 957,000 shares of the Company's common stock were in consideration for the acquisition of the business of CVSI by the Company.

7. The Company entered into an agreement with Northern Concepts Incorporated ("NCI"), dated as of May 2000 pursuant to which 285,000 shares of the Company's common stock was issued in consideration for the acquisition of the business of NCI by the Company.

8. Preferred Stock holders have conversion rights, pursuant to the Amended Certificate, and preemptive rights pursuant to the Purchase Agreement, dated as of April 14, 2000, among the Company and Microsoft Corporation and certain other investors signatories thereto.

9. A Warrant to purchase up to 2,616,933 shares of common stock was issued to Microsoft Corporation in connection with the Purchase Agreement referred to in item 8 above.

The Company may, from time to time, issue additional shares of common stock or options or warrants to purchase its common stock in an effort to recruit new officers and employees. Non-Preemptive Shares shall include all such options or warrants that may be issued in the future.

SERIES CC PURCHASE AGREEMENT

THIS SERIES CC PURCHASE AGREEMENT (this "AGREEMENT"), dated as of February 14, 2002, is by and between funds and accounts managed by affiliates of Putnam Investments, LLC, a Delaware limited liability company ("PUTNAM"), the other parties listed on SCHEDULE A hereto (collectively with Putnam, the "PURCHASERS") and CommVault Systems, Inc., a Delaware corporation (the "COMPANY").

WHEREAS, each of the Purchasers desire to invest in the Company; and

WHEREAS, the Company desires to issue and sell to the Purchasers an aggregate of 7,345,896 shares of its Series CC Preferred Stock (the "SHARES") and the Purchasers desire to purchase the Shares on the terms and subject to the conditions described herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, agreements and warranties herein contained, the parties hereto agree as follows:

1. DEFINITIONS. Capitalized terms that are not defined in the text of this Agreement have the meanings set forth below:

"Affiliate" shall mean, with respect to any specified Person, any other Person which, directly or indirectly, owns, manages or controls, is under common ownership, management or control with, or is owned, managed or controlled by, such specified Person and, with respect to Putnam, any funds or accounts where Putnam Investment Management, LLC or its affiliates, acts as Investment Adviser (as defined in the Investment Advisers Act of 1940, as amended). For purposes of this definition, a Person shall be deemed to control another Person if the first Person owns, manages or holds more than 50% of the voting power of the second Person.

"Amended Certificate" shall mean the Amended and Restated Certificate of Incorporation of the Company in the form of EXHIBIT 2.

"Board of Directors" shall mean the board of directors of the Company.

"Code" means the Internal Revenue Code of 1986 or any successor statute, and the rules and regulations thereunder, collectively and as from time to time amended and in effect.

"Commission" shall mean the Securities and Exchange Commission.

"Conversion Shares" shall have the meaning set forth in Section 5(e).

"ERISA" means the Employee Retirement Income Security Act of 1974 or any successor statute and the rules and regulations thereunder, collectively and as from time to time amended and in effect.

"Governmental Authority" shall mean the government of the United States or any foreign country or any state or political subdivision thereof and any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Initial Public Offering" shall mean the initial public offering or sale of common stock by the Company through underwriters or otherwise, that requires registration, qualification or the filing of a prospectus under the Securities Act.

"Knowledge" means the actual knowledge (assuming reasonable investigation) of N. Robert Hammer, Louis Miceli, Larry Cormier, Al Bunte, Lee Parker and the other senior executives of the Company.

"Law" shall mean any law, statute, regulation, ordinance, rule, order, decree, judgment, consent decree, settlement agreement or governmental requirement enacted, promulgated, entered into, agreed or imposed by any Governmental Authority.

"Lien" shall mean any mortgage, lien (except for any lien for taxes not yet due and payable), charge, restriction, pledge, security interest, option, lease or sublease, claim, right of any third party, easement, encroachment or encumbrance.

"Material Adverse Effect" shall mean an effect on the business, operations, assets, liabilities, results of operations, cash flows or condition (financial or otherwise) of the Company which is material and adverse.

"Non-Preemptive Shares" shall mean any voting shares of the capital stock of the Company issued, sold, granted or conveyed (i) as consideration in any acquisition of all or a portion of any Person or a merger or combination with any Person duly authorized by the Board of Directors, (ii) to any current or new director, officer, employee or consultant of the Company pursuant to any plan or arrangement, now or hereafter existing, duly authorized by the Board of Directors or (iii) pursuant to any of the items listed on SCHEDULE C.

"Person" shall mean any individual, corporation, proprietorship, firm, partnership, limited liability company, limited partnership, trust, association, Massachusetts business trust or other entity.

"Preferred Stock" shall mean, collectively, the Company's issued and outstanding Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series AA Preferred Stock and Series BB Preferred Stock.

"Registration Rights Agreement" shall mean a Registration Rights Agreement to be entered into between Purchasers and the Company as of the Closing in the form of EXHIBIT 1.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Series AA Purchase Agreement" shall mean the Purchase Agreement, dated as of April 14, 2000 between the Company and the other Persons party thereto.

"Series AA Registration Rights Agreement" shall mean the Registration rights Agreement, dated as of April 14, 2000, between the Company and the holders of the Company's Series AA Preferred Stock.

"Series BB Purchase Agreement" shall mean the Purchase Agreement, dated as of November 10, 2000, by and between the Company and the other Persons party thereto.

"Series BB Registration Rights Agreement" shall mean the Registration Rights Agreement, dated as of November 10, 2000, between the Company and the holders of the Series BB Preferred Stock.

"Stock Plan" shall mean the Company's stock plan, as described on SCHEDULE C.

"Stockholders' Agreement" shall mean the stockholders' agreement, dated as of May 22, 1996, and as further amended, between the Company and certain of its stockholders.

"Subsidiaries" shall mean the Persons set forth on SCHEDULE B.

2. PURCHASE AND SALE OF SHARES.

(a) PURCHASE PRICE. Subject to the terms and conditions set forth in this Agreement, at the Closing (as hereinafter defined), the Purchasers shall purchase, and the Company shall issue and sell to the Purchasers the Shares for an aggregate purchase price (the "Purchase Price") of $23,000,000. The number of Shares being sold to each Purchaser and the portion of the Purchase Price attributable thereto is set forth on SCHEDULE A hereto.

(b) CLOSING. The closing (the "Closing") of the transactions described herein shall occur at 10:00 a.m. on February 14, 2002, at the offices of Ropes & Gray, One International Place, Boston, Massachusetts, or such other place and time as agreed upon by the Purchasers and the Company. At the Closing, the Purchasers shall pay the Company the Purchase Price in cash by wire transfer of immediately available funds to an account designated by the Company, which designation shall occur at least two business days before the Closing, and the Company shall deliver to each Purchaser a certificate representing the Shares purchased by such Purchaser; provided, that, if so requested by a Purchaser that is an Affiliate of Putnam, the Company will deliver such certificate to such Purchaser's custodian at least one business day prior to the Closing pursuant to an escrow arrangement reasonably acceptable to such custodian, the Company and Putnam.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to each of the Purchasers:

(a) DUE INCORPORATION; SUBSIDIARIES. Each of the Company and the Subsidiaries is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted. Each of the Company and the Subsidiaries is licensed or qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the nature of the properties owned, leased or operated by it and the businesses transacted by it require such licensing or qualification, except where the failure to be so licensed or qualified would not individually or in the aggregate have a Material Adverse Effect. Except as set forth on SCHEDULE B, the Company has no direct or indirect subsidiaries, either wholly or partially owned, and the Company does not hold any direct

or indirect economic, voting or management interest in any Person or directly or indirectly own any security issued by any Person. Each Subsidiary is wholly owned by the Company.

(b) DUE AUTHORIZATION. The Company has full power and authority to enter into this Agreement and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement have been duly and validly approved by the board of directors of the Company and no other actions or proceedings on the part of the Company are necessary to authorize this Agreement, the Registration Rights Agreement and the transactions contemplated hereby and thereby. The Company has duly and validly executed and delivered this Agreement and has duly and validly executed and delivered the Registration Rights Agreement. This Agreement constitutes legal, valid and binding obligations of the Company and the Registration Rights Agreement upon execution and delivery by the Company will constitute legal, valid and binding obligations of the Company, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(c) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) Except for (x) the approval of the Amended Certificate by the Company's stockholders and the filing of such certificate with the Delaware Secretary of State, (y) approval of amendments to the Series AA Registration Rights Agreement, the Series BB Registration Rights Agreement and the Stockholders' Agreement and (z) waivers by the holders of the Company's Preferred Stock of preemptive rights to purchase the Shares (the consents, amendments and waivers described in clauses (x), (y) and (z) being the "REQUIRED CONSENTS"), no consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement that has not been received by the Company is necessary in connection with the execution, delivery and performance by the Company of this Agreement and the execution, delivery and performance by the Company of the Registration Rights Agreement or the consummation of the transactions contemplated hereby or thereby (including, without limitation, the offer, issuance, sale and delivery of the Shares and the Conversion Shares).

(ii) Assuming receipt of the Required Consents, the execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement or the consummation of the transactions contemplated hereby or thereby do not and will not (1) violate any Law; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of the Company under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which the Company, is a party or by which the Company or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of the Company or indebtedness secured by its assets or properties; or (4) violate or conflict with any provision of any of the Amended Certificate or by-laws of the Company.

(d) CAPITALIZATION.

(i) The authorized capital stock of the Company is as described in the Amended Certificate. All of the outstanding capital stock of the Company and each Subsidiary (i) is validly issued, fully paid and nonassessable and (ii) is free of preemptive rights (except as provided in the Stockholders' Agreement, Series AA Purchase Agreement, the Series BB Purchase Agreement or this Agreement). When issued, the Shares and the Conversion Shares will be validly issued, fully paid and nonassessable and will not have been issued in violation of any preemptive rights or rights of first refusal. The authorized capital stock as described in the Amended Certificate contains a sufficient number of shares of common stock for issuance of the Conversion Shares.

(ii) Except as set forth above or on SCHEDULE C, there are no shares of capital stock or other securities (whether or not such securities have voting rights) of the Company issued or outstanding or any subscriptions, options, warrants, calls, rights, convertible securities or other agreements or commitments of any character obligating the Company to issue, transfer or sell, or cause the issuance, transfer or sale of, any shares of its capital stock or other securities (whether or not such securities have voting rights). Except as set forth in SCHEDULE C, there are no outstanding contractual obligations of the Company which relate to the purchase, sale, issuance, repurchase, redemption, acquisition, transfer, disposition, holding or voting of any shares of its capital stock or other securities. The maximum number of shares of common stock that the Company has issued and would be obligated to issue as of the date hereof is 63,877,195 shares on a fully diluted basis, plus any Shares issued hereunder and the shares issuable pursuant to the warrants listed in paragraphs 6 and 7 of SCHEDULE C. The outstanding capital stock of the Company immediately prior to the Closing and before the issuance of the Shares is as follows: (i) 2,039,717 shares of Series A Preferred Stock, (ii) 346,000 shares of Series B Preferred Stock, (iii) 333,333 shares of Series C Preferred Stock, (iv) 247,204 shares of Series D Preferred Stock, (v) 200,000 shares of Series E Preferred Stock, (vi) 4,361,555 shares of Series AA Preferred Stock, (vii) 2,758,358 shares of Series BB Preferred Stock and (viii) 36,072,643 shares of Common Stock.

(c) LITIGATION.

(i) There is no claim, action, suit, investigation or proceeding ("LITIGATION") pending or, to the Knowledge of the Company, threatened against the Company or any Subsidiary, or involving any of its properties or assets by or before any court, arbitrator or other Governmental Entity which (1) in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or (2) if resolved adversely to the Company or any Subsidiary, would reasonably be expected to have a Material Adverse Effect.

(ii) Neither the Company nor any Subsidiary is in default under or in breach of any order, judgment or decree of any court, arbitrator or other Governmental Authority.

(f) INTELLECTUAL PROPERTY.

(i) The Company owns all right, title and interest in, or, to the Knowledge of the Company has the right to use: all patents and the inventions claimed therein; trademarks, service marks and trade names, together with associated goodwill; copyrights and copyrightable work; Internet domain names; registrations and applications relating to any of the foregoing; know-how, processes, formulae, algorithms, models, methodologies and trade secrets; computer programs, including any and all software implementations of algorithms, models and methodologies whether in source code or object code form; databases and compilations, including any and all data, all documentation, including user manuals and training materials, related to any of the foregoing; and the content and information contained on any Company Web site; and other confidential and proprietary information (collectively, the "PROPRIETARY ASSETS") used in its business as now conducted and as presently proposed to be conducted. To the Knowledge of the Company, no person or entity has any ownership right, title, interest, claim in or lien on any of the Company's Proprietary Assets. No current or former employee, officer, director or consultant of the Company has any ownership right, right to use, title, interest, claim in or lien on any of the Company's Proprietary Assets. The Company has not granted and, to the Knowledge of the Company, there are not outstanding, any options, licenses or agreements of any kind relating to any Proprietary Asset of the Company, nor is the Company bound by or a party to any option, license or agreement of any kind with respect to any of its Proprietary Assets. No settlement agreements, consents, judgments, orders, forbearance to sue or similar obligations limit or restrict the Company's rights in and to any Proprietary Assets.

(ii) To the Knowledge of the Company, the Company has not violated, misappropriated, diluted or infringed, and would not, by conducting its business as currently proposed, violate, misappropriate, dilute or infringe, any intellectual property right in any Proprietary Asset of any other person or entity. There is no claim, action, suit, investigation or proceeding pending or, to the Knowledge of the Company, threatened against the Company which would affect in any way any of its Proprietary Assets by or before any court, arbitrator or other Governmental Entity. To the Knowledge of the Company, no third party has violated, misappropriated, diluted or infringed any intellectual property right in any Proprietary Asset of the Company.

(iii) The Company takes all reasonable measures to protect the confidentiality of their trade secrets including requiring third parties having access thereto to execute written nondisclosure agreements. Each employee of the Company hired after January 1, 1998 has signed an Employee Inventions and Confidentiality Agreement substantially in the form attached hereto as SCHEDULE D.

(iv) All material Proprietary Assets owned or used by the Company have been duly maintained, are valid and subsisting, in full force and effect and have not been cancelled, expired or abandoned. The execution, delivery and performance by the Company of this Agreement or the Registration Rights Agreement, or the consummation of the transactions contemplated hereby or thereby will not result in the loss or impairment of the Company's rights to own or use any of the Proprietary Assets, nor will such consummation require the consent of any third party in respect of any Proprietary Assets.

(v) Except for Microsoft Corporation's SQL product, which Microsoft Corporation has licensed to the Company (with rights to further sublicense such software), the

Company's software products (the "PROPRIETARY SOFTWARE") were either developed (a) by employees of the Company within the scope of their employment; (b) by independent contractors as "works-made-for-hire," as that term is defined under Section 101 of the United States Copyright Act, 17 U.S.C. ss. 101, pursuant to written agreement; or (c) by third parties who have assigned all of their rights therein to the Company pursuant to a written agreement. No former or present employees, officers or directors of the Company, or any other third parties retain any rights of ownership or use of the Proprietary Software, and no employees or third parties who have developed or participated in the development of the Proprietary Software have any claims to any moral rights therein.

(g) FINANCIAL STATEMENTS. The Company has furnished to each of the requesting Purchasers a complete and correct copy of the balance sheet of the Company at September 30, 2001, and statements of income for the period from January 1, 2001 through September 30, 2001 (collectively, the "FINANCIAL STATEMENTS"). The Financial Statements are complete and correct, are in accordance with the books and records of the Company and present fairly in all material respects the financial condition and results of operations of the Company, at the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied, except that the unaudited Financial Statements may not be in accordance with GAAP because of the absence of footnotes normally contained therein and are subject to normal year-end adjustments which in the aggregate are not expected to be material.

(h) ABSENCE OF UNDISCLOSED LIABILITIES. The Company does not have any liability (whether known or unknown and whether absolute or contingent), except for (a) liabilities shown on the face of the Financial Statements and (b) liabilities that have arisen since September 30, 2001 in the ordinary course of business that are not material.

(i) ABSENCE OF CHANGES. Since September 30, 2001, the Company has conducted its business in the ordinary course, consistent with past practice and there has not been any event or condition which has had or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(j) CONTRACTS. The Company does not have and is not bound by any contract, agreement, lease or commitment, other than (i) contracts for the purchase of supplies and services or the licensing of technology that were entered into in the ordinary course of business that do not involve more than $250,000 per year and do not extend for more than one year, (ii) sales contracts entered into in the ordinary course of business, (iii) the leases for the Company's office or other space, (iv) contracts terminable at will by the Company on no more than 30 days' notice without cost or liability to the Company, (v) an agreement with Microsoft Corporation, dated as of April 12, 2000, or (vi) other contacts the loss of which would not have a Material Adverse Effect. Except for (i) an engineering and marketing agreement, dated as of April 12, 2000, between the Company and Microsoft Corporation, (ii) a warrant, dated as of April 14, 2000, granting Microsoft Corporation the right to purchase common stock of the Company under certain conditions and (iii) an agreement with Microsoft Corporation, pursuant to which the Company licenses and has the further right to sublicense Microsoft's SQL product, the Company has provided the Purchasers with a copy of all its material contracts. To the

Knowledge of the Company, all of the contracts to which it is a party are valid and binding and are in full force and effect as of the date of this Agreement.

(k) REGISTRATION RIGHTS. Other than the Registration Rights Agreement, the Series AA Registration Rights Agreement, the Series BB Registration Rights Agreement, the Stockholders Agreement and the piggyback registration rights granted pursuant to the Purchase Agreement listed in paragraph 4 of SCHEDULE C, the Company has not granted any registration rights to any party for any of its securities.

(l) COMPLIANCE WITH LAWS. The Company and each Subsidiary are in compliance in all material respects with all applicable Laws. All securities issued by the Company prior to the date hereof have been issued in transactions exempt from the registration requirements of Section 5 of the Securities Act.

(m) OFFERING OF SHARES. Neither the Company nor any Person acting on its behalf has taken or will take any action (including, without limitation, any offering of any securities of the Company under circumstances which would require, under the Securities Act, the integration of such offering with the offering and sale of the Shares) which might reasonably be expected to subject the offering, issuance or sale of the Shares to the registration requirements of the Securities Act. Subject to the continuing accuracy of the Purchasers' representations in Section 4, the offer, sale and issuance of the Shares and the Conversion Shares in conformity with the terms of this Agreement and the Amended Certificate constitute or will constitute transactions exempt from the registration requirements of Section 5 of the Securities Act.

(n) BROKERS. Except for fees and commissions payable to Credit Suisse First Boston Corporation by the Company, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

(o) INSURANCE COVERAGE. The Company maintains in full force and effect insurance coverage that the Company reasonably believes to be adequate against all liabilities, claims and risks against which it is customary for comparably situated companies to insure.

(p) EMPLOYEES. To the Company's Knowledge, no executive, key employee, or group of employees has any plans to terminate employment with the Company. The Company is in compliance in all material respects with all applicable laws respecting employment and employment practices and terms and conditions of employment.

(q) ERISA. The Company does not have or otherwise contribute to or participate in any employee benefit plan subject to Title IV of ERISA.

(r) ENVIRONMENTAL MATTERS. The Company is not in violation of any statute, rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, "ENVIRONMENTAL LAWS"), does not own or operate any real property contaminated with any substance that is subject to any Environmental Laws, is not liable for any off-site

disposal or contamination pursuant to any Environmental Laws, and is not subject to any claim relating to any Environmental Laws, which violation, contamination, liability or claim would individually or in the aggregate have a Material Adverse Effect; and the Company is not aware of any pending investigation that might lead to such a claim.

(s) AFFILIATED TRANSACTIONS. Other than the Stockholders' Agreement and the side letters with holders of the Company's Series A through E Preferred Stock dated the date hereof, the Company is not, nor has it been, a party to or bound by any contract, agreement, lease or commitment with any of the Affiliates of the Company, other than on arms-length terms which are no less favorable to the Company than those which could be obtained with a third party which is not an Affiliate of the Company and no Affiliate of the Company owns or otherwise has any rights to or interests in any asset, tangible or intangible, which is used in the conduct of the Company's business.

(t) NO ILLEGAL PAYMENTS. In connection with the conduct of the Company's business, none of the Company nor any of their directors or officers nor, to the Company's Knowledge, any of their employees or agents, has (x) directly or indirectly given or agreed to give any illegal gift, contribution, payment or similar benefit to any supplier, customer, governmental official or employee or other person who was, is or may be in a position to help or hinder the Company (or assist in connection with any actual or proposed transaction) or made or agreed to make any illegal contribution, or reimbursed any illegal political gift or contribution made by any other person, to any candidate for federal, state, local or foreign public office (i) which might subject the Company to any damage or penalty in any civil, criminal or governmental litigation or proceeding or (ii) the non-continuation of which has had or might have a Material Adverse Effect or (y) established or maintained any unrecorded fund or asset or made any false entries on any books or records for any purpose.

(u) DISCLOSURE. The representations and warranties contained in this Section 3 (including any schedules and exhibits required to be delivered by the Company to the Purchasers pursuant to this Agreement) and any certificate furnished or to be furnished by the Company to the Purchasers do not contain and on the date of the Closing will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements and information contained in this Section 3 not misleading.

4. REPRESENTATIONS AND WARRANTIES OF PURCHASERS. Each of the Purchasers severally but not jointly hereby represents and warrants to the Company as follows:

(a) DUE INCORPORATION. Each Purchaser that is not an individual is duly organized or duly formed, validly existing and in good standing under the laws of its jurisdiction of organization, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted.

(b) DUE AUTHORIZATION. Each Purchaser that is not an individual has full power and authority to enter into this Agreement and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement have been duly and validly approved by its governing body empowered to authorize the transactions contemplated

by this Agreement and the Registration Rights Agreement and no other actions or proceedings on the part of such Purchaser are necessary to authorize this Agreement, the Registration Rights Agreement and the transactions contemplated hereby and thereby.

(c) DUE EXECUTION; BINDING EFFECT. Such Purchaser has validly executed and delivered this Agreement and has duly and validly executed and delivered (or prior to or at the Closing will duly and validly execute and deliver) the Registration Rights Agreement. This Agreement constitutes legal, valid and binding obligations of such Purchaser and such Purchaser's Related Agreements upon execution and delivery by such Purchaser (as applicable) will constitute legal, valid and binding obligations of such Purchaser, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(d) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement is necessary in connection with the execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement and the consummation by such Purchaser of the transactions contemplated hereby and thereby.

(ii) The execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement do not and will not (1) violate any Law applicable to such Purchaser; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of such Purchaser under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which Purchaser is a party or by which such Purchaser or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of such Purchaser or indebtedness secured by its assets or properties; or (4) for each Purchaser that is not an individual, violate or conflict with any provision of such Purchaser's organizational documents.

(e) BROKERS. No broker, lender or investment banker is entitled to any brokerage, lender's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based on arrangements made by or on behalf of such Purchaser.

(f) PURCHASE FOR INVESTMENT. Such Purchaser is purchasing the Shares hereunder for investment without any intent of the distribution thereof within the meaning of the Securities Act.

(g) ACCREDITED INVESTOR. Such Purchaser is an "accredited investor" within the meaning of Regulation 501(a) under the Securities Act and is able to bear the economic risk of acquisition of the Shares, can afford to sustain a total loss on such investment, and has such knowledge and experience in financial and business matters that it is capable of evaluating the

merits and risk of the proposed investment. Such Purchaser has been furnished the opportunity to ask questions of and receive answers from representatives of the Company concerning the business and financial affairs of the Company.

5. COVENANTS.

(a) FINANCIAL INFORMATION. 1. As soon as practicable after the end of each fiscal year of the Company, and in any event within 120 days thereafter, upon the request of such Purchaser, the Company shall furnish to each Purchaser that holds (together with its Affiliates) at least 500,000 Shares, an audited balance sheet and income statement of the Company (the "FINANCIAL INFORMATION") as at the end of such fiscal year, prepared in accordance with GAAP consistently applied.

(2) As soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of the Company, and in any event within 60 days thereafter, upon the request of such Purchaser, the Company shall furnish to each Purchaser that holds (together with its Affiliates) at least 500,000 Shares, unaudited Financial Information for such period and for such fiscal year to date, prepared in accordance with GAAP consistently applied, subject to changes resulting from normal year-end audit adjustments, and except that such Financial Information need not contain the notes required by GAAP.

(3) Each Purchaser acknowledges that any information obtained by such Purchaser pursuant to this Section 5(a) that may be proprietary to the Company or otherwise confidential shall not be disclosed (other than as required by law or by Section 5(b)) without the prior written consent of the Company. Each Purchaser further acknowledges and understands that any information so obtained that may be considered "inside" non-public information shall not be utilized by such Purchaser in connection with purchases and/or sales of the Company's securities except in compliance with applicable state and federal antifraud statutes. The Company may exclude a Purchaser from the distribution of the information to be delivered pursuant hereto if the Board of Directors determines in good faith upon advice of counsel that such exclusion is reasonably necessary to preserve attorney-client privilege or to protect other similar confidential information. The rights and obligations of the parties pursuant to this Section 5(a) shall terminate upon the closing of an Initial Public Offering.

(b) BOARD OBSERVER. So long as Putnam holds at least 2,000,000 Shares, Putnam shall be entitled to designate one non-voting observer (the "NON-VOTING OBSERVER") to attend (but not vote at) all meetings of the Board of Directors and all committees thereof. The Non-Voting Observer shall have the same access to information concerning the business and operations of the Company and at the same time as the directors of the Company, except for such information that the Company reasonably determines it cannot distribute for confidentiality reasons, and shall be entitled to ask questions of the Board of Directors, but shall not be entitled to vote. Putnam's right to nominate the Non-Voting Observer and all rights of the Putnam Non-Voting Observer shall terminate upon the earlier of (a) written notice of termination by Putnam to the Company or (b) the date the Company requests the Commission to accelerate the effectiveness of the Company's registration statement relating to the Initial Public Offering. The rights of any other Purchasers, including the rights to have access to the books and records of the Company and other information as provided above, shall terminate as of the date of the Company's final

prospectus relating to the Initial Public Offering. Subject to any other agreement between the parties, Putnam and any other Purchaser that receives information agrees that the information provided by the Company, officers, directors and employees pursuant to Section 5(a) and Section 5(b) will be used solely for the purpose of evaluating such Purchaser's investment in the Shares and the Conversion Shares, as applicable, and that such information will be kept strictly confidential by such Purchaser; PROVIDED that the foregoing obligation of such Purchaser shall not (a) relate to any information that (i) is or becomes generally available other than as a result of unauthorized disclosure by such Purchaser or by persons to whom such Purchaser has made such information available, (ii) is already in such Purchaser's possession, provided that such information is not subject to another confidentiality agreement with or other obligation of secrecy to the Company or (iii) is or becomes available to such Purchaser on a non-confidential basis from a third party that is not, to such Purchaser's knowledge, bound by any other confidentiality agreement with the Company or its subsidiaries, or (b) prohibit disclosure of any information if required by Law or the rules of any stock exchange. Putnam and each other Purchaser hereby acknowledges that it is aware that the United States securities laws prohibit any person who has received from an issuer or any Affiliate thereof any material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

(c) AMENDED CERTIFICATE. The Company shall, prior to the Closing, cause the Amended Certificate to be filed with the Secretary of State of the State of Delaware.

(d) COOPERATION. Each of the Purchasers and the Company agrees to use its reasonable best efforts to take, or cause to be taken, all such further actions as shall be necessary to make effective and consummate the transactions contemplated by this Agreement.

(e) RESERVE SHARES. The Company will at all times reserve and keep available, solely for issuance and delivery upon conversion of the Shares, the number of shares of common stock from time to time issuable upon conversion of all Shares at the time outstanding (the "CONVERSION SHARES"). All Conversion Shares shall be duly authorized and, when issued upon such conversion in accordance with the Amended Certificate, shall be validly issued, fully paid and nonassessable.

(f) RESTRICTIONS ON TRANSFER. The Purchasers will not, prior to the earlier of (a) December 31, 2004 or (b) the time of the closing of the Initial Public Offering, sell, transfer, assign, convey, gift, mortgage, pledge, encumber, hypothecate, or otherwise dispose of, directly or indirectly, ("TRANSFER") any of the Shares or any Conversion Shares except for (i) Transfers between and among the Purchasers and their Affiliates provided such Transfer is in accordance with the transfer restrictions applicable to the Shares or the Conversion Shares under federal and state securities laws and the Affiliate transferee agrees to be bound by the restrictions applicable to such Shares or Conversion Shares, including without limitation the agreements set forth in this Section 5(f), and (ii) Transfers (x) pursuant to a bona fide tender or exchange offer made pursuant to a merger or other agreement approved by the Board of Directors to acquire securities of the Company, (y) pursuant to any cash merger, or other business combination transaction to which the Company is a party or involved in which the common stock of the Company's stockholders is exchanged for cash upon consummation of such merger or other business

combination or (z) agreed to in writing by the Company. Notwithstanding any other provision of this Section 5(f), no Purchaser shall avoid the provisions of this Section 5(f) by making one or more transfers to one or more Affiliates and then disposing of all or any portion of such Purchaser's interest in any such Affiliate.

(g) PREEMPTIVE RIGHT. If at any time the Company desires to issue or sell any shares of its capital stock or securities convertible, exercisable or exchangeable for the Company's capital stock (other than Non-Preemptive Shares) (the "ADDITIONAL SHARES") to any Person, the Company shall give a written notice (the "ISSUANCE NOTICE") to the Purchasers setting forth the proposed terms of the sale of such Additional Shares and the quantity of Additional Shares to be issued, the proposed issuance date and the price at which such Additional Shares shall be issued. Each of the Purchasers shall have the option to purchase the number of Additional Shares necessary to maintain such Purchaser's percentage of issued and outstanding shares of the Company at the time of the Issuance Notice, which option may be exercised by giving written notice to the Company (the "RESPONSE NOTICE") within 14 days of the Issuance Notice that contains an agreement to purchase all or any portion of the Additional Shares to which such Purchaser is entitled to purchase. Failure by a Purchaser to give the Response Notice to the Company within such 14-day period shall be deemed to be a rejection of such option. For a period of 180 days after any Issuance Notice, the Company shall have the right to issue or sell to any Person (a "THIRD PARTY BUYER") up to the number of Additional Shares specified in the Issuance Notice less the number of Additional Shares subscribed for pursuant to duly tendered Response Notices at the same price and on other terms not materially less favorable to the Company than as specified in the Issuance Notice. At the time of the closing of the sale of the Additional Shares to one or more Third Party Buyers, the Company shall sell to such Purchaser and such Purchaser shall purchase the Additional Shares that such Purchaser agreed to purchase in the Response Notice, at the price and on the terms set forth in the Issuance Notice. If at the end of the 180th day following any Issuance Notice, the Company has not completed the issuance described in the Issuance Notice, each Purchaser that has provided a Response Notice shall be released from its obligations thereunder. If the Company desires to issue or sell Additional Shares, (i) after such 180-day period, (ii) except in connection with an Initial Public Offering, on terms materially less favorable to the Company than as specified in the Issuance Notice, (iii) except in connection with an Initial Public Offering, at a price less than the price specified in the Issuance Notice or (iv) except in connection with an Initial Public Offering, in a quantity greater than as specified in the Issuance Notice, the Company must again comply with this Section 5(g). If the Company desires to take any of the actions set forth in clauses (ii), (iii) or (iv) of the prior sentence in connection with an Initial Public Offering, each Purchaser, at its option, shall be released from its obligations under its Response Notice. The rights and obligations of the parties pursuant to this Section 5(g) shall terminate upon the closing of an Initial Public Offering.

(h) COMPLIANCE WITH SECURITIES LAWS. Such Purchaser understands that the Shares and the Conversion Shares will not be registered under the Securities Act or applicable state securities laws and agrees not to sell, pledge or otherwise transfer any of the Shares and Conversion Shares in the absence of such registration or an opinion of counsel reasonably satisfactory to the Company that such registration is not required, except that the requirement of a legal opinion will not apply to transfers by Putnam to any of its Affiliates. Except as set forth

in the Registration Rights Agreement, such Purchaser acknowledges that the Company is not required to register the Shares or the Conversion Shares.

6. CONDITIONS.

(a) CONDITIONS TO OBLIGATIONS OF THE PURCHASERS. The obligations of the Purchasers to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) The Company shall have performed, satisfied and complied in all material respects with all of its covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing;

(iii) The representations and warranties of the Company in Section 3 shall be true and correct in all material respects as of the date of Closing;

(iv) The Company shall have executed and delivered to each of the Purchasers the Registration Rights Agreement;

(v) The Company shall have obtained sufficient waivers of pre-emptive rights from all holders of capital stock who possess such rights so as to allow the consummation of the transactions contemplated by this Agreement.

(vi) The Amended Certificate shall have been duly filed with the Secretary of State of the State of Delaware in accordance with the laws of the State of Delaware and the Amended Certificate shall be in full force and effect;

(vii) Mayer, Brown, Rowe & Maw shall have delivered an opinion in form and substance reasonably satisfactory to Purchasers;

(viii) The Company shall have delivered a good standing certificate for the Company (or a copy thereof) to each of the Purchasers;

(ix) The Company shall have received all consents, authorizations, and approvals necessary to complete the transactions contemplated hereby, including, without limitation, the Required Consents.

(x) The Company shall have delivered to each Purchaser a certificate of the Company, dated the date of the Closing and executed by the Chief Executive Officer of the Company, certifying as to the fulfillment of the conditions specified in Sections 6(a)(ii), (iii), (vi), (xii) and (xiii) of this Agreement;

(xi) The Company shall have delivered to each Purchaser a certificate of the Company, dated the date of the Closing and executed by the Secretary of the Company,

certifying: (a) the corporate proceedings taken by the Company's Board of Directors and, if required, stockholders approving this Agreement and the Registration Rights Agreement and the transactions contemplated hereby and thereby; (b) the Amended Certificate; and (c) the By-laws of the Company;

(xii) No claim, action, cause of action, suit, litigation, arbitration, investigation, hearing, charge, complaint, demand, notice or proceeding to, from, by or before any Governmental Authority shall be pending or threatened wherein an unfavorable injunction, judgment, order, decree, ruling, or charge would (i) prevent consummation of any of the transactions contemplated by the Agreement or (ii) cause any of the transactions contemplated by the Agreement to be rescinded following consummation (and no such injunction, judgment, order, decree, ruling, or charge shall be in effect); and

(xiii) There shall not have occurred any event, circumstances, condition, fact, effect, or other matter which has had or would reasonably be expected to have a Material Adverse Effect.

(b) CONDITIONS TO OBLIGATIONS OF THE COMPANY. The obligations of the Company to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) Each of the Purchasers shall have executed and delivered to the Company the Registration Rights Agreement;

(iii) The representations and warranties of the Purchasers in Section 4 shall be true and correct in all material respects as of the date of Closing;

(iv) The Company shall have received the Required Consents; and

(v) The Purchasers shall have performed, satisfied and complied in all material respects with all of their covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing Date.

7. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties of the parties contained in this Agreement shall expire on the 18-month anniversary of the Closing, except for those representations and warranties contained in Sections 3(a) through 3(d) which shall expire on the later of (i) the 18-month anniversary of the Closing or (ii) the closing of an Initial Public Offering. After the expiration of such period, any claim by a party based upon any such representation or warranty shall be of no further force and effect, except to the extent a party has given notice to the other party of a claim for breach of any such representation or warranty prior to the expiration of such period, in which event any representation or warranty to which such claim relates shall survive with respect to such claim until such claim is resolved. The covenants and agreements of the parties hereto

contained in this Agreement shall survive the Closing until performed in accordance with their terms.

8. RESTRICTIVE LEGENDS. Each certificate representing any Shares or Conversion Shares shall bear legends in substantially the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE SHALL BE CONVERTIBLE INTO THE COMPANY'S COMMON STOCK IN THE MANNER AND ACCORDING TO THE TERMS SET FORTH IN THE CERTIFICATE OF INCORPORATION. THE COMPANY IS AUTHORIZED TO ISSUE MORE THAN ONE CLASS OR SERIES OF STOCK. AS REQUIRED UNDER DELAWARE LAW, THE COMPANY SHALL FURNISH TO ANY HOLDER UPON REQUEST AND WITHOUT CHARGE, A FULL SUMMARY STATEMENT OF THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE SHARES OF EACH CLASS OR SERIES AUTHORIZED TO BE ISSUED BY THE COMPANY SO FAR AS THEY HAVE BEEN FIXED AND DETERMINED AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO FIX AND DETERMINE THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE CLASSES AND SERIES OF SECURITIES OF THE COMPANY.

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER ANY APPLICABLE STATE LAWS. THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED BY THE REGISTERED OWNER HEREOF FOR INVESTMENT AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH ANY DISTRIBUTION THEREOF WITHIN THE MEANING OF THE 1933 ACT. THE SHARES MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE PROVISIONS OF THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN A TRANSACTION OTHERWISE IN COMPLIANCE WITH APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

THE SALE, PLEDGE, TRANSFER, ASSIGNMENT OR OTHER DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND SUBJECT TO THE PROVISIONS OF A PURCHASE AGREEMENT DATED AS OF FEBRUARY 14, 2002, A COPY OF WHICH IS AVAILABLE UPON REQUEST FOR INSPECTION AT THE OFFICE'S OF THE COMPANY. ANY SUCH REQUEST SHOULD BE ADDRESSED TO THE SECRETARY OF THE COMPANY.

9. SUCCESSORS AND ASSIGNS; NO THIRD PARTY BENEFICIARIES. This Agreement shall bind and inure to the benefit of the Company and the Purchasers and the respective successors, permitted assigns, heirs and personal representatives of the Company and the Purchasers;

PROVIDED that the Company may not assign its rights or obligations under this Agreement to any Person without the prior written consent of the Purchasers, and PROVIDED FURTHER that the Purchasers may not assign their rights or obligations under this Agreement to any Person (other than an Affiliate) without the prior written consent of the Company. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

10. NOTICES. Each notice, demand, request, request for approval, consent, approval, disapproval, designation or other communication (each of the foregoing being referred to herein as a notice) required or desired to be given or made under this Agreement shall be in writing (except as otherwise provided in this Agreement), and shall be effective and deemed to have been received (i) when delivered in person, (ii) when sent by fax with receipt acknowledged, (iii) five days after having been mailed by certified or registered United States mail, postage prepaid, return receipt requested, or (iv) the next business day after having been sent by a nationally recognized overnight mail or courier service, receipt requested. Notices shall be addressed as set forth below:

If to Putnam:

Putnam Investment Management, LLC
Two Liberty Square
Boston, MA 02109
Attn: John Verani
Facsimile: (617) 292-1625

with a copy to:

Ropes & Gray
One International Place
Boston, MA 02110
Attn: Robert L. Nutt, Esq.
Facsimile: (617) 951-7050

If to any of the other Purchasers, at the address set forth under his name on SCHEDULE A.

If to the Company:

CommVault Systems, Inc.
2 Crescent Place
Oceanport, New Jersey 07757
Attn: N. Robert Hammer
Facsimile: (732) 870-4514

With a copy to:

Mayer, Brown, Rowe & Maw
190 S. LaSalle Street
Chicago, Illinois 60603

Attention: Philip J. Niehoff
Facsimile: (312) 701-7711

11. FURTHER ASSURANCES. At any time or from time to time after the Closing, the Company, on the one hand, and the Purchasers, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

12. PUBLIC DISCLOSURE. Except as required by Law or the rules of any stock exchange (in which case the Company shall give Putnam notice at least 24 hours prior to any public announcement containing its name), no public announcement or other publicity regarding the transactions referred to herein shall be made by any of the Purchasers or the Company or any of their respective Affiliates, officers, directors, employees, representatives or agents, without the prior written agreement of the Purchasers and Company, in any case, as to form, content, timing and manner of distribution or publication; PROVIDED, HOWEVER, that nothing in this Section shall prevent such parties from (i) discussing such transactions with those Persons whose approval, agreement or opinion, as the case may be, is required for consummation or subsequent review of such particular transaction or transactions or (ii) disclosing such information about such transactions in a registration statement or prospectus in connection with the Initial Public Offering or (iii) if the disclosing party is a Purchaser, disclosing such Purchaser's investment herein provided that such disclosure does not mention any other Purchaser by name and is approved by the Company in writing. Each of the parties acknowledge and agree that there would be no adequate remedy at Law if it fails to perform its obligations under this Section 12 and accordingly agrees that each of the other parties, in addition to any other remedy to which it may be entitled at Law or in equity, shall be entitled to compel specific performance of the obligations of the first party under this Section 12.

13. WAIVER AND AMENDMENT. With the written consent of the Company and the record holders of 66 2/3% of the Conversion Shares, (i) the obligations of the Company under this Agreement and the rights of the holders of the Conversion Shares under this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively, and either for a specified period of time or indefinitely) or (ii) this Agreement may be amended, changed, discharged or terminated. Notwithstanding the foregoing, (i) if any waiver of any right or rights granted to a Purchaser under this Agreement would uniquely affect such Purchaser, then such waiver may be approved or granted by such Purchaser without the consent or approval of any other Purchaser and (ii) if any waiver or amendment of any right or rights granted to a Purchaser under this Agreement would adversely affect only a given Purchaser, then such amendment or waiver may not be effected without the consent or approval of such affected Purchaser. Neither this Agreement nor any provisions hereof may be amended, changed, waived, discharged or terminated orally, but only by a signed statement in writing.

14. ENTIRE AGREEMENT. This Agreement and the Registration Rights Agreement constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, among the parties hereto and their affiliates with respect to the matters set forth herein.

15. SEVERABILITY. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the other provisions hereof shall not be affected thereby, and there shall be deemed substituted for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue.

16. CAPTIONS. The Section references herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

17. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

18. GOVERNING LAW. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

19. WAIVER OF JURY TRIAL. THE COMPANY AND THE PURCHASERS HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

20. FEES AND EXPENSES. All legal fees and expenses incurred by Ropes & Gray on behalf of Putnam in connection with the negotiation and drafting of this Agreement and the transactions contemplated thereby shall be paid by the Company, up to a total of $40,000. All other costs shall be borne by the party incurring such cost or expense.

21. JOINT PARTICIPATION IN DRAFTING. Each party to this Agreement has participated in the negotiation and drafting of this Agreement. As such, the language used herein shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party to this Agreement.

22. MASSACHUSETTS BUSINESS TRUSTS. A copy of the Agreement and Declaration of Trust of each Putnam fund or series investment company (each a "FUND") that is a Massachusetts business trust is on file with the Secretary of State of the Commonwealth of Massachusetts and notice is hereby given that this Agreement is executed on behalf of the Trustees of the relevant Fund as Trustees and not individually and that the obligations of this Agreement are not binding upon any of the Trustees, officers or shareholders of the Fund individually but are binding only upon the assets and property of such Fund.

* * * *

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first written above.

COMMVAULT SYSTEMS, INC.

By: /S/ N. ROBERT HAMMER

Name: N. ROBERT HAMMER

Title: PRESIDENT & CHIEF EXECUTIVE OFFICER

PUTNAM OTC AND EMERGING GROWTH FUND
PUTNAM FUNDS TRUST-PUTNAM TECHNOLOGY FUND
By Putnam Investment Management, LLC

By: /S/ JOHN R. VERANI

Name: JOHN R. VERANI

Title: SENIOR VICE PRESIDENT

TH LEE, PUTNAM INVESTMENT TRUST -
TH LEE, PUTNAM EMERGING OPPORTUNITIES PORTFOLIO
By TH Lee, Putnam Capital Management, LLC

By: /S/ JOHN R. VERANI

Name: JOHN R. VERANI

Title: SENIOR VICE PRESIDENT

EMC INVESTMENT CORPORATION

By:/S/ ILLEGIBLE

Name:

Title:
---

35 Parkwood Drive
Hopkinton, MA 01748
Attn: Office of the General Counsel
Fax: (508) 497-6915

PURCHASE AGREEMENT

VAN WAGONER CROSSOVER FUNDS, L.P.

By:/S/ WILLIAM X. MINOR

Name: WILLIAM X. MINOR

Title: VAN WAGONER CAPITAL MANAGEMENT LLC GENERAL PARTNER
---
345 California Street
Suite 2450
San Francisco, CA 94104
Facsimile: (415) 835-5050

VAN WAGONER PRIVATE OPPORTUNITIES FUND, L.P.

By:/S/ WILLIAM X. MINOR

Name: WILLIAM X. MINOR

Title: VAN WAGONER CAPITAL MANAGEMENT LLC GENERAL PARTNER
---
345 California Street
Suite 2450
San Francisco, CA 94104
Facsimile: (415) 835-5050

DRW VENTURE PARTNERS LP

By: RBC Dain Rauscher Corporation, its
General Partner

By:/S/ MARY ZIMMER

Name: MARY ZIMMER

Title: DIRECTOR OF FINANCE AND ADMINISTRATION,
RBC CMS
---
60 South 6th Street
Minneapolis, MN 55402
Attn: Mary Zimmer MS 54N2
Facsimile: (612) 373-1610

PURCHASE AGREEMENT

WHEATLEY PARTNERS III, L.P.

By: Wheatley Partners III LLC, its
General Partner

By:/S/ IRWIN LIEBER

Name: IRWIN LIEBER

Title: PRESIDEN
---
80 Cuttermill Road, Suite 311
Great Neck, NY 11021
copy to:
825 Third Avenue, 32nd Floor
New York, NY 10022
Attn: Lawrence Wagenberg
Facsimile: ( )

WHEATLEY ASSOCIATES III, L.P.

By: Wheatley Partners III LLC, its
General Partner

By:/S/ IRWIN LIEBER

Name: IRWIN LIEBER

Title: PRESIDENT

Same address as above

WHEATLEY FOREIGN PARTNERS III, L.P.

By: Wheatley Partners III LLC, its
General Partner

By:/S/ IRWIN LIEBER

Name: IRWIN LIEBER

Title: PRESIDENT

Same address as above

UBS CAPITAL AMERICAS II, LLC

By: UBS Capital Americas, LLC, as advisor

By:/S/ ILLEGIBLE

Name:

Title:

By:/S/ MARC UNGER

Name: MARC UNGER

Title: CHIEF FINANCIAL OFFICER
---

299 Park Avenue, 34th Floor
New York, NY 10171
Fax: (212) 821-6333

AMAN VENTURES

By:/S/ WILLIAM J. BELL

Name: WILLIAM J. BELL

Title: MANAGING PARTNER

1500 Owl Creek Ranch Road
Aspen, CO 81611
Fax: (970) 923-8855

PURCHASE AGREEMENT

/S/ BILL RUSHER

Bill Rusher
142 Sansome Street, 5th Floor
San Francisco, CA 94104
Fax:415-397-2842

/S/ FRANK JUSKA

Frank Juska
142 Sansome Street, 5th Floor
San Francisco, CA 94104
Fax

/S/ MARC FRANCIS

Mark Francis
765 Park Avenue
New York, NY 10021
Fax: 212-816-2176

PURCHASE AGREEMENT

HFI PRIVATE EQUITY LTD.

By: /S/ T. BOGGESS

Name: T. BOGGESS

Title: ALTERNATE DIRECTOR

By: /S/ DAVID W.J. ATWOOD

Name: DAVID W.J. ATWOOD

Title: ALTERNATE DIRECTOR

Clarenden House
2 Church Street
Hamilton HM CX
Bermuda

PURCHASE AGREEMENT

SCHEDULE A

PURCHASERS

NAME AND ADDRESS OF PURCHASER	NUMBER OF SHARES	PRICE
Putnam OTC and Emerging Growth Fund c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	1,277,547	$ 3,999,999.66
TH Lee, Putnam Investment Trust TH Lee, Putnam Emerging Opportunities Portfolio c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	1,916,321	$ 6,000,001.05
Putnam Funds Trust - Putnam Technology Fund c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	319,387	$ 1,000,000.70
Van Wagoner Private Opportunities Fund, L.P. 345 California Street Suite 2450 San Francisco, CA 94104	638,774	$ 2,000,001.39
Van Wagoner Crossover Fund, L.P. 345 California Street Suite 2450 San Francisco, CA 94104	638,774	$ 2,000,001.39
Wheatley Partners III 80 Cuttermill Road, Suite 311 Great Neck, NY 11021 copy to: 825 Third Avenue, 32nd Floor New York, NY 10022 Attn: Lawrence Wagenberg	446,162	$ 1,396,933.22
Wheatley Associates III address same as above	95,860	$ 300,137.66

NAME AND ADDRESS OF PURCHASER	NUMBER OF SHARES	PRICE
Wheatley Foreign Partners III address same as above	96,752	$ 302,930.51
UBS Capital Americas II, LLC 299 Park Avenue, 34th Floor New York, NY 10171	638,774	$ 2,000,001.39
HFI Private Equity Ltd Clarenden House, 2 Church Street Hamilton HM CX Bermuda	373,106	$ 1,168,194.89
Aman Ventures 1500 Owl Creek Ranch Road Aspen, CO 81611	245,352	$ 768,197.11
Mark Francis 765 Park Avenue New York, NY 10021	6,388	$ 20,000.83
EMC Investment Corporation 35 Parkwood Drive Hopkinton, MA 01748	638,774	$ 2,000,001.39
DRW Ventures 60 South 6th Street Minneapolis, MN 55402	7,128	$ 22,317.77
Bill Rusher 142 Sansome Street, 5th Floor San Francisco, CA 94104	1,003	$ 3,140.39
Frank Juska 142 Sansome Street, 5th Floor San Francisco, CA 94104	1,003	$ 3,140.39
TOTAL SERIES CC	7,341,105	$22,984,999.76

SCHEDULE B

SUBSIDIARIES

CommVault Systems (Canada) Inc., a Canadian corporation
CommVault Systems Mexico S de RL de CV, a Mexican company
CommVault Holding Company BV, a Netherlands company
CommVault Systems Netherlands BV, a Netherlands company

SCHEDULE C

1. Employment Agreement, dated as of January 20, 1999 and amended as of May 3, 2001, between the Company and N. Robert Hammer, under which Mr. Hammer has received options to purchase 5,622,400 shares of common stock.

2. Corporate Change of Control Agreements, between the Company and (i) Louis Miceli, (ii) Brian McAteer, (iii) Larry Cormier, (iv) Al Bunte; (v) David West; (vi) Bernardus Veldhoen and (vii) William Beattie.

3. Stock Plan dated as of May 22, 1996, pursuant to which the Company is authorized to issue options to purchase 12,950,000 shares of its common stock of which 12,157,406 shares have been granted.

4. The Company entered into an agreement with Northern Concepts Incorporated ("NCI"), dated as of May 2000 pursuant to which 285,000 shares of the Company's common stock was issued in consideration for the acquisition of the business of NCI by the Company.

5.Preferred Stockholders have (i) conversion rights, pursuant to the Amended Certificate, and (ii) preemptive rights pursuant to (a) the Stockholders' Agreement; (b) the Series AA Purchase Agreement and (c) the Series BB Purchase Agreement.

6. A Warrant to purchase up to 2,616,933 shares of common stock was issued to Microsoft Corporation in connection with the Series AA Purchase Agreement.

7. A Warrant to purchase up to 4,464,536 shares of common stock was issued to EMC Investment Corporation in connection with the Series BB Purchase Agreement.

SCHEDULE D

CORPORATE COMPLIANCE AGREEMENT
EMPLOYEE INVENTION, CONFIDENTIALITY, NON-COMPETITION,
NON-SOLICITATION AND ETHICS AGREEMENT

THIS AGREEMENT is made between me, the undersigned, and CommVault Systems, Inc. and on behalf of CommVault Systems, Inc. and its affiliated companies as they exist from time to time (hereafter referred to collectively as "CommVault"), and in consideration of my employment by CommVault and in consideration for the compensation to be paid to me in connection with this employment:

1. DUTIES. I shall render faithful and efficient services to CommVault and perform exclusively for CommVault such duties as may be designated by CommVault from time to time, which may include the functions of inventing, discovering and developing new and novel devices, methods, and principles relating to the business, research, and development of CommVault.

2. DISCLOSURE OF INVENTIONS. I shall promptly disclose to CommVault in writing all inventions (including, but not limited to, new contributions, concepts, ideas, developments, discoveries, processes, formulas, methods, compositions, techniques, articles, machines, and improvements), all original works of authorship and all related know-how ("Inventions"), whether or not patentable, copyrightable or protectable as trade secrets, conceived or made by me, alone or with others, during the period of my employment with CommVault and, in the case of clauses (b) and (c) below, during the period of my employment by CommVault and at any time after I cease to be employed by CommVault for whatever reason, which (a) relate in any manner to the actual or anticipated business, research, or development of CommVault, (b) are developed using equipment, supplies, facilities, trade secret or confidential information of CommVault, or (c) result from work performed by me or work supervised by me for CommVault.

3. ASSIGNMENT OF INVENTIONS. I shall assign and do hereby assign to CommVault my entire rights to each Invention described in SECTION 2 hereof. As requested by CommVault, I will take all steps reasonably necessary to assist CommVault in obtaining and enforcing any patent, copyright, or other protection which CommVault elects to obtain or enforce, in any country, for the Inventions which I assign to CommVault. I will take no action to jeopardize CommVault's ability to obtain or enforce its rights in such Inventions. My obligation to assist CommVault in obtaining and enforcing patents, copyrights, and other protections shall continue beyond the termination of my employment by CommVault for whatever reason, but CommVault shall compensate me at a reasonable rate after the termination of my employment for time actually spent at CommVault's request providing such assistance. If CommVault is unable, after reasonable effort, to secure my signature on any document needed to apply for, prosecute, or enforce any patent, copyright, or other protection in relation to an Invention, whether because of my physical or mental incapacity or for any other reason

whatsoever, I hereby irrevocably designate and appoint CommVault and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further the prosecution and enforcement of patents, copyrights, or similar protections with the same legal force and effect as if executed by me.

4. COMMVAULT CONFIDENTIAL INFORMATION. Because of my employment by CommVault, I will have access to and will learn techniques, know-how, or other information of a confidential nature concerning CommVault's experimental and development work, trade secrets, procedures, business matters or affairs, including, but not limited to, information relating to inventions, disclosures, processes, systems, methods, formulas, patents, patent applications, machinery, materials, research activities and plans, grant proposals, costs of production, contract forms, prices, business plans, strategies, competitive strengths and weaknesses, volume of sales, promotional methods, and lists of names or classes of customers, as well as information of a confidential nature received from CommVault's customers, joint ventures, collaborators, etc., and information developed solely or jointly by me, included in connection with Inventions ("CommVault Confidential Information"). Information shall, for purposes of this Agreement, be considered to be confidential if not known by the trade generally, even though such information has been disclosed to one or more third parties pursuant to distribution agreements, joint research agreements, other agreements or collaborations entered into by CommVault.

5. PROTECTION OF COMMVAULT CONFIDENTIAL INFORMATION. I shall at all times use my best efforts and exercise utmost diligence to protect and guard CommVault Confidential Information. I will not use CommVault Confidential Information for personal gain or for any purpose outside of my employment by CommVault or disclose any such information to any person or entity either during or subsequent to my employment, without CommVault's prior written consent, except to such an extent as may be necessary in the ordinary course of performing my duties as an employee of CommVault.

6. USE OF COMMVAULT CONFIDENTIAL INFORMATION. I shall not, for my own account or as an officer, member, employee, consultant, representative, or advisor of another, during my employment with CommVault or at any time thereafter for any reason whatsoever, engage in or contribute my knowledge to engineering, development, manufacture, research, business analysis or sales relating to any product, equipment, process, or material that relates in any way to the actual or anticipated business or research and development of CommVault, without the written permission of CommVault. However, the foregoing provision shall not prohibit me from engaging in any work at any time after leaving the employ of CommVault, PROVIDED, that CommVault Confidential Information is not involved in such work AND I am not in violation of any other term of this Agreement or any other agreement entered into between me and CommVault. The provisions of this SECTION 6 shall not be construed as limiting to any extent my continuing obligations pursuant to the provisions in SECTION 5.

7. IMPROPER USE OR DISCLOSURE OF CONFIDENTIAL INFORMATION. I shall not, during my employment with CommVault, or at any time thereafter, improperly use or disclose any proprietary information or trade secrets of any former or current employer or other person or entity and I will not possess or bring onto the premises of CommVault any such proprietary information without the prior written consent of such employer, person or entity.

8. OTHER RESTRICTIONS ON EMPLOYEE. I represent that there are no other agreements or requirements to assign any invention or discovery conceived or made by me, alone or with others, unless I have so indicated at the end of this Agreement.

9. DISCLOSURE IF INVENTIONS. I represent that I have listed and described in detail at the end of this Agreement all inventions, if any, patented and unpatented, which I conceived or made PRIOR to my employment by CommVault. Any invention not so listed and described shall be presumed to have been made during my employment by CommVault.

10. RETURN OF COMMVAULT COMPANY INFORMATION. Upon termination of my employment with CommVault for any reason, I shall disclose and provide to CommVault all originals and all copies which are in my possession or under my control, of all notes, memoranda, records, reports, drawings, blueprints, codes, programs. Software, manuals, materials and data of any nature which are the property of CommVault, which shall include, but not be limited to, every item in my possession or under my control which contains any CommVault Confidential Information.

11. NON-COMPETITION AND NON-SOLICITATION. I acknowledge that because my knowledge of the CommVault Confidential Information and the personal contacts with the customers and employees of CommVault acquired by me during my employment, CommVault would be irreparably damaged should I, in any manner or form, enter into any form of competition with CommVault. I, therefore agree that at all times during my employment and for a period of TWELVE (12) MONTHS thereafter, I will not directly or indirectly, in any individual or representative capacity, carry on, engage or participate in any business that is in competition in any manner whatsoever with the business of CommVault, except as expressly provided for in this Agreement, or as may hereafter be expressly agreed to in writing by CommVault. Further, I agree to not directly or indirectly hire, seek to hire, or refer for other employment any current employee of CommVault nor will I, in any manner or capacity, directly or indirectly: divert or attempt to divert from CommVault, through any means whatsoever, any business or customers of CommVault, during the TWELVE (12) MONTH period following my termination of employment. The phrase "carry on, engage or participate in any business that is in competition in any manner whatsoever with the business of CommVault" shall include, but not be limited to, the doing by you or by any person, firm, corporation, association or other entity that directly or indirectly, through one or more intermediaries, is controlled by, or is under common control with, or controls you, of any of the following acts other than as related to your services to CommVault pursuant to your employment with CommVault: carrying on, engaging in or participating in any such business as a principal, for your own account or solely, or jointly with others as a

partner (general or limited), joint venturer, shareholder or holder of any equity security of any other corporation or entity, or as a consultant, contractor, or subcontractor or agent of or for any person, firm, corporation, association, or other entity or through any agency or by any other means whatsoever; or utilizing for your own benefit, or making available to any person, firm, corporation, association or other entity, any confidential or proprietary proposals, financial statements, governmental filings, cost data, business plans or correspondence relating to such information, or other CommVault Confidential Information. I acknowledge and agree that, in light of the nature of the business of CommVault, the foregoing activity and time period restrictions are reasonable and properly required for the adequate protection of CommVault, and that, in the event any such activity or time period restriction is deemed to be unreasonable or unenforceable by a court of competent jurisdiction, then I agree to submit to the reduction of such activity or time period restriction to the extent necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied by any jurisdiction where enforcement is sought.

12. ETHICS. I understand and agree at all times to: (a) follow the policies and guidelines of CommVault, as set forth by CommVault from time to time; (b) represent CommVault in a professional manner exhibiting appropriate behavior consistent with the highest ethical standards; (c) not make any disparaging comment or statement (written or oral) about CommVault; (d) comply with all applicable federal, state, and local laws, ordinances, regulations and codes, including all Security and Exchange Commission laws and regulations; and, (e) to apply for national security or other governmental clearance, if requested by CommVault.

13. GENERAL

(a) I understand and agree that the restrictions of this Agreement are limited only to those restrictions necessary for the adequate and legitimate protection of CommVault. Each paragraph and subparagraph of this document is separate from each other and constitutes a separate and distinctive covenant. In the event any limitation hereunder is deemed to be unreasonable by a court of competent jurisdiction, then I agree to submit to the reduction of such limitation as the court shall deem reasonable. In the event that I am in violation of any limitation herein, then the time limitation shall be extended for a period of time equal to the period of time during which such breach should occur.

(b) I understand that nothing in this Agreement shall confer upon me any right to continue in the employ of CommVault. I understand that the restrictions contained in this Agreement shall survive the termination of my employment with CommVault for any reason.

(c) I certify that I have not entered into, and I agree to not enter into any agreement, either written or oral, in conflict with this Agreement.

(d) I hereby authorize CommVault to notify others, including, without limitation, customers of CommVault and my future employers, of the terms of this Agreement and my responsibilities hereunder.

(e) This Agreement shall be governed by the laws of the State of New Jersey, without regard to New Jersey choice of law principles, and adjudicated in the courts located in the State of New Jersey. Each paragraph and subparagraph shall be independent and separable from all other paragraphs and subparagraphs, and the invalidity of a paragraph and subparagraph shall not affect the enforceability of any of the other paragraphs and subparagraphs. For purposes of this Agreement, the business of CommVault shall include the business of any corporation, firm, or partnership, directly or indirectly, controlled by, controlling, or under common control with CommVault or any partner or joint venturer of CommVault. For any violation of this Agreement, a restraining order and/or an injunction may be issued against me in addition to any other rights CommVault may have under applicable law. In the event any party to this Agreement is successful in any suit or proceeding brought or instituted with respect to this Agreement or to enforce the Agreement, the prevailing party will be paid by the losing party, in addition to other costs and damages, reasonable attorney's fees and costs.

(f) This Agreement shall be effective during the period of my employment by CommVault and for any periods thereafter as set forth herein, inure to the benefit of any successor or assignee of CommVault, and be binding upon my heirs, administrators, and representatives.

I acknowledge that I am entering into this Agreement knowingly and voluntarily, and that I have had an opportunity to review it with counsel of my choosing.

- ------------------------------------
Employee Signature

Dated:

USE THE SPACE BELOW AND THE BACK OF THIS AGREEMENT (IF NECESSARY) TO LIST ANY AND ALL INVENTIONS CONCEIVED OR MADE BY ME PRIOR TO MY EMPLOYMENT WITH COMMVAULT, AND A DETAILED DESCRIPTION THEREOF, AND OTHER AGREEMENTS OR REQUIREMENTS TO ASSIGN INVENTIONS OR DISCOVERIES, AS DESCRIBED IN SECTIONS 8 AND 9 ABOVE.

SERIES CC PURCHASE AGREEMENT

THIS SERIES CC PURCHASE AGREEMENT (this "AGREEMENT"), dated as of September 2, 2003, is by and between the parties listed on SCHEDULE A hereto (collectively , the "PURCHASERS") and CommVault Systems, Inc., a Delaware corporation (the "COMPANY").

WHEREAS, each of the Purchasers desire to invest in the Company; and

WHEREAS, the Company desires to issue and sell to the Purchasers an aggregate of 4,790,802 shares of its Series CC Preferred Stock (the "SHARES") and the Purchasers desire to purchase the Shares on the terms and subject to the conditions described herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, agreements and warranties herein contained, the parties hereto agree as follows:

1. DEFINITIONS. Capitalized terms that are not defined in the text of this Agreement have the meanings set forth below:

"Additional Shares" has the meaning set forth in SECTION 5(E).

"Affiliate" shall mean, with respect to any specified Person, any other Person which, directly or indirectly, owns, manages or controls, is under common ownership, management or control with, or is owned, managed or controlled by, such specified Person and, with respect to Putnam, any funds or accounts where Putnam Investment Management, LLC or its affiliates, acts as Investment Adviser (as defined in the Investment Advisers Act of 1940, as amended). For purposes of this definition, a Person shall be deemed to control another Person if the first Person owns, manages or holds more than 50% of the voting power of the second Person.

"Amended Certificate" shall mean the Amended and Restated Certificate of Incorporation of the Company in the form of EXHIBIT 2.

"Board of Directors" shall mean the board of directors of the Company.

"Closing" has the meaning set forth in SECTION 2(B).

"Code" shall mean the Internal Revenue Code of 1986 or any successor statute, and the rules and regulations thereunder, collectively and as from time to time amended and in effect.

"Commission" shall mean the Securities and Exchange Commission.

"Conversion Shares" has the meaning set forth in SECTION 5(C).

"Environmental Laws" has the meaning set forth in SECTION 3(R).

"ERISA" shall mean the Employee Retirement Income Security Act of 1974 or any successor statute and the rules and regulations thereunder, collectively and as from time to time amended and in effect.

"Existing Series CC Purchase Agreement" means the Series CC Purchase Agreement, dated as of February 14, 2002, between the Company and the other Persons party thereto.

"Existing Series CC Registration Rights Agreement" means the Registration Rights Agreement, dated as of February 14, 2002, between the Company and the holders of the Series CC Preferred Stock party thereto.

"Financial Statements" has the meaning set forth in SECTION 3(G).

"Governmental Authority" shall mean the government of the United States or any foreign country or any state or political subdivision thereof and any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Initial Public Offering" shall mean the initial public offering or sale of common stock by the Company through underwriters or otherwise, that requires registration, qualification or the filing of a prospectus under the Securities Act.

"Issuance Notice" has the meaning set forth in SECTION 5(E).

"Knowledge" shall mean the actual knowledge (assuming reasonable investigation) of N. Robert Hammer, Louis Miceli, Larry Cormier, Al Bunte and Brian McAteer and the other senior executives of the Company.

"Law" shall mean any law, statute, regulation, ordinance, rule, order, decree, judgment, consent decree, settlement agreement or governmental requirement enacted, promulgated, entered into, agreed or imposed by any Governmental Authority.

"Lien" shall mean any mortgage, lien (except for any lien for taxes not yet due and payable), charge, restriction, pledge, security interest, option, lease or sublease, claim, right of any third party, easement, encroachment or encumbrance.

"Litigation" has the meaning set forth in SECTION 3(E).

"Material Adverse Effect" shall mean an effect on the business, operations, assets, liabilities, results of operations, cash flows or condition (financial or otherwise) of the Company which is material and adverse.

"Non-Preemptive Shares" shall mean any voting shares of the capital stock of the Company issued, sold, granted or conveyed (i) as consideration in any acquisition of all or a portion of any Person or a merger or combination with any Person duly authorized by the Board of Directors, (ii) to any current or new director, officer, employee or consultant of the Company pursuant to any plan or arrangement, now or hereafter existing, duly authorized by the Board of Directors, (iii) any shares of capital stock issued in connection with the antidilution rights of any Person or (iv) pursuant to any of the items listed on SCHEDULE C.

"Person" shall mean any individual, corporation, proprietorship, firm, partnership, limited liability company, limited partnership, trust, association, Massachusetts business trust or other entity.

"Preferred Stock" shall mean, collectively, the Company's issued and outstanding Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series AA Preferred Stock, Series BB Preferred Stock and Series CC Preferred Stock.

"Proprietary Assets" has the meaning set forth in SECTION 3(F).

"Proprietary Software" has the meaning set forth in SECTION 3(F).

"Purchase Price" has the meaning set forth in SECTION 2(A).

"Putnam" means funds and accounts managed by Affiliates of Putnam Investments, LLC.

"Registration Rights Agreement" shall mean the Amended and Restated Series CC Registration Rights Agreement (amending and restating the Existing Series CC Registration Rights Agreement) to which Purchasers shall become a party as of the Closing in the form of EXHIBIT 1.

"Required Consents" means (i) the approval of the Amended Certificate by the Company's stockholders and the filing of such certificate with the Delaware Secretary of State, (ii) approval of amendments to the Series AA Registration Rights Agreement, the Series BB Registration Rights Agreement, the Existing Series CC Registration Rights Agreement and the Stockholders' Agreement and (iii) waivers by the holders of the Company's Preferred Stock of preemptive rights to purchase the Shares.

"Response Notice" has the meaning set forth in SECTION 5(E).

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Series AA Purchase Agreement" shall mean the Purchase Agreement, dated as of April 14, 2000 between the Company and the other Persons party thereto.

"Series AA Registration Rights Agreement" shall mean the Amended and Restated Registration Rights Agreement, dated as of February 14, 2002, between the Company and the holders of the Company's Series AA Preferred Stock.

"Series BB Purchase Agreement" shall mean the Purchase Agreement, dated as of November 10, 2000, by and between the Company and the other Persons party thereto.

"Series BB Registration Rights Agreement" shall mean the Amended and Restated Registration Rights Agreement, dated as of February 14, 2002, between the Company and the holders of the Series BB Preferred Stock.

"Share" has the meaning set forth in the preamble.

"Stock Plan" shall mean the Company's stock plan, as described on SCHEDULE C.

"Stockholders' Agreement" shall mean the stockholders' agreement, dated as of May 22, 1996, and as further amended, between the Company and certain of its stockholders.

"Subsidiaries" shall mean the Persons set forth on SCHEDULE B.

"Third Party Buyer" has the meaning set forth in SECTION 5(E).

"Transfer" has the meaning set forth in SECTION 5(D).

2. PURCHASE AND SALE OF SHARES.

(a) PURCHASE PRICE. Subject to the terms and conditions set forth in this Agreement, at the Closing (as hereinafter defined), the Purchasers shall purchase, and the Company shall issue and sell to the Purchasers the Shares for an aggregate purchase price (the "Purchase Price") of $15,000,001.06. The number of Shares being sold to each Purchaser and the portion of the Purchase Price attributable thereto is set forth on SCHEDULE A hereto.

(b) CLOSING. The closing (the "Closing") of the transactions described herein shall occur at 10:00 a.m. on the date hereof, at the offices of Mayer, Brown, Rowe & Maw LLP, 190 S. LaSalle Street, Chicago, IL 60603, or such other place and time as agreed upon by the Purchasers and the Company. At the Closing, the Purchasers shall pay the Company the Purchase Price in cash by wire transfer of immediately available funds to an account designated by the Company, which designation shall occur at least two business days before the Closing, and the Company shall deliver to each Purchaser a certificate representing the Shares purchased by such Purchaser; PROVIDED, that, if so requested by a Purchaser that is an Affiliate of Putnam, the Company will deliver such certificate to such Purchaser's custodian at least one business day prior to the Closing pursuant to an escrow arrangement reasonably acceptable to such custodian, the Company and Putnam.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to each of the Purchasers:

(a) DUE INCORPORATION; SUBSIDIARIES. Each of the Company and the Subsidiaries is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted. Each of the Company and the Subsidiaries is licensed or qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the nature of the properties owned, leased or operated by it and the businesses transacted by it require such licensing or qualification, except where the failure to be so licensed or qualified would not individually or in the aggregate have a Material Adverse Effect. Except as set forth on SCHEDULE B, the Company has no direct or indirect subsidiaries, either wholly or partially owned, and the Company does not hold any direct or indirect economic, voting or management interest in any Person or directly or indirectly own any security issued by any Person. Each Subsidiary is wholly owned by the Company.

(b) DUE AUTHORIZATION. The Company has full power and authority to enter into this Agreement and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement have been duly and validly approved by the board of directors of the Company and no other actions or proceedings on the part of the Company are necessary to authorize this Agreement, the Registration Rights Agreement and the transactions contemplated hereby and thereby. The Company has duly and validly executed and delivered this Agreement and has duly and validly executed and delivered the Registration Rights Agreement. This Agreement constitutes legal, valid and binding obligations of the Company and the Registration Rights Agreement upon execution and delivery by the Company will constitute legal, valid and binding obligations of the Company, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(c) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement that has not been received by the Company is necessary in connection with the execution, delivery and performance by the Company of this Agreement and the execution, delivery and performance by the Company of the Registration Rights Agreement or the consummation of the transactions contemplated hereby or thereby (including, without limitation, the offer, issuance, sale and delivery of the Shares and the Conversion Shares).

(ii) The execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement or the consummation of the transactions contemplated hereby and thereby do not and will not (1) violate any Law; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of the Company under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which the Company, is a party or by which the Company or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of the Company or indebtedness secured by its assets or properties; or (4) violate or conflict with any provision of any of the Amended Certificate or by-laws of the Company.

(d) CAPITALIZATION.

(i) The authorized capital stock of the Company is as described in the Amended Certificate. The outstanding capital stock of the Company immediately prior to the Closing and before the issuance of the Shares is as follows: (i) 2,039,717 shares of Series A Preferred Stock, (ii) 346,000 shares of Series B Preferred Stock, (iii) 333,333 shares of Series C Preferred Stock, (iv) 247,204 shares of Series D Preferred Stock, (v) 200,000 shares of Series E Preferred Stock, (vi) 4,361,555 shares of Series AA Preferred Stock, (vii) 2,758,358 shares of

Series BB Preferred Stock, (viii) 7, 341,105 shares of Series CC Preferred Stock and (ix) 39,786,975 shares of Common Stock. All of the outstanding capital stock of the Company and each Subsidiary (i) is validly issued, fully paid and nonassessable and (ii) is free of preemptive rights (except as provided in the Stockholders' Agreement, Series AA Purchase Agreement, the Series BB Purchase Agreement, the Existing Series CC Purchase Agreement and this Agreement). When issued, the Shares and the Conversion Shares will be validly issued, fully paid and nonassessable and will not have been issued in violation of any preemptive rights or rights of first refusal. The authorized capital stock as described in the Amended Certificate contains a sufficient number of shares of common stock for issuance of the Conversion Shares.

(ii) Except as set forth above or on SCHEDULE C, there are no shares of capital stock or other securities (whether or not such securities have voting rights) of the Company issued or outstanding or any subscriptions, options, warrants, calls, rights, convertible securities or other agreements or commitments of any character obligating the Company to issue, transfer or sell, or cause the issuance, transfer or sale of, any shares of its capital stock or other securities (whether or not such securities have voting rights). Except as set forth in SCHEDULE C, there are no outstanding contractual obligations of the Company which relate to the purchase, sale, issuance, repurchase, redemption, acquisition, transfer, disposition, holding or voting of any shares of its capital stock or other securities. After giving effect to the issuance of the Shares (and antidilution adjustments resulting therefrom), the maximum number of shares of common stock that the Company has issued and would be obligated to issue as of the date hereof is 82,877,864 shares on a fully diluted basis.

(e) LITIGATION.

(i) There is no claim, action, suit, investigation or proceeding ("LITIGATION") pending or, to the Knowledge of the Company, threatened against the Company or any Subsidiary, or involving any of its properties or assets by or before any court, arbitrator or other Governmental Entity which (1) in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or (2) if resolved adversely to the Company or any Subsidiary, would reasonably be expected to have a Material Adverse Effect.

(ii) Neither the Company nor any Subsidiary is in default under or in breach of any order, judgment or decree of any court, arbitrator or other Governmental Authority.

(f) INTELLECTUAL PROPERTY.

(i) The Company owns all right, title and interest in, or, to the Knowledge of the Company, has the right to use: all patents and the inventions claimed therein; trademarks, service marks and trade names, together with associated goodwill; copyrights and copyrightable work; Internet domain names; registrations and applications relating to any of the foregoing; know-how, processes, formulae, algorithms, models, methodologies and trade secrets; computer programs, including any and all software implementations of algorithms, models and methodologies whether in source code or object code form; databases and compilations, including any and all data, all documentation, including user manuals and training materials, related to any of the foregoing; and the content and information contained on any Company Web

site; and other confidential and proprietary information (collectively, the "Proprietary Assets") used in its business as now conducted and as presently proposed to be conducted. To the Knowledge of the Company, no person or entity has any ownership right, title, interest, claim in or Lien on any of the Company's Proprietary Assets. No current or former employee, officer, director or consultant of the Company has any ownership right, right to use, title, interest, claim in or Lien on any of the Company's Proprietary Assets. Except for licenses granted in the ordinary course of business in connection with the sale of the Company's products, the Company has not granted and, to the Knowledge of the Company, there are not outstanding, any options, licenses or agreements of any kind relating to any Proprietary Asset of the Company, nor has the Company granted and, to the Knowledge of the Company, is the Company bound by or a party to, any option, license or agreement of any kind with respect to any of its Proprietary Assets. No settlement agreements, consents, judgments, orders, forbearance to sue or similar obligations limit or restrict the Company's rights in and to any Proprietary Assets.

(ii) To the Knowledge of the Company, the Company has not violated, misappropriated, diluted or infringed, and would not, by conducting its business as currently proposed, violate, misappropriate, dilute or infringe, any intellectual property right in any Proprietary Asset of any other Person. There is no claim, action, suit, investigation or proceeding pending or, to the Knowledge of the Company, threatened against the Company which would affect in any way any of its Proprietary Assets by or before any court, arbitrator or other Governmental Entity. To the Knowledge of the Company, no third party has violated, misappropriated, diluted or infringed any intellectual property right in any Proprietary Asset of the Company.

(iii) The Company takes all reasonable measures to protect the confidentiality of its trade secrets including requiring third parties having access thereto to execute written nondisclosure agreements. Each employee of the Company hired after January 1, 1998 has signed an Employee Inventions and Confidentiality Agreement substantially in the form attached hereto as SCHEDULE D.

(iv) All material Proprietary Assets owned or used by the Company have been duly maintained, are valid and subsisting, in full force and effect and have not been cancelled, expired or abandoned. The execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement, and the consummation of the transactions contemplated hereby and thereby will not result in the loss or impairment of the Company's rights to own or use any of the Proprietary Assets, nor will such consummation require the consent of any third party in respect of any Proprietary Assets.

(v) Except for Microsoft Corporation's SQL product, which Microsoft Corporation has licensed to the Company (with rights to further sublicense such software), the Company's software products (the "PROPRIETARY SOFTWARE") were either developed (a) by employees of the Company within the scope of their employment; (b) by independent contractors as "works-made-for-hire," as that term is defined under Section 101 of the United States Copyright Act, 17 U.S.C. ss. 101, pursuant to written agreement; or (c) by third parties who have assigned all of their rights therein to the Company pursuant to a written agreement. No former or present employees, officers or directors of the Company, or any other third parties retain any rights of ownership or use of the Proprietary Software, and no employees or third parties who

have developed or participated in the development of the Proprietary Software have any claims to any moral rights therein.

(g) FINANCIAL STATEMENTS. The Company has furnished to each of the requesting Purchasers audited financial statements as of, and for, the year ended March 31, 2003, including a balance sheet and statement of income (collectively, the "FINANCIAL STATEMENTS"). The Financial Statements are complete and correct, are in accordance with the books and records of the Company and present fairly in all material respects the financial condition and results of operations of the Company, at the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles consistently applied.

(h) ABSENCE OF UNDISCLOSED LIABILITIES. The Company does not have any liability (whether known or unknown and whether absolute or contingent), except for (a) liabilities shown on the face of the Financial Statements and (b) liabilities that have arisen since March 31, 2003 in the ordinary course of business that are not material.

(i) ABSENCE OF CHANGES. Since March 31, 2003, the Company has conducted its business in the ordinary course, consistent with past practice and there has not been any event or condition which has had or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(j) CONTRACTS. The Company does not have and is not bound by any contract, agreement, lease or commitment, other than (i) contracts for the purchase of supplies and services or the licensing of technology that were entered into in the ordinary course of business that do not involve more than $250,000 per year and do not extend for more than one year, (ii) sales contracts entered into in the ordinary course of business, (iii) the leases for the Company's office or other space, (iv) contracts terminable at will by the Company on no more than 30 days' notice without cost or liability to the Company, (v) an agreement with Microsoft Corporation, dated as of April 12, 2000, or (vi) other contracts the loss of which would not have a Material Adverse Effect. The Company has provided the Purchasers with a copy of all its material contracts. To the Knowledge of the Company, all of the contracts to which it is a party are valid and binding and are in full force and effect as of the date of this Agreement.

(k) REGISTRATION RIGHTS. Other than the Registration Rights Agreement, the Series AA Registration Rights Agreement, the Series BB Registration Rights Agreement, the Existing Series CC Registration Rights Agreement, the Stockholders Agreement and the piggyback registration rights granted pursuant to the purchase agreement listed in paragraph 4 of SCHEDULE C, the Company has not granted any registration rights to any party for any of its securities.

(l) COMPLIANCE WITH LAWS. The Company and each Subsidiary are in compliance in all material respects with all applicable Laws. All securities issued by the Company prior to the date hereof have been issued in transactions exempt from the registration requirements of Section 5 of the Securities Act.

(m) OFFERING OF SHARES. Neither the Company nor any Person acting on its behalf has taken or will take any action (including, without limitation, any offering of any securities of the Company under circumstances which would require, under the Securities Act, the integration of

such offering with the offering and sale of the Shares) which might reasonably be expected to subject the offering, issuance or sale of the Shares to the registration requirements of the Securities Act. Subject to the continuing accuracy of the Purchasers' representations in Section 4, the offer, sale and issuance of the Shares and the Conversion Shares in accordance with the terms of this Agreement and the Amended Certificate constitute or will constitute transactions exempt from the registration requirements of Section 5 of the Securities Act.

(n) BROKERS. Except for fees and commissions payable to C.E. Unterberg, Towbin by the Company, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

(o) INSURANCE COVERAGE. The Company maintains in full force and effect insurance coverage that the Company reasonably believes to be adequate against all liabilities, claims and risks against which it is customary for comparably situated companies to insure.

(p) EMPLOYEES. To the Company's Knowledge, no executive, key employee, or group of employees has any plans to terminate employment with the Company. The Company is in compliance in all material respects with all applicable Laws regarding employment and employment practices and terms and conditions of employment.

(q) ERISA. The Company does not have or otherwise contribute to or participate in any employee benefit plan subject to Title IV of ERISA.

(r) ENVIRONMENTAL MATTERS. The Company is not in violation of any statute, rule, regulation, decision or order of any Governmental Authority relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, "ENVIRONMENTAL LAWS"), does not own or operate any real property contaminated with any substance that is subject to any Environmental Laws, is not liable for any off-site disposal or contamination pursuant to any Environmental Laws, and is not subject to any claim relating to any Environmental Laws, which violation, contamination, liability or claim would individually or in the aggregate have a Material Adverse Effect; and the Company has no Knowledge of any pending investigation that might lead to such a claim.

(s) AFFILIATED TRANSACTIONS. Other than the Stockholders' Agreement, the Series AA Purchase Agreement, the Series AA Registration Rights Agreement, the Series BB Purchase Agreement, the Series BB Registration Rights Agreement, agreements for certain advisory services with Credit Suisse First Boston Corporation and/or its Affiliates, the Company's Employment Agreement with N. Robert Hammer and the side letters with holders of the Company's Series A through E Preferred Stock dated February 14, 2002, the Company is not, nor has it been, a party to or bound by any contract, agreement, lease or commitment with any of the Affiliates of the Company, other than on arms-length terms which are no less favorable to the Company than those which could be obtained with a third party which is not an Affiliate of the Company and no Affiliate of the Company owns or otherwise has any rights to or interests in any asset, tangible or intangible, which is used in the conduct of the Company's business.

(t) NO ILLEGAL PAYMENTS. In connection with the conduct of the Company's business, none of the Company nor any of their directors or officers nor, to the Company's Knowledge, any of their employees or agents, has (x) directly or indirectly given or agreed to give any illegal gift, contribution, payment or similar benefit to any supplier, customer, governmental official or employee or other person who was, is or may be in a position to help or hinder the Company (or assist in connection with any actual or proposed transaction) or made or agreed to make any illegal contribution, or reimbursed any illegal political gift or contribution made by any other person, to any candidate for federal, state, local or foreign public office (i) which might subject the Company to any damage or penalty in any civil, criminal or governmental litigation or proceeding or (ii) the non-continuation of which has had or might have a Material Adverse Effect or (y) established or maintained any unrecorded fund or asset or made any false entries on any books or records for any purpose.

(u) DISCLOSURE. The representations and warranties contained in this Section 3 (including any schedules and exhibits required to be delivered by the Company to the Purchasers pursuant to this Agreement) and any certificate furnished or to be furnished by the Company to the Purchasers do not contain and on the date of the Closing will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements and information contained in this Section 3 not misleading.

4. REPRESENTATIONS AND WARRANTIES OF PURCHASERS. Each of the Purchasers severally but not jointly hereby represents and warrants to the Company as follows:

(a) DUE INCORPORATION. Such Purchaser, if not an individual, is duly organized or duly formed, validly existing and in good standing under the laws of its jurisdiction of organization, with all requisite power and authority to own, lease and operate its properties and to carry on its business as they are now being owned, leased, operated and conducted.

(b) DUE AUTHORIZATION. Such Purchaser, if not an individual, has full power and authority to enter into this Agreement and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement have been duly and validly approved by its governing body empowered to authorize the transactions contemplated by this Agreement and the Registration Rights Agreement and no other actions or proceedings on the part of such Purchaser are necessary to authorize this Agreement, the Registration Rights Agreement and the transactions contemplated hereby and thereby. Such Purchaser, if an individual, has the legal capacity to enter into this Agreement and the Registration Rights Agreement.

(c) DUE EXECUTION; BINDING EFFECT. Such Purchaser has validly executed and delivered this Agreement and has duly and validly executed and delivered (or prior to or at the Closing will duly and validly execute and deliver) the Registration Rights Agreement. This Agreement constitutes legal, valid and binding obligations of such Purchaser and such Purchaser's Related Agreements upon execution and delivery by such Purchaser (as applicable) will constitute legal, valid and binding obligations of such Purchaser, in each case, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which

affect the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies.

(d) CONSENTS AND APPROVALS; AUTHORITY RELATIVE TO THIS AGREEMENT.

(i) No consent, authorization or approval of, filing or registration with, or cooperation from, any Governmental Authority or any other Person not a party to this Agreement is necessary in connection with the execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement and the consummation by such Purchaser of the transactions contemplated hereby and thereby.

(ii) The execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement do not and will not (1) violate any Law applicable to such Purchaser; (2) violate or conflict with, result in a breach or termination of, constitute a default or give any third party any additional right (including a termination right) under, permit cancellation of, result in the creation of any Lien upon any of the assets or properties of such Purchaser under, or result in or constitute a circumstance which, with or without notice or lapse of time or both, would constitute any of the foregoing under, any contract to which Purchaser is a party or by which such Purchaser or any of its assets or properties are bound; (3) permit the acceleration of the maturity of any indebtedness of such Purchaser or indebtedness secured by its assets or properties; or (4) if such Purchaser is not an individual, violate or conflict with any provision of such Purchaser's organizational documents.

(e) BROKERS. No broker, lender or investment banker is entitled to any brokerage, lender's or other fee or commission from any party in connection with the transactions contemplated by this Agreement based on arrangements made by or on behalf of such Purchaser.

(f) PURCHASE FOR INVESTMENT. Such Purchaser is purchasing the Shares hereunder for investment without any intent of the distribution thereof within the meaning of the Securities Act.

(g) ACCREDITED INVESTOR. Such Purchaser is an "accredited investor" within the meaning of Regulation 501(a) under the Securities Act and is able to bear the economic risk of acquisition of the Shares, can afford to sustain a total loss on such investment, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of the proposed investment. Such Purchaser has been furnished the opportunity to ask questions of and receive answers from representatives of the Company concerning the business and financial affairs of the Company.

5. COVENANTS.

(a) AMENDED CERTIFICATE. The Company shall, prior to the Closing, cause the Amended Certificate to be filed with the Secretary of State of the State of Delaware.

(b) COOPERATION. Each of the Purchasers and the Company agrees to use its reasonable best efforts to take, or cause to be taken, all such further actions as shall be necessary to make effective and consummate the transactions contemplated by this Agreement.

(c) RESERVE SHARES. The Company will at all times reserve and keep available, solely for issuance and delivery upon conversion of the Shares, the number of shares of common stock from time to time issuable upon conversion of all Shares at the time outstanding (the "CONVERSION SHARES"). All Conversion Shares shall be duly authorized and, when issued upon such conversion in accordance with the Amended Certificate, shall be validly issued, fully paid and nonassessable.

(d) RESTRICTIONS ON TRANSFER. The Purchasers will not, prior to the earlier of (a) December 31, 2005 or (b) the time of the closing of the Initial Public Offering, sell, transfer, assign, convey, gift, mortgage, pledge, encumber, hypothecate, or otherwise dispose of, directly or indirectly, ("TRANSFER") any of the Shares or any Conversion Shares except for (i) Transfers between and among the Purchasers and their Affiliates provided such Transfer is in accordance with the transfer restrictions applicable to the Shares or the Conversion Shares under federal and state securities laws and the Affiliate transferee agrees to be bound by the restrictions applicable to such Shares or Conversion Shares, including without limitation the agreements set forth in this SECTION 5(D), and (ii) Transfers (x) pursuant to a bona fide tender or exchange offer made pursuant to a merger or other agreement approved by the Board of Directors to acquire securities of the Company, (y) pursuant to any cash merger, or other business combination transaction to which the Company is a party or involved in which the common stock of the Company's stockholders is exchanged for cash upon consummation of such merger or other business combination or (z) agreed to in writing by the Company. Notwithstanding any other provision of this SECTION 5(D), no Purchaser shall avoid the provisions of this SECTION 5(D) by making one or more transfers to one or more Affiliates and then disposing of all or any portion of such Purchaser's interest in any such Affiliate.

(e) PREEMPTIVE RIGHT. If at any time the Company desires to issue or sell any shares of its capital stock or securities convertible, exercisable or exchangeable for the Company's capital stock (other than Non-Preemptive Shares) (the "ADDITIONAL SHARES") to any Person, the Company shall give a written notice (the "ISSUANCE NOTICE") to the Purchasers setting forth the proposed terms of the sale of such Additional Shares and the quantity of Additional Shares to be issued, the proposed issuance date and the price at which such Additional Shares shall be issued. Each of the Purchasers shall have the option to purchase the number of Additional Shares necessary to maintain such Purchaser's percentage of issued and outstanding shares of the Company at the time of the Issuance Notice, which option may be exercised by giving written notice to the Company (the "RESPONSE NOTICE") within 14 days of the Issuance Notice that contains an agreement to purchase all or any portion of the Additional Shares to which such Purchaser is entitled to purchase. Failure by a Purchaser to give the Response Notice to the Company within such 14-day period shall be deemed to be a rejection of such option. For a period of 180 days after any Issuance Notice, the Company shall have the right to issue or sell to any Person (a "THIRD PARTY BUYER") up to the number of Additional Shares specified in the Issuance Notice less the number of Additional Shares subscribed for pursuant to duly tendered Response Notices at the same price and on other terms not materially less favorable to the Company than as specified in the Issuance Notice. At the time of the closing of the sale of the Additional Shares to one or more Third Party Buyers, the Company shall sell to such Purchaser and such Purchaser shall purchase the Additional Shares that such Purchaser agreed to purchase in the Response Notice, at the price and on the terms set forth in the Issuance Notice. If at the end of the 180th day following any Issuance Notice, the Company has not completed the

issuance described in the Issuance Notice, each Purchaser that has provided a Response Notice shall be released from its obligations thereunder. If the Company desires to issue or sell Additional Shares, (i) after such 180-day period, (ii) except in connection with an Initial Public Offering, on terms materially less favorable to the Company than as specified in the Issuance Notice, (iii) except in connection with an Initial Public Offering, at a price less than the price specified in the Issuance Notice or (iv) except in connection with an Initial Public Offering, in a quantity greater than as specified in the Issuance Notice, the Company must again comply with this SECTION 5(E). If the Company desires to take any of the actions set forth in clauses (ii), (iii) or (iv) of the prior sentence in connection with an Initial Public Offering, each Purchaser, at its option, shall be released from its obligations under its Response Notice. The rights and obligations of the parties pursuant to this SECTION 5(E) shall terminate upon the closing of an Initial Public Offering.

(f) COMPLIANCE WITH SECURITIES LAWS. Such Purchaser understands that the Shares and the Conversion Shares will not be registered under the Securities Act or applicable state securities laws and agrees not to sell, pledge or otherwise transfer any of the Shares and Conversion Shares in the absence of such registration or an opinion of counsel reasonably satisfactory to the Company that such registration is not required, except that the requirement of a legal opinion will not apply to transfers by Putnam to any of its Affiliates. Except as set forth in the Registration Rights Agreement, such Purchaser acknowledges that the Company is not required to register the Shares or the Conversion Shares.

6. CONDITIONS.

(a) CONDITIONS TO OBLIGATIONS OF THE PURCHASERS. The obligations of the Purchasers to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any Governmental Authority shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) The Company shall have performed, satisfied and complied in all material respects with all of its covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing;

(iii) The representations and warranties of the Company in Section 3 shall be true and correct in all material respects as of the date of Closing;

(iv) The Company shall have executed and delivered to each of the Purchasers the Registration Rights Agreement;

(v) The Company shall have obtained sufficient waivers of pre-emptive rights from all holders of capital stock who possess such rights so as to allow the consummation of the transactions contemplated by this Agreement;

(vi) The Amended Certificate shall have been duly filed with the Secretary of State of the State of Delaware in accordance with the laws of the State of Delaware and the Amended Certificate shall be in full force and effect;

(vii) Mayer, Brown, Rowe & Maw LLP shall have delivered an opinion in form and substance reasonably satisfactory to Purchasers;

(viii) The Company shall have delivered a good standing certificate for the Company (or a copy thereof) to each of the Purchasers;

(ix) The Company shall have received all consents, authorizations, and approvals necessary to complete the transactions contemplated hereby, including, without limitation, the Required Consents;

(x) The Company shall have delivered to each Purchaser a certificate of the Company, dated the date of the Closing and executed by the Chief Executive Officer of the Company, certifying as to the fulfillment of the conditions specified in Sections 6(a)(ii), (iii), (vi), (xii) and (xiii) of this Agreement;

(xi) The Company shall have delivered to each Purchaser a certificate of the Company, dated the date of the Closing and executed by the Secretary of the Company, certifying: (a) the corporate proceedings taken by the Company's Board of Directors and, if required, stockholders approving this Agreement and the Registration Rights Agreement and the transactions contemplated hereby and thereby; (b) the Amended Certificate; and (c) the By-laws of the Company;

(xii) No claim, action, cause of action, suit, litigation, arbitration, investigation, hearing, charge, complaint, demand, notice or proceeding to, from, by or before any Governmental Authority shall be pending or threatened wherein an unfavorable injunction, judgment, order, decree, ruling, or charge would (i) prevent consummation of any of the transactions contemplated by this Agreement or (ii) cause any of the transactions contemplated by this Agreement to be rescinded following consummation (and no such injunction, judgment, order, decree, ruling, or charge shall be in effect); and

(xiii) There shall not have occurred any event, circumstances, condition, fact, effect, or other matter which has had or would reasonably be expected to have a Material Adverse Effect.

(b) CONDITIONS TO OBLIGATIONS OF THE COMPANY. The obligation of the Company to consummate the transactions contemplated hereby shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

(i) No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the consummation of the transactions contemplated hereby;

(ii) Each of the Purchasers shall have executed and delivered to the Company the Registration Rights Agreement;

(iii) The representations and warranties of the Purchasers in Section 4 shall be true and correct in all material respects as of the date of Closing;

(iv) The Company shall have received the Required Consents; and

(v) The Purchasers shall have performed, satisfied and complied in all material respects with all of their covenants and agreements set forth in this Agreement to be performed, satisfied and complied with prior to or at the Closing.

7. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties of the parties contained in this Agreement shall expire on the 18-month anniversary of the Closing, except for those representations and warranties contained in Sections 3(a) through 3(d) which shall expire on the later of (i) the 18-month anniversary of the Closing or (ii) the closing of an Initial Public Offering. After the expiration of such period, any claim by a party based upon any such representation or warranty shall be of no further force and effect, except to the extent a party has given notice to the other party of a claim for breach of any such representation or warranty prior to the expiration of such period, in which event any representation or warranty to which such claim relates shall survive with respect to such claim until such claim is resolved. The covenants and agreements of the parties hereto contained in this Agreement shall survive the Closing until performed in accordance with their terms.

8. RESTRICTIVE LEGENDS. Each certificate representing any Shares or Conversion Shares shall bear legends in substantially the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE SHALL BE CONVERTIBLE INTO THE COMPANY'S COMMON STOCK IN THE MANNER AND ACCORDING TO THE TERMS SET FORTH IN THE CERTIFICATE OF INCORPORATION AS AMENDED AND/OR RESTATED FROM TIME TO TIME. THE COMPANY IS AUTHORIZED TO ISSUE MORE THAN ONE CLASS OR SERIES OF STOCK. AS REQUIRED UNDER DELAWARE LAW, THE COMPANY SHALL FURNISH TO ANY HOLDER UPON REQUEST AND WITHOUT CHARGE, A FULL SUMMARY STATEMENT OF THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE SHARES OF EACH CLASS OR SERIES AUTHORIZED TO BE ISSUED BY THE COMPANY SO FAR AS THEY HAVE BEEN FIXED AND DETERMINED AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO FIX AND DETERMINE THE DESIGNATIONS, VOTING RIGHTS, PREFERENCES, LIMITATIONS AND SPECIAL RIGHTS OF THE CLASSES AND SERIES OF SECURITIES OF THE COMPANY.

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER ANY APPLICABLE STATE LAWS. THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED BY THE REGISTERED OWNER HEREOF FOR INVESTMENT AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH ANY DISTRIBUTION THEREOF WITHIN THE MEANING OF THE 1933 ACT.

THE SHARES MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE PROVISIONS OF THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN A TRANSACTION OTHERWISE IN COMPLIANCE WITH APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

THE SALE, PLEDGE, TRANSFER, ASSIGNMENT OR OTHER DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND SUBJECT TO THE PROVISIONS OF A PURCHASE AGREEMENT DATED AS OF SEPTEMBER 2, 2003, A COPY OF WHICH IS AVAILABLE UPON REQUEST FOR INSPECTION AT THE OFFICE'S OF THE COMPANY. ANY SUCH REQUEST SHOULD BE ADDRESSED TO THE SECRETARY OF THE COMPANY.

9. SUCCESSORS AND ASSIGNS; NO THIRD PARTY BENEFICIARIES. This Agreement shall bind and inure to the benefit of the Company and the Purchasers and the respective successors, permitted assigns, heirs and personal representatives of the Company and the Purchasers; PROVIDED that the Company may not assign its rights or obligations under this Agreement to any Person without the prior written consent of the Purchasers, and PROVIDED FURTHER that the Purchasers may not assign their rights or obligations under this Agreement to any Person (other than an Affiliate) without the prior written consent of the Company. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

10. NOTICES. Each notice, demand, request, request for approval, consent, approval, disapproval, designation or other communication (each of the foregoing being referred to herein as a notice) required or desired to be given or made under this Agreement shall be in writing (except as otherwise provided in this Agreement), and shall be effective and deemed to have been received (i) when delivered in person, (ii) when sent by fax with receipt acknowledged, (iii) five days after having been mailed by certified or registered United States mail, postage prepaid, return receipt requested, or (iv) the next business day after having been sent by a nationally recognized overnight mail or courier service, receipt requested. Notices shall be addressed as set forth below:

If to any of the Purchasers, at the address set forth under such Purchaser's name on SCHEDULE A.

If to the Company:

CommVault Systems, Inc.
2 Crescent Place
Oceanport, New Jersey 07757
Attn: N. Robert Hammer
Facsimile: (732) 870-4514

With a copy to:

Mayer, Brown, Rowe & Maw LLP
190 S. LaSalle Street
Chicago, Illinois 60603
Attention: Philip J. Niehoff
Facsimile: (312) 701-7711

11. FURTHER ASSURANCES. At any time or from time to time after the Closing, the Company, on the one hand, and the Purchasers, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

12. PUBLIC DISCLOSURE. Except as required by Law or the rules of any stock exchange (in which case the Company shall give Putnam notice at least 24 hours prior to any public announcement containing its name), no public announcement or other publicity regarding the transactions referred to herein shall be made by any of the Purchasers or the Company or any of their respective Affiliates, officers, directors, employees, representatives or agents, without the prior written agreement of the Purchasers and Company, in any case, as to form, content, timing and manner of distribution or publication; PROVIDED, HOWEVER, that nothing in this Section shall prevent such parties from (i) discussing such transactions with those Persons whose approval, agreement or opinion, as the case may be, is required for consummation or subsequent review of such particular transaction or transactions or (ii) disclosing such information about such transactions in a registration statement or prospectus in connection with the Initial Public Offering or (iii) if the disclosing party is a Purchaser, disclosing such Purchaser's investment herein provided that such disclosure does not mention any other Purchaser by name and is approved by the Company in writing. Each of the parties acknowledge and agree that there would be no adequate remedy at Law if it fails to perform its obligations under this Section 12 and accordingly agrees that each of the other parties, in addition to any other remedy to which it may be entitled at Law or in equity, shall be entitled to compel specific performance of the obligations of the first party under this Section 12.

13. WAIVER AND AMENDMENT. With the written consent of the Company and the record holders of 66 2/3% of the Conversion Shares (including the Conversion Shares represented by the Shares as if the Shares were converted into Conversion Shares), (i) the obligations of the Company under this Agreement and the rights of the holders of the Conversion Shares under this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively, and either for a specified period of time or indefinitely) or (ii) this Agreement may be amended, changed, discharged or terminated. Notwithstanding the foregoing, (x) if any waiver of any right or rights granted to a Purchaser under this Agreement would uniquely affect such Purchaser, then such waiver may be approved or granted by such Purchaser without the consent or approval of any other Purchaser and (y) if any waiver or amendment of any right or rights granted to a Purchaser under this Agreement would adversely affect only a given Purchaser, then such amendment or waiver may not be effected without the consent or approval of such affected Purchaser. Neither this Agreement nor any provisions hereof may be amended, changed, waived, discharged or terminated orally, but only by a signed statement in writing.

14. ENTIRE AGREEMENT. This Agreement and the Registration Rights Agreement constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, among the parties hereto and their affiliates with respect to the matters set forth herein.

15. SEVERABILITY. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the other provisions hereof shall not be affected thereby, and there shall be deemed substituted for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue.

16. CAPTIONS. The Section references herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

17. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

18. GOVERNING LAW. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

19. WAIVER OF JURY TRIAL. THE COMPANY AND THE PURCHASERS HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

20. JOINT PARTICIPATION IN DRAFTING. Each party to this Agreement has participated in the negotiation and drafting of this Agreement. As such, the language used herein shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party to this Agreement.

21. MASSACHUSETTS BUSINESS TRUSTS. A copy of the Agreement and Declaration of Trust of each Putnam fund or series investment company (each a "FUND") that is a Massachusetts business trust is on file with the Secretary of State of the Commonwealth of Massachusetts and notice is hereby given that this Agreement is executed on behalf of the Trustees of the relevant Fund as Trustees and not individually and that the obligations of this Agreement are not binding upon any of the Trustees, officers or shareholders of the Fund individually but are binding only upon the assets and property of such Fund.

* * * *

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first written above.

COMMVAULT SYSTEMS, INC.

By: /S/ N. ROBERT HAMMER

Name:

Title:

PUTNAM OTC AND EMERGING GROWTH FUND
By Putnam Investment Management, LLC

By: /S/ CHARLES A. RUYS DE PEREZ

Name: Charles A. Ruys de Perez
Title: Managing Director

TH LEE, PUTNAM INVESTMENT TRUST -
TH LEE, PUTNAM EMERGING
OPPORTUNITIES PORTFOLIO
By TH Lee, Putnam Capital Management, LLC

By: /S/ CHARLES A. RUYS DE PEREZ

Name: CHARLES A. RUYS DE PEREZ

Title: MANAGING DIRECTOR

PUTNAM DISCOVERY GROWTH FUND
By Putnam Investment Management, LLC

By: /S/ CHARLES A. RUYS DE PEREZ

Name: Charles A. Ruys de Perez
Title: Managing Director

PUTNAM WORLD TRUST II - PUTNAM EMERGING INFORMATION
SCIENCES FUND
By The Putnam Advisory Company, LLC

By: /S/ CHARLES A. RUYS DE PEREZ

Name: Charles A. Ruys de Perez
Title: Managing Director

VAN WAGONER PRIVATE OPPORTUNITIES FUND, L.P.

By: /S/ GARRETT VAN WAGONER

Name: GARRETT VAN WAGONER

Title: GENERAL PARTNER

VAN WAGONER CAPITAL PARTNERS, L.P.

By: /S/ GARRETT VAN WAGONER

Name: GARRETT VAN WAGONER

Title: GENERAL PARTNER

WHEATLEY PARTNERS III, L.P.
By: Wheatley Partners III LLC, its General Partner

By: /S/ BARRY RUBENSTEIN

Name: BARRY RUBENSTEIN

Title: CEO

WHEATLEY ASSOCIATES III, L.P.
By: Wheatley Partners III LLC, its General Partner

By: /S/ BARRY RUBENSTEIN

Name: BARRY RUBENSTEIN

Title: CEO

WHEATLEY FOREIGN PARTNERS III, L.P.
By: Wheatley Partners III LLC, its General Partner

By: /S/ BARRY RUBENSTEIN

Name: BARRY RUBENSTEIN

Title: CEO

DLJ CAPITAL CORPORATION

By: /S/ KEITH B. GEESLIN

Name: Keith B. Geeslin
Title: Managing Director

SPROUT CAPITAL IX, L.P.
By: DLJ Capital Corporation
Its: Managing General Partner

By: /S/ KEITH B. GEESLIN

Name: Keith B. Geeslin
Its: Managing Director

SPROUT ENTREPRENEURS' FUND, L.P.
By: DLJ Capital Corporation
Its: Managing General Partner

By: /S/ KEITH B. GEESLIN

Name: Keith B. Geeslin
Its: Managing Director

SPROUT IX PLAN INVESTORS, L.P.
By: DLJ LBO Plans Management Corporation II
Its: General Partner

By: /S/ KEITH B. GEESLIN

Name: Keith B. Geeslin
Its: Attorney in Fact

/S/ THOMAS I. UNTERBERG

THOMAS I. UNTERBERG

C.E. UNTERBERG, TOWBIN CAPITAL PARTNERS I, L.P.

By: UTCM LLC
Its: General Partner

By: /S/ MARK G. HADLOCK

Name: MARK G. HADLOCK

Title: SECRETARY OF UTCM, LLC

CAMELOT CAPITAL L.P.

By: /S/ SCOTT M. SMITH

Name: Scott M. Smith
Title: Managing Partner

CAMELOT CAPITAL II L.P.

By: /S/ SCOTT M. SMITH

Name: Scott M. Smith
Title: Managing Partner

CAMELOT OFFSHORE FUND LIMITED

By: /S/ SCOTT M. SMITH

Name: Scott M. Smith
Title: Managing Director

AMERINDO INTERNET FUND PLC
BY: AMERINDO INVESTMENT INC.
ITS: MANAGER

By: /S/ GARY TANAKA

Name: GARY TANAKA

Title: EXECUTIVE VICE PRESIDENT

/S/ K. FLYNN MCDONALD

K. FLYNN MCDONALD

/S/ MICHAEL SANDIFER

MICHAEL J. SANDIFER

/S/ MARC WEISS

MARC WEISS

AMAN VENTURES

By: /S/ WILLIAM J. BELL

Name: WILLIAM J. BELL

Title: MANAGING PARTNER

HFI PRIVATE EQUITY LTD.

By:	/S/ BARRY SHAILER	/S/ HARRY WILKIN
Name:	BARRY SHAILER	HARRY WILKIN
Title:	DIRECTOR	DIRECTOR

DRW VENTURE PARTNERS LP

By: RBC Dain Rauscher Corporation, its
General Partner

By:/S/ MARY ZIMMER

Name: MARY ZIMMER

Title: DIRECTOR OF FINANCE AND ADMINISTRATION, RBC
CAPITAL MARKETS SERVICES

SCHEDULE A

PURCHASERS

NAME AND ADDRESS OF PURCHASER	NUMBER OF SHARES	PRICE
Putnam OTC and Emerging Growth Fund c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	239,540	$ 749,999.74
TH Lee, Putnam Investment Trust TH Lee, Putnam Emerging Opportunities Portfolio c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	319,387	$ 1,000,000.70
Putnam Discovery Growth Fund c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	79,847	$ 250,000.96
Putnam World Trust II - Putnam Emerging Information Sciences Fund c/o Putnam Investment Management, LLC Two Liberty Square Boston, MA 02109	159,693	$ 499,998.78
Van Wagoner Capital Opportunities Fund, L.P. c/o Van Wagoner Capital Management 435 Pacific Avenue Suite 400 San Francisco, CA 94133 Attn: Garrett Van Wagoner Fax: (415) 835-5050	463,111	$ 1,450,000.54
Van Wagoner Capital Partners, L.P. Address same as above	15,969	$ 49,998.94
Wheatley Partners III, L.P. 80 Cuttermill Road, Suite 311 Great Neck, NY 11021 Fax No.	335,296	$ 1,049,811.78

with a copy to:

NAME AND ADDRESS OF PURCHASER	NUMBER OF SHARES	PRICE
825 Third Avenue, 32d Floor New York, NY 10022 Attn: Lawrence Wagenberg Wheatley Associates III Address same as above	69,958	$ 219,038.50
Wheatley Foreign Partners III address same as above	73,826	$ 231,149.20
DLJ Capital Corporation c/o Sprout Group 11 Madison Avenue, 26th Floor New York, NY 10010	3,899	$ 12,207.77
Sprout Capital IX, L.P. Address and notice same as above	778,878	$ 5,569,667.01
Sprout Entrepreneurs' Fund, L.P. Address and notice same as above	7,011	$ 21,951.44
Sprout IX Plan Investors, L.P. Address and notice same as above	82,149	$ 257,208.52
Thomas I. Unterberg c/o C.E. Unterberg, Towbin 350 Madison Avenue New York, NY 10017 Facsimile: 212-389-8808	447,143	$ 1,400,004.73
C.E. Unterberg, Towbin Capital Partners I, L.P. 350 Madison Avenue New York, NY 10017 Attn: Mark G. Hadlock Facsimile: 212-389-8401	159,693	$ 499,998.78
Camelot Capital L.P. 3 Pickwick Plaza Greenwich, CT 06830 (203) 863-7400 Attn: Scott M. Smith 203-863-7400	220,383	$ 690,019.17
Camelot Capital II L.P. address same as above	15,763	$ 49,353.95

NAME AND ADDRESS OF PURCHASER	NUMBER OF SHARES	PRICE
Camelot Offshore Fund Limited address same as above	83,241	$ 260,627.57
Amerindo Internet Fund PLC c/o Amerindo Investment Advisors Inc. 399 Park Avenue, 22d Floor New York, NY 10022 Attn: David Mainzer Fax: 212-308-6988	148,132	$ 463,801.29
K. FLYNN MCDONALD One Embarcadero Center, Suite 2300 San Francisco, CA 94111-3162 Telephone: (415) 249-1535 Facsimile: (415) 834-3582	8,000	$ 25,048.00
MICHAEL J. SANDIFER 6016 Lee Highway Warrenton, VA 20187 Telephone: (540) 428-2790 Facsimile: (540) 428-2791	3,500	$ 10,958.50
MARC WEISS c/o Amerindo Investment Advisors Inc. 399 Park Avenue, 22nd Floor New York, NY 10022 Telephone: (212) 418-2520 Facsimile: (212) 935-6975	32,000	$ 100,192.00
HFI Private Equity Ltd Jardine House 4th Floor 33-35 Reid Street Hamilton IIM 12 Bermuda Attention: Barry Shailer Facsimile: 441-295-3011	24,084	$ 75,407.00
Aman Ventures 1500 Owl Creek Ranch Road Aspen, CO 81611 Attention: Facsimile: 970-923-8855	15,838	$ 49,588.78

NAME AND ADDRESS OF PURCHASER	NUMBER OF SHARES	PRICE
DRW Venture Partners L.P. 60 South 6th Street Minneapolis, MN 55402 Attn: Mary Zimmer MS 54N2 Facsimile: (612) 373-1610	4,461	$ 13,967.39
TOTAL SERIES CC		$15,000,001.06

SCHEDULE B

SUBSIDIARIES

CommVault Systems (Canada) Inc., a Canadian corporation
CommVault Systems Mexico S de RL de CV, a Mexican company
CommVault Holding Company BV, a Netherlands company
CommVault Systems Netherlands BV, a Netherlands company

SCHEDULE C

1. Employment Agreement, dated as of January 20, 1999 and amended as of May 3, 2001, between the Company and N. Robert Hammer, under which Mr. Hammer has received options to purchase 5,622,400 shares of common stock.

2.Corporate Change of Control Agreements, between the Company and (i) Louis Miceli, (ii) Brian McAteer, (iii) Larry Cormier, (iv) Al Bunte; (v) David West; (vi) Scott Mercer and (vii) William Beattie.

3. Stock Plan dated as of May 22, 1996, pursuant to which the Company is authorized to issue options to purchase 15,950,000 shares of its common stock of which 14,525,731 shares have been granted.

4. The Company entered into an agreement with Northern Concepts Incorporated ("NCI"), dated as of May 2000 pursuant to which 285,000 shares of the Company's common stock was issued in consideration for the acquisition of the business of NCI by the Company.

5. Preferred Stockholders have (i) conversion rights, pursuant to the Amended Certificate, and (ii) preemptive rights pursuant to (a) the Stockholders' Agreement; (b) the Series AA Purchase Agreement, (c) the Series BB Purchase Agreement and (d) the Existing Series CC Purchase Agreement.

6. EMC holds a warrant to purchase up to 3,000,000 shares of common stock at an exercise of $6.27 per share. To the extent that EMC exercises the warrant, holders of the Series AA Preferred Stock, Series BB Preferred Stock and the holders of existing CC preferred stock will be entitled to purchase shares of Common Stock of the Company at a price of $6.26 pursuant to preemptive rights granted to such holders under their respective preferred stock purchase agreements. Assuming that EMC exercises its warrant in full, the maximum number of shares of Common Stock that would be sold pursuant to such preemptive rights would be approximately 750,000 shares.

PURCHASE AGREEMENT

SCHEDULE D

CORPORATE COMPLIANCE AGREEMENT
EMPLOYEE INVENTION, CONFIDENTIALITY, NON-COMPETITION,
NON-SOLICITATION AND ETHICS AGREEMENT

THIS AGREEMENT is made between me, the undersigned, and CommVault Systems, Inc. and on behalf of CommVault Systems, Inc. and its affiliated companies as they exist from time to time (hereafter referred to collectively as "CommVault"), and in consideration of my employment by CommVault and in consideration for the compensation to be paid to me in connection with this employment:

1. DUTIES. I shall render faithful and efficient services to CommVault and perform exclusively for CommVault such duties as may be designated by CommVault from time to time, which may include the functions of inventing, discovering and developing new and novel devices, methods, and principles relating to the business, research, and development of CommVault.

2. DISCLOSURE OF INVENTIONS. I shall promptly disclose to CommVault in writing all inventions (including, but not limited to, new contributions, concepts, ideas, developments, discoveries, processes, formulas, methods, compositions, techniques, articles, machines, and improvements), all original works of authorship and all related know-how ("Inventions"), whether or not patentable, copyrightable or protectable as trade secrets, conceived or made by me, alone or with others, during the period of my employment with CommVault and, in the case of clauses (b) and (c) below, during the period of my employment by CommVault and at any time after I cease to be employed by CommVault for whatever reason, which (a) relate in any manner to the actual or anticipated business, research, or development of CommVault, (b) are developed using equipment, supplies, facilities, trade secret or confidential information of CommVault, or (c) result from work performed by me or work supervised by me for CommVault.

3. ASSIGNMENT OF INVENTIONS. I shall assign and do hereby assign to CommVault my entire rights to each Invention described in SECTION 2 hereof. As requested by CommVault, I will take all steps reasonably necessary to assist CommVault in obtaining and enforcing any patent, copyright, or other protection which CommVault elects to obtain or enforce, in any country, for the Inventions which I assign to CommVault. I will take no action to jeopardize CommVault's ability to obtain or enforce its rights in such Inventions. My obligation to assist CommVault in obtaining and enforcing patents, copyrights, and other protections shall continue beyond the termination of my employment by CommVault for whatever reason, but CommVault shall compensate me at a reasonable rate after the termination of my employment for time actually spent at CommVault's request providing such assistance. If CommVault is unable, after reasonable effort, to secure my signature on any document needed to apply for, prosecute, or enforce any patent, copyright, or other protection in relation to an

Invention, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint CommVault and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further the prosecution and enforcement of patents, copyrights, or similar protections with the same legal force and effect as if executed by me.

4. COMMVAULT CONFIDENTIAL INFORMATION. Because of my employment by CommVault, I will have access to and will learn techniques, know-how, or other information of a confidential nature concerning CommVault's experimental and development work, trade secrets, procedures, business matters or affairs, including, but not limited to, information relating to inventions, disclosures, processes, systems, methods, formulas, patents, patent applications, machinery, materials, research activities and plans, grant proposals, costs of production, contract forms, prices, business plans, strategies, competitive strengths and weaknesses, volume of sales, promotional methods, and lists of names or classes of customers, as well as information of a confidential nature received from CommVault's customers, joint ventures, collaborators, etc., and information developed solely or jointly by me, included in connection with Inventions ("CommVault Confidential Information"). Information shall, for purposes of this Agreement, be considered to be confidential if not known by the trade generally, even though such information has been disclosed to one or more third parties pursuant to distribution agreements, joint research agreements, other agreements or collaborations entered into by CommVault.

5. PROTECTION OF COMMVAULT CONFIDENTIAL INFORMATION. I shall at all times use my best efforts and exercise utmost diligence to protect and guard CommVault Confidential Information. I will not use CommVault Confidential Information for personal gain or for any purpose outside of my employment by CommVault or disclose any such information to any person or entity either during or subsequent to my employment, without CommVault's prior written consent, except to such an extent as may be necessary in the ordinary course of performing my duties as an employee of CommVault.

6. USE OF COMMVAULT CONFIDENTIAL INFORMATION. I shall not, for my own account or as an officer, member, employee, consultant, representative, or advisor of another, during my employment with CommVault or at any time thereafter for any reason whatsoever, engage in or contribute my knowledge to engineering, development, manufacture, research, business analysis or sales relating to any product, equipment, process, or material that relates in any way to the actual or anticipated business or research and development of CommVault, without the written permission of CommVault. However, the foregoing provision shall not prohibit me from engaging in any work at any time after leaving the employ of CommVault, PROVIDED, that CommVault Confidential Information is not involved in such work AND I am not in violation of any other term of this Agreement or any other agreement entered into between me and CommVault. The provisions of this SECTION 6 shall not be construed as limiting to any extent my continuing obligations pursuant to the provisions in SECTION 5.

7. IMPROPER USE OR DISCLOSURE OF CONFIDENTIAL INFORMATION. I shall not, during my employment with CommVault, or at any time thereafter, improperly use or disclose any proprietary information or trade secrets of any former or current employer or other person or entity and I will not possess or bring onto the premises of CommVault any such proprietary information without the prior written consent of such employer, person or entity.

8. OTHER RESTRICTIONS ON EMPLOYEE. I represent that there are no other agreements or requirements to assign any invention or discovery conceived or made by me, alone or with others, unless I have so indicated at the end of this Agreement.

9. DISCLOSURE IF INVENTIONS. I represent that I have listed and described in detail at the end of this Agreement all inventions, if any, patented and unpatented, which I conceived or made PRIOR to my employment by CommVault. Any invention not so listed and described shall be presumed to have been made during my employment by CommVault.

10. RETURN OF COMMVAULT COMPANY INFORMATION. Upon termination of my employment with CommVault for any reason, I shall disclose and provide to CommVault all originals and all copies which are in my possession or under my control, of all notes, memoranda, records, reports, drawings, blueprints, codes, programs. Software, manuals, materials and data of any nature which are the property of CommVault, which shall include, but not be limited to, every item in my possession or under my control which contains any CommVault Confidential Information.

11. NON-COMPETITION AND NON-SOLICITATION. I acknowledge that because my knowledge of the CommVault Confidential Information and the personal contacts with the customers and employees of CommVault acquired by me during my employment, CommVault would be irreparably damaged should I, in any manner or form, enter into any form of competition with CommVault. I, therefore agree that at all times during my employment and for a period of TWELVE (12) MONTHS thereafter, I will not directly or indirectly, in any individual or representative capacity, carry on, engage or participate in any business that is in competition in any manner whatsoever with the business of CommVault, except as expressly provided for in this Agreement, or as may hereafter be expressly agreed to in writing by CommVault. Further, I agree to not directly or indirectly hire, seek to hire, or refer for other employment any current employee of CommVault nor will I, in any manner or capacity, directly or indirectly: divert or attempt to divert from CommVault, through any means whatsoever, any business or customers of CommVault, during the TWELVE (12) MONTH period following my termination of employment. The phrase "carry on, engage or participate in any business that is in competition in any manner whatsoever with the business of CommVault" shall include, but not be limited to, the doing by you or by any person, firm, corporation, association or other entity that directly or indirectly, through one or more intermediaries, is controlled by, or is under common control with, or controls you, of any of the following acts other than as related to your services to CommVault pursuant to your employment with CommVault: carrying on, engaging in or participating in any such business as a principal, for your own account or solely, or jointly with others as a

partner (general or limited), joint venturer, shareholder or holder of any equity security of any other corporation or entity, or as a consultant, contractor, or subcontractor or agent of or for any person, firm, corporation, association, or other entity or through any agency or by any other means whatsoever; or utilizing for your own benefit, or making available to any person, firm, corporation, association or other entity, any confidential or proprietary proposals, financial statements, governmental filings, cost data, business plans or correspondence relating to such information, or other CommVault Confidential Information. I acknowledge and agree that, in light of the nature of the business of CommVault, the foregoing activity and time period restrictions are reasonable and properly required for the adequate protection of CommVault, and that, in the event any such activity or time period restriction is deemed to be unreasonable or unenforceable by a court of competent jurisdiction, then I agree to submit to the reduction of such activity or time period restriction to the extent necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied by any jurisdiction where enforcement is sought.

12. ETHICS. I understand and agree at all times to: (a) follow the policies and guidelines of CommVault, as set forth by CommVault from time to time; (b) represent CommVault in a professional manner exhibiting appropriate behavior consistent with the highest ethical standards; (c) not make any disparaging comment or statement (written or oral) about CommVault; (d) comply with all applicable federal, state, and local laws, ordinances, regulations and codes, including all Security and Exchange Commission laws and regulations; and, (e) to apply for national security or other governmental clearance, if requested by CommVault.

13. GENERAL

(a) I understand and agree that the restrictions of this Agreement are limited only to those restrictions necessary for the adequate and legitimate protection of CommVault. Each paragraph and subparagraph of this document is separate from each other and constitutes a separate and distinctive covenant. In the event any limitation hereunder is deemed to be unreasonable by a court of competent jurisdiction, then I agree to submit to the reduction of such limitation as the court shall deem reasonable. In the event that I am in violation of any limitation herein, then the time limitation shall be extended for a period of time equal to the period of time during which such breach should occur.

(b) I understand that nothing in this Agreement shall confer upon me any right to continue in the employ of CommVault. I understand that the restrictions contained in this Agreement shall survive the termination of my employment with CommVault for any reason.

(c) I certify that I have not entered into, and I agree to not enter into any agreement, either written or oral, in conflict with this Agreement.

(d) I hereby authorize CommVault to notify others, including, without limitation, customers of CommVault and my future employers, of the terms of this Agreement and my responsibilities hereunder.

(e) This Agreement shall be governed by the laws of the State of New Jersey, without regard to New Jersey choice of law principles, and adjudicated in the courts located in the State of New Jersey. Each paragraph and subparagraph shall be independent and separable from all other paragraphs and subparagraphs, and the invalidity of a paragraph and subparagraph shall not affect the enforceability of any of the other paragraphs and subparagraphs. For purposes of this Agreement, the business of CommVault shall include the business of any corporation, firm, or partnership, directly or indirectly, controlled by, controlling, or under common control with CommVault or any partner or joint venturer of CommVault. For any violation of this Agreement, a restraining order and/or an injunction may be issued against me in addition to any other rights CommVault may have under applicable law. In the event any party to this Agreement is successful in any suit or proceeding brought or instituted with respect to this Agreement or to enforce the Agreement, the prevailing party will be paid by the losing party, in addition to other costs and damages, reasonable attorney's fees and costs.

(f) This Agreement shall be effective during the period of my employment by CommVault and for any periods thereafter as set forth herein, inure to the benefit of any successor or assignee of CommVault, and be binding upon my heirs, administrators, and representatives.

I acknowledge that I am entering into this Agreement knowingly and voluntarily, and that I have had an opportunity to review it with counsel of my choosing.

- ----------
Employee Signature

Dated:

USE THE SPACE BELOW AND THE BACK OF THIS AGREEMENT (IF NECESSARY) TO LIST ANY AND ALL INVENTIONS CONCEIVED OR MADE BY ME PRIOR TO MY EMPLOYMENT WITH COMMVAULT, AND A DETAILED DESCRIPTION THEREOF, AND OTHER AGREEMENTS OR REQUIREMENTS TO ASSIGN INVENTIONS OR DISCOVERIES, AS DESCRIBED IN SECTIONS 8 AND 9 ABOVE.

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

EXHIBIT 10.18

SOFTWARE LICENSING AGREEMENT

THIS SOFTWARE LICENSE AGREEMENT is entered into as of this 17th day of December, 2003 (hereinafter "Effective Date") by and between Dell Products L.P. (hereinafter "Dell") with its principal place of business at One Dell Way, Round Rock, Texas 78682, and CommVault Systems, Inc., a Delaware corporation having a principal place of business at 2 Crescent Place, Oceanport, New Jersey 07757 (hereinafter "Licensor").

1.0 DEFINITIONS

1.1 AGREEMENT shall mean this Software License Agreement and its Supplement.

1.2 LICENSED PRODUCT(S) shall mean: (i) the software in object code form and documentation listed in the Supplement to this Software License Agreement and (ii) all improvements, corrections, modifications, alterations, revisions, extensions, upgrades, national language versions and/or enhancements to the software in object code form and/or documentation made during the term of this Agreement (hereinafter "Updates").

1.3 SUPPLEMENT shall mean the supplement executed under this Software License Agreement. The supplement shall describe the Licensed Product(s) and may include additional terms and conditions such as compensation, delivery schedules, technical contacts and other information related to the Licensed Product(s). The terms and conditions of this Software License Agreement shall apply to the Supplement.

2.0 OBJECT CODE LICENSE

2.1 Licensor hereby grants to Dell a non-exclusive, worldwide, and, subject to Section 9, below, irrevocable right and license, under all copyrights, patents, patent applications, trade secrets and other necessary intellectual property rights, to: (i) use, make, execute, reproduce, display, perform, the Licensed Product(s), in object code form, (ii) distribute and license, the Licensed Product(s), in object code form, as part of, in conjunction with, or for use with, Dell systems and (iii) authorize, and license third parties to do any, some or all of the foregoing. Dell shall have the option to distribute the Licensed Product(s) to end users pursuant to Licensor's end user license agreement

2.2 The above grant includes, without limitation, the right and license to: (i) use Licensor's trade names, product names and trademarks (the "Trademarks") in connection with the marketing and distribution of Licensed Product(s) and (ii) all pictorial, graphic and audio visual works including icons, screens and characters created as a result of execution of the Licensed Product(s). Dell's use of the Trademarks shall be in accordance with applicable trademark law. Dell agrees to consistently identify the Trademarks as being the property of Licensor. Dell agrees that the Trademarks are and will remain the sole property of Licensor and agrees not to do anything inconsistent with that ownership. Dell shall (a) comply with any requirements established by Licensor concerning the style, design, display and use of the Trademarks, (b) correctly use the "(R)" registration and "(TM)" symbols, (c) use the Trademark solely in connection with the appropriate products, (d) promptly inform Licensor of the use of any marks similar to the Trademarks and any potential infringements of the Trademarks which comes to Dell's attention, and (e) not misuse the Trademarks or engage in any unlawful activity in any way related to the use of the Trademarks. Dell will indemnify, defend and hold harmless Licensor and its officers, directors, employees and agents from and against any and all liabilities, losses, damages, claims, costs and expenses (including without limitation, reasonable attorney's fees and expenses) arising out of (i) misuse of the Trademarks, (ii) any statements or representations made to any person or entity by the Dell or its agents concerning the Products and (iii) any other negligent, reckless or wrongful conduct of the Dell or its agents arising in connection with its activities related to this Agreement or the Products. All sales and promotions materials (including, without limitation, labels, stickers, packaging or software documentation) which include any Trademark shall be subject to the advance review and approval of Licensor; it being understood that once Licensor has approved any particular use, Licensor need not approve any additional use which is substantially the same as that which has been previously approved, provided such future use complies with the foregoing obligations regarding Trademark usage. When requested, Dell shall send samples of advertising and promotional materials bearing any Trademark, samples of any goods bearing or sold under any Trademark, and any other documentation which may permit Licensor to determine whether the Trademark uses conform to the requirements of this Agreement..

2.3 Licensor hereby grants to Dell a non-exclusive, worldwide, and, subject to Section 9, below irrevocable right and license, under all copyrights, patents, patent applications, trade secrets and other necessary intellectual property rights, to internally: (i) use, execute, reproduce, display, perform, and distribute the Licensed Product(s), for the purposes of enabling Dell to maintain, service and manufacture the Licensed Product(s) and (ii) authorize, and license third parties to do any, some or all of the foregoing on Dell's behalf.

3.0 COMPENSATION; PER COPY ROYALTIES, SUPPORT PRICING, AND MAINTENANCE PRICING

3.1 Dell will pay Licensor a per copy royalty as set forth in the Pricing Supplement for each copy of the Licensed Product(s) distributed by Dell for revenue. No per copy royalties shall be due for copies of the Licensed Product(s): (i) used or distributed for demonstration, marketing or training purposes, (ii) distributed to a customer as a replacement for a defective copy or to fix an error, (iii) used to repair or maintain a customer's system, (iv) held for backup or archival purposes, (v) returned by a customer, (vi) used for manufacturing or testing purposes or (vii) distributed to an existing customers as an upgrade to their existing copy of the Licensed Product(s).

3.2 Unless provided otherwise in a Schedule, all prices will be in U.S. dollars and are exclusive of applicable value, added, sales, use, excise, or similar taxes for which Dell shall be obligated to pay licensor. Dell will have no liability for any taxes based on Licensor's net assets or income or for which Dell has an appropriate resale or other exemption. Licensor shall be the importer of record for VAT/GST purposes (applicable in the country of incorporation). All payments shall be made in United States currency. Licensor acknowledges that there is no minimum aggregate royalty due under this Agreement and that any royalties received will be based solely on the criteria set forth above. Licensor acknowledges and agrees that Dell has the right to withhold any applicable taxes from any royalties due under this Agreement if required by any government agency.

3.3 Dell shall pay Licensor the amounts set forth in the Pricing Supplement during the term of this Agreement and for so long thereafter as Licensor has any obligations under Exhibit C ("Support") or to provide maintenance as described in Section 4.2 below.

4.0 SUPPORT, TRAINING AND MAINTENANCE

4.1 Licensor shall, at its expense, train Dell personnel to set up, install, configure and operate the Licensed Product(s) and provide such other training to assist and enable Dell to fully perform and exercise its rights under this Agreement. Such training shall be completed thirty (30) days prior to Dell's commercial introduction of the Licensed Product(s). Thereafter, further training of additional Dell personnel will be conducted by the Dell personnel previously trained by Licensor. Additional training periods for Updates, if any shall also be provided at Licensor's expense and within a mutually agreed upon time period.

4.2 During the term of this Agreement, and for a period of up to three years after the termination of the Agreement, as long as Dell has not breached this Agreement, Licensor shall, provide Dell with all maintenance releases generally made available by Licensor to licensees of the Licensed Product(s).

4.3 During the term of this Agreement, and for a period of up to three years after the termination of the Agreement, as long as Dell has not breached this Agreement, the parties shall provide and comply with the Support obligations set forth in Exhibit C.,

5.0 END USER LICENSE
Dell acknowledges that all software sold separately or with hardware and obtained by Dell from Licensor is proprietary to Licensor and its licensors and is subject to patents and/or copyrights owned by Licensor and/or its licensors. Any references to "purchases" of software and Products containing software products signify only the purchase of a license to use the software in question pursuant to the terms of the Licensor's then current applicable end user license agreement, as provided to Dell,, a copy of which Licensor has and will have included with the Products and which is incorporated herein in its entirety by this reference for the term of this Agreement. Notwithstanding anything to the contrary contained herein, Dell agrees to be bound by all of the terms of such end

user license agreement and agrees that it will acquire no rights with respect to such software Product other than the right to use such software pursuant to the terms of such software license agreement.

6.0 REPRESENTATIONS AND WARRANTIES

On an ongoing basis, Licensor represents and warrants that:

(a) the Licensed Product(s) will operate in accordance with its written specifications;

(b) Licensor has all the necessary rights, titles and interests in the Licensed Product(s) to grant Dell the rights and licenses contained in this Agreement;

(c) the Licensed Product(s) shall not infringe any copyright, patent, trade secret or any other intellectual property rights or similar rights of any third party;

(d) the Licensed Product(s) does not contain any known viruses, expiration, time-sensitive devices or other harmful code that would inhibit the end user's use of the Licensed Product(s) or Dell system;

(e) Licensor and the Licensed Product(s) comply with all governmental laws, statutes, ordinances, administrative orders, rules and regulations and that Licensor has procured all necessary licensees and paid all fees and other charges required so that Dell can exercise the rights and license granted under this Agreement;

(f) Licensor has a proprietary and invention assignment agreement for employees which provides for a waiver or agreement not to assert any rights in the Licensed Product(s)

(g) There is no restriction of any relevant governmental authority which prohibits the export of the Licensed Product(s) to countries outside the United States and Canada, other than those laws of the United States which prohibit exports generally , as may be modified from time to time, including without limitation, to Libya, Cuba, North Korea, Syria, Sudan, Iran and Iraq; and

(h) Licensor has and will continue to comply with all applicable governmental laws, statutes, rules and regulations including, but not limited to, those related to export of product and technical data, and Licensor agrees that for any updates, upgrades and new products which are licensed to Dell pursuant to the terms of this Agreement, Licensor shall provide prior written notice of any facts which would make the foregoing representations untrue.

(i) Either (i) the Licensed Product(s) are not encrypted, nor do they contain encryption capability; or (ii) if the Licensed Product(s) does contain encryption capabilities, Licensor agrees to adhere to the requirements described in Exhibit A.

In addition to Licensor's end user license agreement, Licensor hereby makes the following additional ongoing representations and warranties:

(l) Licensor will warrant the Licensed Product(s) directly to the end-user in accordance with the terms and conditions set forth in Licensor's end-user license agreement; and

(m) Licensor has agreed to honor all replacement requests received from Dell or end users under the terms of Licensors end user license agreement pertaining to defective Licensed Product(s).

7.0 LIMITED WARRANTY

Licensor warrants that the Products sold hereunder shall be new and shall operate substantially in accordance with its user documentation for a period of ninety (90) days from the date of shipment by Licensor (hereinafter the "Warranty Period"). If, during the Warranty Period, Dell believes any Product to be defective, Dell shall immediately notify Licensor in writing and shall follow Licensor's instructions regarding the return of such Product. Licensor's sole liability to Dell, and Dell's sole remedy, shall be, at Licensor's option, (i) repair or replacement of the Product which does not comply with this Limited Warranty, or (ii) return of the amount paid by Dell for the Product which does not comply with the Limited Warranty. In the event Licensor determines that the Product is in compliance with this Limited Warranty, Dell shall pay the cost of all charges associated with the inspection and shipment of such Product by Licensor.

LICENSOR DOES NOT WARRANT THAT THE PRODUCTS WILL OPERATE UNINTERRUPTED OR ERROR FREE. THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES. LICENSOR DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, AND LICENSOR EXPRESSLY EXCLUDES AND DISCLAIMS ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, AND NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. THE PROVISIONS SET FORTH ABOVE STATE LICENSOR'S ENTIRE RESPONSIBILITY AND YOUR SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO ANY BREACH OF ANY WARRANTY.

NO CONSEQUENTIAL DAMAGES. LICENSOR WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO DELL OR ANY OTHER PARTY, FOR COSTS OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR SERVICES, LOST PROFITS, LOST OPPORTUNITY COSTS, LOSS OF INFORMATION OR DATA OR ANY OTHER SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, REGARDLESS OF THE FORM OF ACTION ARISING OUT OF OR RELATING TO THIS WARRANTY OR RESULTING FROM THE SALE OF PRODUCTS OR USE BY DELL OR ANY OTHER PARTY OF SUCH PRODUCTS, EVEN IF LICENSOR HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF AN ESSENTIAL PURPOSE OF THIS LIMITED WARRANTY.

8.0 INDEMNIFICATION

8.1 Licensor shall fully indemnify, defend and hold harmless Dell, Dell, Inc., Dell, Inc.'s subsidiaries and affiliates and all of the foregoing entities' officers, directors, employees, agents, customers and licensees, and their successors and assigns, from and against any and all third party claims, actions, suits, legal proceedings, demands, liabilities, damages, losses, judgments, settlements, costs and expenses, including, without limitation, attorney's fees, arising out of or in connection with any alleged or actual:

(i) infringement by Licensor and/or the Licensed Product(s) of any copyright, patent, trade secret or other intellectual property rights or similar rights of any third party;

(ii) damage to any real and tangible property, personal injury, death or any other damages or losses sustained by whomever suffered, resulting, or claimed to result, in whole or in part from any alleged or actual defect in the Licensed Product(s) whether latent or patent, including any alleged or actual improper construction or design or the failure of the Licensed Product(s) to comply with its written specifications or any express or implied warranties.

8.2 In the event that Dell becomes aware of any such claim, Dell shall: (i) notify Licensor of such claim, (ii) cooperate with Licensor in the defense thereof. Licensor and Dell, at Dell's discretion, shall have the right to participate in the defense of any such claim or action. Dell shall not settle any such claims without the Licensor's prior consent, which consent shall not be unreasonably withheld. If Dell complies with the provisions hereof, Licensor will pay all damages, costs and expenses finally awarded to third parties against Dell in such action.

8.3 In addition to Licensor's obligations under Subsection 8.1 above, in the event that a claim of infringement is made with regard to the Licensed Product(s), or in Licensor's opinion might be held to infringe as set forth above, Licensor shall, at its own expense and option, procure for Dell the right to exercise the rights and licenses granted to Dell under this Agreement or modify the Licensed Product(s) such that it is no longer infringing. If neither of such alternatives is, in Licensor's opinion, commercially reasonable, the infringing Product shall be returned to Licensor and Licensor 's sole liability, in addition to its obligation to reimburse awarded damages, costs and expenses set forth above, shall be to refund the amounts paid to Licensor by Dell for such Product. Licensor will have no liability for any claim of infringement arising as a result of Dell's use of a Product in combination with any items not supplied by Licensor, or any modification of a Product by Dell or third parties.

THIS SECTION 8 STATES THE ENTIRE LIABILITY OF LICENSOR TO DELL OR ANY SUBSEQUENT PURCHASER, LESSEE, END USER OR ASSIGNEE OF PRODUCTS CONCERNING INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, INCLUDING BUT NOT LIMITED TO, PATENT, COPYRIGHT AND TRADE SECRET RIGHTS.

9.0 TERM AND TERMINATION OF AGREEMENT

9.1 Unless earlier terminated as provided below, the term of this Agreement shall be for three (3) years from the Effective Date and, unless either party gives thirty (30) days notice of nonrenewal prior to the end of the initial term or any renewal term, this Agreement shall automatically renew for successive one (1) year periods.

9.2 Either Party may, at its option and upon written notice to the other Party, terminate this Agreement if: (a) a material breach of this Agreement by the other Party is not remedied within thirty (30) Days after the breaching Party's receipt of written notice of the breach; (b) the other Party admits in writing its inability to pay its debts generally as they become due, files a petition for bankruptcy or executes an assignment for the benefit of creditors or similar document; (c) a receiver, trustee in bankruptcy or similar officer is appointed for the other Party's property; or (d) a majority interest of the equity or assets of the other Party is transferred to an unrelated third party or this Agreement is assigned without the prior written consent of the other Party to this Agreement. Dell may terminate this Agreement without cause upon prior written notice to the other party. Neither party will have any liability to the other arising from such a termination of the Agreement, provided the termination is properly noticed

9.3 All licenses and sublicenses granted to customers and other licensees under this Agreement, and all provisions of Sections, 9.0, 10.0 and 11.0, shall survive any expiration or termination of this Agreement and shall bind the parties and their successors, heirs, assigns and legal representatives. In addition, Licensor's obligations under Section 4, 5, 6,7 and 8 shall survive for one (1) year after any expiration or termination of this Agreement in order for Dell to satisfy its then existing contractual obligations to its customers and licensees. Dell shall retain a limited license in accordance with Section 2 to use the Licensed Product(s) in order to satisfy such obligations and to exhaust its inventory of Licensed Product(s) existing at expiration or termination, provided that Dell's right to exhaust any such inventory shall not extend beyond 180 days after expiration or termination. Thereafter, Dell agrees to return or destroy all additional copies of the Licensed Product(s) in its possession.

10.0 LIMITATION OF LIABILITIES

10.1 EXCEPT AS SET FORTH IN SECTION 10.2, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES UNDER ANY PART OF THIS AGREEMENT EVEN IF ADVISED OR AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

10.2 EXCEPT FOR LICENSOR'S OBLIGATIONS UNDER SECTION 9 "INDEMNIFICATION" AND SECTION 12 "CONFIDENTIALITY", DELL AGREES THAT LICENSOR'S LIABILITY TO DELL IN ANY WAY CONNECTED WITH THE SALE OF PRODUCTS TO DELL, REGARDLESS OF THE FORM OF ACTION, SHALL IN NO EVENT EXCEED THE PRICE PAID BY DELL FOR SUCH PRODUCTS. UNDER NO CIRCUMSTANCES WILL LICENSOR BE LIABLE FOR ANY DAMAGES RESULTING FROM LICENSOR 'S FAILURE TO MEET ANY DELIVERY SCHEDULE, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL LICENSOR BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR SERVICES, LOST PROFITS, LOST OPPORTUNITY COSTS OR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, ARISING IN ANY WAY OUT OF THESE TERMS OR THE SALE OF PRODUCTS OR SERVICES TO DELL. THIS LIMITATION SHALL APPLY EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED WARRANTY.

11.0 CONFIDENTIAL INFORMATION

11.1 The parties agree that information exchanged under this Agreement that is considered by either party to be confidential information will be subject to the terms and conditions of the non-disclosure agreement in place between the parties. If the parties have not executed a non-disclosure agreement, the parties will negotiate in good faith the terms of such an agreement. Licensor shall not provide to Dell any information that is considered confidential information of any third party.

11.2 At Dell's request, which shall not be made more frequently than once per quarter per year, Licensor will provide unaudited, or audited, financial statements to Dell.

12.0 [***]

13.0 MISCELLANEOUS

13.1 This Agreement shall in no way preclude Dell from independently developing, having developed or acquiring or marketing any products or services nor shall it in any way preclude Dell from entering into any similar agreement with any other party.

13.2 Dell shall have full freedom and flexibility in its decisions concerning the distribution and marketing of the Licensed Product(s) including, without limitation, the decision of whether or not to distribute or discontinue distribution of the Licensed Product(s). Dell does not guarantee that its marketing, if any, of the Licensed Product(s) will be successful.

13.3 This Agreement may not be assigned by Licensor, in whole or in part, including without limitation by operation of law, in a merger or stock or asset sale, without the express written permission of Dell. If Licensor makes any attempt to assign this Agreement without Dell's written consent, Dell will have the option to immediately terminate this Agreement. No permitted assignment or subcontract by Licensor shall relieve Licensor of any obligations hereunder. Licensor shall always remain jointly and severally liable with any assignees under this Agreement. In the event Dell terminates this Agreement under this section Licensor will have no liability to Dell in respect of such termination.

13.4 Licensor is an independent contractor. Licensor is not a legal representative or agent of Dell, nor shall Licensor have the right or authority to create or incur any liability or any obligation of any kind, express or implied, against, or in the name of, or on behalf of Dell.

13.5 Provider represents and warrants that the prices for Products shall not be less favorable than prices applicable to sales by Provider to any other customer purchasing like quantities of the same products under comparable terms. If at any time during the term of this Agreement Provider accords to any other such customer more favorable prices, Provider shall immediately offer to sell the Products to Dell at equivalent prices accorded to such other customer. Dell, or Dell's agent, may audit Provider's compliance with this Section 5 upon reasonable notice to Provider and subject to the confidentiality provisions of Section 15 of this Agreement and the applicable NDA, Dell may audit Provider's manufacturing locations or corporate headquarters and review and copy any information reasonably relevant to the purpose of any audit permitted by this Agreement. Notwithstanding anything to the contrary contained herein, Licensor shall have no obligation to disclose confidential information which is the subject of another confidentiality agreement. In addition, Dell may: (a) inspect Products at any stage of production or testing; (b) review Provider's facilities and quality control procedures; and (c) accompany Dell customers on visits to Provider's manufacturing locations. Provider will furnish, or cause to be furnished (without charge), all reasonable facilities and assistance necessary for the safety and convenience of any personnel performing the audits.

13.6 Licensor shall not publicize the existence of this Agreement with Dell nor refer to Dell in connection with any promotion or publication without the prior written approval of Dell. Further, Neither Party shall disclose the terms and conditions of this Agreement to any third party, including, but not limited to, any financial terms, except as required by law or with the prior written consent of the other Party.

13.7 Licensor shall comply with all applicable governmental laws, statutes, ordinances, administrative orders, rules and regulations including, without limitation, those related to the export of technical materials. Licensor shall provide Dell with prompt written notice of any export restrictions related to the Licensed Product(s).

13.8 Any and all written notices, communications and deliveries between Licensor and Dell with reference to this Agreement shall be deemed made on the date of mailing if sent by registered or certified mail to the respective address of the other party as follows:

In the case of Dell:	Dell Products L.P. One Dell Way [***] Round Rock, TX 78682 Attn: [***]
In the case of Licensor:	CommVault Systems, Inc. 2 Crescent Place Oceanport, NJ 07757 Attn: Finance Cc: Legal Department

13.9 This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, U.S.A. without regards for its rules of conflict of laws, as if this Agreement was executed in and fully performed within the State of New York. Both parties hereby waive any right to a trial by jury relating to any dispute arising under or in connection with this Agreement.

13.10 Should any provision herein be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall be modified to reflect the intentions of the parties. All other terms and conditions shall remain in full force and effect.

13.11 No amendment, modification or waiver of any provision of this Agreement shall be effective unless set forth in a writing executed by an authorized representative of each party. No failure or delay by either party in exercising any right, power or remedy will operate as a waiver of any such right, power or remedy. No waiver of any provision of this Agreement shall constitute a continuing waiver or a waiver of any similar provision unless expressly set forth in a writing signed by an authorized representative of each party.

13.12 Since Dell transacts business with the United States government, Licensor must comply with the applicable federal laws and Federal Acquisition Regulations ("FARs") including the following:

It is Dell's policy to take affirmative action to provide equal employment opportunity without regard to race, religion, color, national origin, age, sex, disability, veterans status or any other legally protected status. As a condition of doing business, Dell requires Licensor to practice equal opportunity employment and to comply with Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, and Section 4212 of the Vietnam Era Veteran's Readjustment Assistance Act of 1974, all as amended, and the relevant Regulations and Orders of the U.S. Secretary of Labor. Additionally, to the extent required by applicable law, the following sections of Chapter 60 of Title 41 of the Code of Federal Regulations are incorporated by reference in this Agreement and each Order: 41 CFR 60-1.4(a); 41 CFR 60-1.8; 41 CFR 60-741; 41 CFR 60-250; 41 CFR 60-1.7; 41 CFR 60-1.40.

It is the policy of the United States (FAR 52.219-8) that small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals and small business concerns owned and controlled by women shall have the maximum practicable opportunity to participate in performing contracts for any Federal agency. Licensor agrees to comply with this policy and to provide reporting of data as requested to the Small Business Liaison Officer, Dell, Inc., One Dell Way, Round Rock, Texas, 78682.

13.13 This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter contained herein, and merges all prior discussions and agreements, both oral and written, between the parties. Nothing in any purchase order, invoice, order acknowledgment, or other document of Licensor shall be of any effect whatsoever and may not affect, alter, or modify the terms and conditions of this Agreement. If the terms and conditions of this Agreement conflict with any terms of a Dell purchase order relating to the Licensed Product(s), the terms and conditions of this Agreement shall govern. The terms and conditions set forth in Supplements are hereby incorporated into this Software License Agreement by reference. If the terms and conditions of this Software License Agreement conflict with any terms and conditions contained in a Supplement, the terms and conditions of the Supplement shall govern.

13.14 [***]

IN WITNESS WHEREOF, the parties hereto have duly executed this Software License Agreement by their respective duly authorized officers to be effective as of the Effective Date as first written above.

DELL PRODUCTS L.P.	COMMVAULT SYSTEMS, INC.
By: /s/ Illegible	By: /s/ David R. West
Title: Director, WWP	Title: VP Business Development
Date: Dec 22, 2003	Date: Dec. 18, 2003

EXHIBIT A

SOFTWARE COMPLIANCE QUESTIONNAIRE

NOTE: ENCRYPTED SOFTWARE EXPORT CONTROLS

In accordance with the U.S. Export Administration Regulations, certain software and items possessing encryption capabilities may require formal export licenses before they can be exported and/or re-exported from the United States.

In order to make proper licensing determinations of your software and/or commodity it is essential that you complete the questions on the following page.

If you need assistance or have questions, please contact [***] at: [***] or tel: [***].

If your software has not been classified and you have questions on how to classify your software, refer to the BXA (Bureau of Export Administration) Website at http://www.bxa.doc.gov. Under the category of Getting Help and Contacting Us, click on the General Fact Sheets. Then click on Explanation of what commodity classifications are or Guidance on requesting a commodity classification.

If you are unable to provide the information required, please forward this questionnaire to your Export Controls or Legal department.

This is a legal matter which deals with regulations on export controls and compliance. We trust we can count on your maximum cooperation, in providing us with the requested information by return fax to [***], or e-mail to [***].

Yours truly,

Dell, Inc.
Worldwide Export Compliance Organization

SOFTWARE QUESTIONNAIRE

COMPANY NAME: _____

PRODUCT NAME & VERSION NUMBER: _____ COUNTRY OF ORIGIN: _____

EXPORT COMMODITY CONTROL NUMBER (ECCN): _____ LICENSE EXCEPTION: _____

IF YOUR LICENSE EXCEPTION IS ENC, HAVE YOU HAD YOUR 1X REVIEW FOR RETAIL EXEMPTION? YES OR NO

CCAT NUMBER: _____

IF PRODUCT IS 5D002, ENC, PLEASE PROVIDE A COPY OF THE BXA CLASSIFICATION VERIFICATION (CCAT).

1. What is the functionality of your software (i.e.: word processing, engineering/design, communication, operating system, etc.)?
   _____

2. What type of equipment is the software used to support (i.e.: telecommunications, manufacturing/test, computers, etc.)? Please be specific.
   _____

3. Is your software available to the public via sales from stock at retail selling points by means of "over-the-counter" transactions, mail order, or telephone call transactions (Mass Market)?

   _____ IF YES, PLEASE FORWARD A COPY OF BXA APPROVAL.

4. Is your software designed for installation by the user without further substantial support (substantial support does not include telephone (voice only) help line services for installation or basic operation, or basic operation training provided by the supplier? _____
   _____

5. Does your software or commodity have encryption capabilities? _____
   _____

IF THE ANSWER TO QUESTION 5 ABOVE IS "NO", YOU DO NOT NEED TO COMPLETE THE REMAINING QUESTIONS ON THIS FORM.

6. What function does the encryption provide (i.e.: password protection, data encryption, etc.? Please be specific.
   _____

7. Does the data encryption algorithm exceed a key space of 64 bits? _____
   _____

8. What is the specific bit level of encryption? _____
   _____

9. Does your software or commodity allow the alteration of the data encryption mechanism and its associated key spaces by the user?
   _____

10. Please provide a brief written summary of the encryption technology used in the design of the software or commodity in question. Please be sure to identify the type of algorithm used.
    _____
    _____

11. Is there an EXPORT version of the software named above? _____
_____

THIS FORM COMPLETED BY:

Name: _____ Title: _____ Signature: _____

Date: _____ Phone #: _____

PRICING SUPPLEMENT
TO THE
SOFTWARE LICENSING AGREEMENT
BETWEEN
DELL
&
COMMVAULT SYSTEMS, INC.

SKU	DESCRIPTION	[***]	[***]	MSRP	DISCOUNT
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
[***]		[***]	[***]	[***]	[***]
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[***]		[***]	[***]	[***]	[***]
[***]					
[***]				[***]	[***]

SCHEDULE C
ENTERPRISE SUPPORT

[***]

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

EXHIBIT 10.19

ADDENDUM ONE
TO THE
LICENSE AND DISTRIBUTION AGREEMENT
BETWEEN
DELL PRODUCTS L.P.
AND
COMMVAULT SYSTEMS, INC.

This Addendum One ("Addendum One") to the Software License Agreement dated December 17, 2003 (the "Agreement"), is entered into by and between DELL PRODUCTS L.P. (HEREINAFTER "DELL") WITH ITS PRINCIPAL PLACE OF BUSINESS AT ONE DELL WAY, ROUND ROCK, TEXAS 78682, AND COMMVAULT SYSTEMS, INC., (HEREINAFTER "COMMVAULT") A DELAWARE CORPORATION HAVING A PRINCIPAL PLACE OF BUSINESS AT 2 CRESCENT PLACE, OCEANPORT, NEW JERSEY 07757 AND IS EFFECTIVE AS OF THE 11TH DAY OF MARCH, 2004 (THE "EFFECTIVE DATE")

RECITALS

WHEREAS, COMMVAULT and Dell entered into the Agreement through which COMMVAULT granted Dell various rights to distribute certain COMMVAULT software products;

WHEREAS, the parties now desire to amend the Agreement.

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein and for other good and valuable consideration, the receipt of which both parties hereby acknowledge, Dell and COMMVAULT agree as follows:

Any capitalized terms defined in this Addendum are specific to this Addendum only, and do not modify or change the meaning set forth in the Agreement. Unless expressly defined in this Addendum, the capitalized terms in this Addendum are as defined in the Agreement. The Agreement shall remain in full force and effect except as supplemented and amended herein.

1. COMMVAULT agrees to assist Dell with processing orders and key codes for as long as Dell continues to offer customers COMMVAULT software products. Both parties will work to define a mutually agreeable process.

Customer Data: To the extent that COMMVAULT received Dell's customer data, including but not limited to customer name, telephone number, address, email address or any data that identifies a particular customer ("Customer Data"), COMMVAULT shall (i) treat such data as confidential in accordance with the Confidentiality provisions of this Agreement, Dell's posted Privacy Policy, as attached Exhibit A to this Addendum One, and any applicable laws, rules, and regulations; (ii) use such data only as necessary to perform the requested service and not for any independent marketing activities, and (iii) transmit such data via secure means.

In the event that Dell's Privacy Policy changes and Dell desires to update the policy, Dell shall notify COMMVAULT of the change by written notice, at which time Exhibit A of this Addendum One will be deemed to have been amended with the updated policy.

2. Replace the first sentence of section 3.1 with the following:

"Within [***] days after the end of Dell's fiscal quarters, as described in Section 3.4 below, Dell will report and pay COMMVAULT a per copy royalty as set forth in the Pricing Supplement for each copy of the Licensed Product(s) distributed by Dell for revenue."

3. Add the following section 3.4:

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

"3.4 Dell shall submit royalty reports within [***] days after the end of Dell's [***]. For the purposes of royalty reporting, Dell's [***] are approximately: [***]."

4. The Pricing Supplement to Agreement is hereby replaced in its entirety with the attached Exhibit B to this Addendum. For clarification purposes, the term "Update Protection" shall mean that COMMVAULT will provide, on a when-and-if available basis, any error fixes, release updates and modifications but not any new functionality sets that are sold separately by COMMVAULT, as evidenced by a separate sku classification and shall also include Level III support, as specified in Section 4.0 of Schedule C to the Agreement.

No other changes or modification are intended by this Addendum. All other terms and conditions of the Agreement are in effect.

IN WITNESS WHEREOF, the parties have executed this Addendum by their duly authorized representatives as of the date first set forth above.

COMMVAULT SYSTEMS INC.	DELL PRODUCTS L.P.
By: /s/ David West	By: /s/ Joseph Kanicki
Name: David West	Name: Joseph Kanicki
Title: VP Business Development	Title: Senior Manager
Date: 4/27/04	Date: May 5, 2004

EXHIBIT A
DELL'S PRIVACY POLICY

DELL'S PRIVACY POLICY
As posted on www.dell.com

Dell respects your privacy. Across our business, around the world, we will only collect, store and use your personal information for defined purposes. We use your information to support and enhance our relationship with you, for example, to process your purchase, provide service and support, and share product, service and company news and offerings with you. We do not sell your personal information. We only share your personal data outside the Dell family of companies with your consent, as required by law or to protect Dell, its customers, or the public, or with companies that help Dell fulfill its obligations with you, and then only with partners who share Dell's commitment to protecting your privacy and data. At any time you may contact Dell with any privacy questions or concerns you may have. You also may ask at any time to see the data you have given us and request correction or deletion. We strive to ensure a high level of security and confidentiality.

PRIVACY AND DATA SECURITY

At Dell, your right to privacy and data security is a primary concern. That's why, when you visit dell.com, we help you maintain control over your personal data on the Internet. Below are the guidelines we use for protecting the information you provide us during a visit to our Internet site or when you use our online support offerings such as support.dell.com or support applications loaded on your computer. Please refer to your warranty statement or Dell's Total Satisfaction Policy for policies that apply to information contained on hard drives returned to Dell. Other Dell and Dell co-branded sites may operate under their own privacy and security policies. Visit www.nclnet.org/essentials to learn more about how to protect your privacy on the Internet through a consumer education campaign called Online E-ssentials, developed by Dell in partnership with the National Consumers League.

Dell is a proud participant in the BBB Online(R) Privacy Program. The BBB OnLine Privacy Program is backed by an organization noted for its expertise and experience in conducting successful national self-regulation programs - the Council of Better Business Bureaus. The mission of BBB OnLine is to promote trust and confidence on the Internet by advocating ethical online business practices. Further information about this program is available at http://www.bbbonLine.org.

Dell's Privacy statement discloses the privacy guidelines for the entire domestic Dell Web site. THE GUIDELINES AT THIS SITE ARE APPLICABLE ONLY TO THIS DOMESTIC WEB SITE.

LOGO

DELL ONLY ASKS FOR SPECIFIC TYPES OF PERSONAL INFORMATION

In a few areas on our Web site and online customer support tools, we ask you to provide information that will enable us to enhance your site visit, to assist you with technical support issues or to follow up with you after your visit. It is completely optional for you to participate.

For example, we request information from you when you:

1. Register on dell.com
2. Request a quote
3. Place an order
4. Provide feedback in an online survey
5. Participate in a sweepstakes or other promotional offer
6. Request e-mail notification of your order status (called "Order Watch")
7. Subscribe to a newsletter or a mailing list

8. Request assistance from our "Product Advisor"
9. Fill our a support request

In each of the instances above, we may ask for your name, e-mail address, phone number, address, type of business, customer preference information, customer number and service tag number, as well as other similar personal information that is needed to register or subscribe you to services or offers. If we ever ask for significantly different information we will inform you. In the case of newsletters or mailing lists, you will be able to "unsubscribe" to these mailings at any time.

DELL ONLY USES YOUR PERSONAL INFORMATION FOR SPECIFIC PURPOSES

The information you provide will be kept confidential and used to support your customer relationship with Dell. Among other things, we want to help you quickly find information on dell.com and alert you to product upgrades, special offers, updated information and other new products and services from Dell. Agents or contractors of Dell who have access to your personal information and prospect information are required to keep the information confidential and not use it for any other purpose than to carry out the services they are performing for Dell. Dell may enhance or merge your information collected at its site with data from third parties for purposes of marketing products or services to you.

In addition, Dell may be required to disclose personal information in connection with law enforcement, fraud prevention, regulation, and other legal action or if Dell reasonably believes it is necessary to do so to protect Dell, its customers, or the public.

YOU CAN OPT-OUT OF RECEIVING FURTHER MARKETING FROM DELL AT ANY TIME

Periodically, we may send you information about our various products and services, or other products and services we feel may be of interest to you. Only Dell (or agent working on behalf of Dell and under confidentiality agreements) will send you these direct mailings. If you do not want to receive such mailings, simply tell us when you give us your personal information. Or, at any time you can easily opt-out of receiving further marketing from Dell by clicking here.

DELL WILL NOT DISCLOSE YOUR PERSONAL INFORMATION TO ANY OUTSIDE ORGANIZATION FOR ITS USE IN MARKETING WITHOUT YOUR CONSENT

Information regarding you (such as name, address and phone number) or your order and the products you purchase will not be given or sold to any outside organization for its use in marketing or solicitation without your consent. Your information may be shared with agents or contractors of Dell for the purposes of performing services for Dell.

INTERNET COMMERCE

The online store at dell.com is designed to give you options concerning the privacy of your credit card information, name, address, e-mail and any other information you provide us. Dell is committed to data security with respect to information collected on our site. We offer the industry standard security measures available through your browser called SSL encryption, (please see Dell's Store Security page for details on these security measures). If at any time you would like to make a purchase, but do not want to provide your credit card information online, you may contact a sales representative over the telephone. Simply call 1-800-WWW-DELL. It has always been a Dell practice to contact customers in the event of a potential problem with your purchase or any normal business communication regarding your purchase.

CUSTOMIZED EXPERIENCE

We use technology to help us deliver customized visitor experiences. At Dell, we primarily use "cookies" to help us determine which service and support information is appropriate to your machine and to maintain your shopping experience in our online store. Our use of this technology does not mean that we automatically know any information about you. We might be able to ascertain what type of computer you are using, but beyond that, our use

of cookies is designed only to provide you with a better experience when using www.dell.com. Dell has no desire or intent to infringe on your privacy while using the dell.com site. For more information about our use of cookies, please click here.

THIRD-PARTY SALES

Please be aware that other web sites that may be accessed through our site may collect personally identifiable information about you. The information practices of those third-party web sites linked to Dell.com are not covered by this privacy statement. We generally use the "___" symbol to mark links that go to third-party sites.

You are solely responsible for maintaining the secrecy of your passwords or any account information. Please be careful and responsible whenever you're online. If you post personal information online that is accessible to the public, you may receive unsolicited messages from other parties in return. While we strive to protect your personal information, Dell cannot ensure or warrant the security of any information you transmit to us, and you do so at your own risk.

CHILDREN'S PRIVACY (AGE 12 AND UNDER)

Dell takes children's privacy seriously.

Dell does not seek to collect personal information about children through its Web site. Dell does not condition a child's participation in an activity on the disclosure of more personal information than is reasonably necessary to participate in the activity.

If we become aware that a person submitting a personal information to us through any part of our Web site is a child, we delete the information as soon as we discover it and do not use it for any purpose, nor do we disclose it to third parties.

Since we do not seek to collect any personal information about children, and we delete any information collected inadvertently as soon as we discover that a child has submitted it, we typically retain no information about children that could be reviewed or deleted. If a parent requests review or deletion of information about their child before we have discovered and deleted the information, then we will of course honor that request.

OTHER WEB SITES

Dell's Web site contains links to other Web sites that are not operated by Dell. Dell is not responsible for the privacy practices of the Web sites that it does not operate. Some parts of the Web site are animated using various downloadable applications, such as Macromedia's Shockwave/Flash. We also make video available through RealNetwork's Media-Player, and use the video hosting services of Broadcast.com. Futures-Careers, Macromedia, RealNetworks, and Broadcast.com operate under their own privacy and security policies, and the way they may collect and use information can be further evaluated at: www.macromedia.com, www.realnetworks.com, and www.broadcast.com.

CONTACT DELL

Dell is the sole operator of the Dell Web site. If you would like to contact us for any reason regarding our privacy practices, please write us at the following address:

Dell Computer Corporation
Attention: Privacy
One Dell Way
Round Rock, Texas 78682

You may also click here and fill out the e-mail form under the topic: "Privacy Info: Request"

DELL WANTS TO HELP YOU KEEP YOUR PERSONAL INFORMATION ACCURATE

You can request the individual information that Dell has collected by submitting a request here. To view or edit the information that has been stored online, please visit the My Account section of the Dell Web site.

Effective Date: Oct. 11, 2003

EXHIBIT B
PRICING SUPPLEMENT
TO THE SOFTWARE LICENSE AGREEMENT
BETWEEN DELL PRODUCTS L.P.
AND COMMVAULT SYSTEMS INC.

SKU DESCRIPTION	[***]	[***]	MSRP	DISCOUNT	DELL SW COST	1YR UPDATE PROTECTION	3YR UPDATE PROTECTION
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]	$ [***]
[***]							
[***]							
[***]							
[***]							
[***]							
[***]							
[***]			$ [***]	[***]	$ [***]	$ [***]	$ [***]

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

EXHIBIT 10.20

ADDENDUM TWO
TO THE
LICENSE AND DISTRIBUTION AGREEMENT
BETWEEN
DELL PRODUCTS L.P.
AND
COMMVAULT SYSTEMS, INC.

This Addendum Two ("Addendum Two") to the Software License Agreement dated December 17, 2003 (the "Agreement"), is entered into by and between DELL PRODUCTS L.P. (HEREINAFTER "DELL") WITH ITS PRINCIPAL PLACE OF BUSINESS AT ONE DELL WAY, ROUND ROCK, TEXAS 78682, AND COMMVAULT SYSTEMS, INC., (HEREINAFTER "COMMVAULT") A DELAWARE CORPORATION HAVING A PRINCIPAL PLACE OF BUSINESS AT 2 CRESCENT PLACE, OCEANPORT, NEW JERSEY 07757 AND IS EFFECTIVE AS OF THE 30TH DAY OF OCTOBER, 2004 (THE "EFFECTIVE DATE").

RECITALS

WHEREAS, COMMVAULT and Dell entered into the Agreement through which COMMVAULT granted Dell various rights to distribute certain COMMVAULT software products;

WHEREAS, the parties now desire to amend the Agreement.

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein and for other good and valuable consideration, the receipt of which both parties hereby acknowledge, Dell and COMMVAULT agree as follows:

Any capitalized terms defined in this Addendum are specific to this Addendum only, and do not modify or change the meaning set forth in the Agreement. Unless expressly defined in this Addendum, the capitalized terms in this Addendum are as defined in the Agreement. The Agreement shall remain in full force and effect except as supplemented and amended herein.

1. The Pricing Supplement to the Agreement is hereby replaced in its entirety with the attached Exhibit B to this Addendum.

2. [***]. Dell shall coordinate with CommVault support to ensure that customers who receive support and product updates are eligible for such services. CommVault's MSRP for annual maintenance contracts is [***] of product list price. Dell's cost to CommVault is [***] of software cost and reflected in the Exhibit B to this Addendum.

No other changes or modification are intended by this Addendum. All other terms and conditions of the Agreement are in effect.

IN WITNESS WHEREOF, the parties have executed this Addendum by their duly authorized representatives as of the date first set forth above.

COMMVAULT SYSTEMS INC.	DELL PRODUCTS L.P.
By: /s/ David R. West	By: /s/ Joseph Kanicki
Name: David R. West	Name: Joe Kanicki
Title: VP Business Development	Title: Sr. Manager - WWSP
Date: 11/15/2004	Date: 11/22/2004

EXHIBIT B
PRICING SUPPLEMENT
TO THE SOFTWARE LICENSE AGREEMENT
BETWEEN DELL PRODUCTS L.P.
AND COMMVAULT SYSTEMS INC.

SKU	SKU DESCRIPTION	[***]	[***]	MSRP	DISCOUNT	DELL SW COST	1 YR. UPDATE PROTECTION
			[***]				
SKU1	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU2	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU3	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU4	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU5	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU6	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU7	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU8	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU9	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU10	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU11	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU12	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU13	[***]		[***]	$ [***]	[***]	$ [***]	$ [***]
SKU14	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU15	[***]	[***]	[***]	$ [***]	[***]	$ [***]	$ [***]
SKU16	[***]			$ [***]	[***]	$ [***]	$ [***]
SKU17	[***]			$ [***]	[***]	$ [***]	$ [***]
SKU18	[***]			$ [***]	[***]	$ [***]	$ [***]
SKU19	[***]			$ [***]	[***]	$ [***]	$ [***]

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

EXHIBIT 10.21

ADDENDUM THREE
TO THE
LICENSE AND DISTRIBUTION AGREEMENT
BETWEEN
DELL PRODUCTS L.P.
AND
COMMVAULT SYSTEMS, INC.

This Addendum ("Addendum") to the Software License Agreement dated December 17, 2003 (the "Agreement"), is entered into by and between Dell Products L.P. (hereinafter "Dell") with its principal place of business at One Dell Way, Round Rock, Texas 78682, and CommVault Systems, Inc., (hereinafter "Commvault" or "Supplier"), a Delaware corporation having a principal place of business at 2 Crescent Place, Oceanport, New Jersey 07757 (hereinafter "Licensor") and is effective as of the 1st day of May, 2005 (the "Effective Date").

RECITALS

WHEREAS, COMMVAULT and Dell entered into the Agreement through which COMMVAULT granted Dell various rights to distribute certain COMMVAULT software products;

WHEREAS, the parties now desire to amend the Agreement to provide that COMMVAULT shall, for an additional fee, take on Level 2 Support obligations for new and existing customers commencing on the Effective Date.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein and for other good and valuable consideration, the receipt of which both parties hereby acknowledge, Dell and COMMVAULT agree as follows:

Any capitalized terms define din this Addendum are specific to this Addendum only, and do not modify or change the meaning set forth in the Agreement. Unless expressly defined in this Addendum, the capitalized terms in this Addendum are as defined in the Agreement. The Agreement shall remain in full force and effect except as supplemented and amended herein.

1. Section 4.0 of Schedule C, Enterprise Support shall be modified by replacing the existing first sentence in such section so that it reads as follows:

> [***]

2. Section 2 of Addendum Two to the License and Distribution Agreement, dated as of October 30, 2004, which sets forth the price that Dell pays CommVault for annual maintenance contracts, shall be amended in its entirety so that it reads as follows:

> [***]. Dell shall coordinate with CommVault support to ensure that customers who receive support and product updates are eligible for such services. CommVault's MSRP

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

for annual maintenance contracts is [***] of product list price. Dell's cost to CommVault is [***] of software cost and reflected in the Exhibit B to this Addendum.

3. A new Section 3.5 shall be added to the Agreement that reads as follows:

In addition to the report set forth in Section 3.4 above, Dell shall also submit [***] royalty reports to CommVault within [***] days after the end of each [***].

No other changes or modification are intended by this Addendum. All other terms and conditions of the Agreement are in effect.

IN WITNESS WHEREOF, the parties have executed this Addendum by their duly authorized representatives as of the date first set forth above.

COMMVAULT SYSTEMS INC.	DELL PRODUCTS L.P.
By: /s/ David West	By: /s/ Joseph J. Kanicki
Name: David West	Name: Joseph J. Kanicki
Title: VP Business Development	Title: Senior Manager
Date: 4-28-2005	Date: 4-28-05

EXHIBIT B
PRICING SUPPLEMENT
TO THE SOFTWARE LICENSE AGREEMENT
BETWEEN DELL PRODUCTS L.P.
AND COMMVAULT SYSTEMS INC.

DELL SKU	SKU DESCRIPTION	[***]	[***]	SW MSRP	DELL SW COST	1 YR. UPDATE PROTECTION	TOTAL COGS
SKU 1	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 2	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 3	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 4	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 5	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 6	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 7	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 8	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 9	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 10	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 11	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 12	[***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 13	[***] [***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 14	[***] [***]	[***]	[***]	$ [***]	[***]	[***]	[***]
SKU 15	[***]			$ [***]	[***]	[***]	[***]
SKU 16	[***]			$ [***]	[***]	[***]	[***]

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

EXHIBIT 10.22

ADDENDUM FIVE
TO THE
LICENSE AND DISTRIBUTION AGREEMENT
BETWEEN
DELL PRODUCTS L.P.
AND
COMMVAULT SYSTEMS, INC.

This Addendum ("Addendum") to the Software License Agreement dated December 17, 2003 (the "Agreement"), is entered into by and between Dell Products L.P. (hereinafter "Dell") with its principal place of business at One Dell Way, Round Rock, Texas 78682, and CommVault Systems, Inc., (hereinafter "CommVault") a Delaware corporation having a principal place of business at 2 Crescent Place, Oceanport, New Jersey 07757 (hereinafter "Licensor") and is effective as of the 23rd day of May, 2006 (the "Effective Date")

RECITALS

WHEREAS, CommVault and Dell entered into the Agreement through which COMMVAULT granted Dell various rights to distribute certain CommVault software products;

WHEREAS, CommVault and Dell wish to amend the Agreement and replace all Pricing Supplements previously agreed to and attached to the Agreements, including the initial Pricing Supplement, and as Addendum #1 dated April 26, 2004, Addendum #2 dated October 30, 2004, Addendum #3 dated May 1, 2005, and Addendum #4 dated November 15, 2005.

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein and for other good and valuable consideration, the receipt of which both parties hereby acknowledge, Dell and CommVault agree as follows:

Any capitalized terms defined in this Addendum are specific to this Addendum only, and do not modify or change the meaning set forth in the Agreement. Unless expressly defined in this Addendum, the capitalized terms in this Addendum are as defined in the Agreement. The Agreement shall remain in full force and effect except as supplemented and amended herein.

1. Any and all Pricing Supplements to the Agreement are hereby replaced in its entirety with the attached Exhibit B to this Addendum.

2. [***].

3. Due in part to the [***] efforts undertaken by CommVault, the provisions of Section 13.5 of the Agreement shall no longer apply, and Section 13.5 shall hereinafter be deleted in its entirety for the sole purpose of this Addendum. This paragraph 3 does not amend the Agreement for subsequent addenda.

No other changes or modification are intended by this Addendum. All other terms and conditions of the Agreement are in effect.

IN WITNESS WHEREOF, the parties have executed this Addendum by their duly authorized representatives as of the date first set forth above.

COMMVAULT SYSTEMS INC.	DELL PRODUCTS L. P.
By: /s/ David R. West	By: /s/ Joseph Kanicki
Name: David R. West	Name: Joseph Kanicki

Title: VP Marketing & Business Development Title: Senior Manager, Dell, Inc.

Date: 5/22/06 Date: 6/6/2006

EXHIBIT B
PRICING SUPPLEMENT
TO THE SOFTWARE LICENSE AGREEMENT
BETWEEN DELL PRODUCTS L.P.
AND COMMVAULT SYSTEMS INC.

FULL GALAXY

DELL SKU	SKU DESCRIPTION	Dell SW Cost	1yr update protection includes L2/L3 Support	Enhanced Support	Total COGS
SKU1	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU2	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU3	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU4	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU5	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU6	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU7	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU8	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU9	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU10	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU11	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU12	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU13	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU14	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU15	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU16	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU17	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU18	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU19	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU20	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU21	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU22	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU23	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU24	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU25	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU26	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU27	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU28	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU29	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU30	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU31	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU32	[***]	$ [***]	[***]	[***]	$ [***]
SKU33	[***]	$ [***]	[***]	[***]	$ [***]
SKU34	[***]	$ [***]	[***]	[***]	$ [***]
SKU35	[***]	$ [***]	[***]	[***]	$ [***]

DELL SKU	SKU DESCRIPTION	Dell SW Cost	1yr update protection includes L2/L3 Support	Enhanced	Total COGS
SKU36	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU37	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU38	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU39	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU40	[***]	$ [***]	$ [***]	$ [***]	$ [***]
SKU41	[***]	$ [***]	$ [***]	$ [***]	$ [***]

[***] INDICATES THAT TEXT HAS BEEN OMITTED WHICH IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST. THIS TEXT HAS BEEN FILED SEPARATELY WITH THE SEC.

EXHIBIT 10.23

COMMVAULT SYSTEMS RESELLER AGREEMENT

This Reseller Agreement is made as of the effective Date set forth below, between CommVault Systems, 2 Crescent Place, Oceanport, New Jersey 07757 ("CommVault") and Dell Inc, ("Reseller").

This agreement is entered into April 6, 2005.

WHEREAS, CommVault is engaged in the business of providing data storage products.

WHEREAS, Reseller is a provider of information management solutions who wishes to purchase software products from CommVault for the purposes of resale with other products or services to customer in accordance with valid purchase orders.

THEREFORE, the parties agree as follows:

1. Price: Reseller receives a [***] discount on the MSRP of the SW. Reseller shall provide CommVault with an applicable tax exemption certificate. Reseller has the unrestricted right to determine the prices at which it resells any Product to its customers. No CommVault representative has the authority to suggest that Reseller charge a particular resale price for any product.

2. Purchase Orders: Reseller shall place purchase orders for software identified in exhibit 1 with CommVault through the Dell 3GFX order process. CommVault will accept or reject orders directly through the 3GFX system.

3. Payment: CommVault will electronically invoice Reseller through the 3DFX process and payment for Products, including any authorized partial shipments, shall be due in [***] from the date that Dell receives the invoice.

4. Rebate: CommVault will rebate the Reseller on select orders in the amount of [***] of the net S&P Software (SW licensing only). [***].

5. Timeframe: This agreement will be in force from Feb 1, 2005 through July 31, 2005. This agreement will be re-evaluated after each Dell Fiscal quarter and any changes will be made in writing and agreed to by both Dell and CommVault.

6. Territory: United States only.

This agreement is intended to supersede any previous reseller agreements between Dell and CommVault.

(Continued from Page 1, CommVault Systems Reseller Agreement)

By signing below, the Reseller acknowledges that it has read, understands, and agrees, to be bound by all terms and conditions of this Reseller Agreement, including Exhibit 1 (together the "Agreement").

Dell, Inc. ("Reseller")	CommVault Systems
/s/ Sean Cooper	/s/ David R. West
Signature	Signature
Sean Cooper	David R. West
Name	Name
Global Procurement	VP Business Development
Title	Title
4/25/05	4/19/05
Date	Date

Exhibit 1

DELL SKU	DESCRIPTION	MSRP/List Price
A0381892	[***]	[***]
A0131062	[***]	[***]
A0119474	[***]	[***]
A0119473	[***]	[***]
A0119472	[***]	[***]
A0146647	[***]	[***]
A0146646	[***]	[***]
A0143088	[***]	[***]
A0423903	[***]	[***]
A0422896	[***]	[***]
A0422908	[***]	[***]
A0422913	[***]	[***]
A0422916	[***]	[***]
A0429591	[***]	[***]
A0429592	[***]	[***]
A0131061	[***]	[***]
A0119471	[***]	[***]
A0119470	[***]	[***]
A0119469	[***]	[***]
A0223647	[***]	[***]
A0223649	[***]	[***]
A0223651	[***]	[***]
A0223645	[***]	[***]
A0131067	[***]	[***]
A0119468	[***]	[***]
A0119467	[***]	[***]
A0119466	[***]	[***]
A0131060	[***]	[***]
A0119607	[***]	[***]
A0119606	[***]	[***]
A0119605	[***]	[***]
A0131059	[***]	[***]
A0119604	[***]	[***]
A0119603	[***]	[***]
A0119602	[***]	[***]
A0119600	[***]	[***]
A0119598	[***]	[***]
A0119596	[***]	[***]

A0131031	[***]	[***]
A0131057	[***]	[***]
A0119588	[***]	[***]
A0119587	[***]	[***]
A0119586	[***]	[***]
A0225276	[***]	[***]
A0225277	[***]	[***]
A0225278	[***]	[***]
A0225279	[***]	[***]
A0131056	[***]	[***]
A0119585	[***]	[***]
A0119584	[***]	[***]
A0119583	[***]	[***]
A0131055	[***]	[***]
A0119582	[***]	[***]
A0119581	[***]	[***]
A0119579	[***]	[***]
A0131091	[***]	[***]
A0119577	[***]	[***]
A0119568	[***]	[***]
A0119567	[***]	[***]
A0168288	[***]	[***]
A0119566	[***]	[***]
A0119565	[***]	[***]
A0119564	[***]	[***]
A0131065	[***]	[***]
A0119563	[***]	[***]
A0119562	[***]	[***]
A0119561	[***]	[***]
A0131100	[***]	[***]
A0131098	[***]	[***]
A0131096	[***]	[***]
A0131094	[***]	[***]
A0376336	[***]	[***]
A0223658	[***]	[***]
A0223660	[***]	[***]
A0389492	[***]	[***]
A0223662	[***]	[***]
A0223664	[***]	[***]
A0223666	[***]	[***]
A0423753	[***]	[***]

A0423758	[***]	[***]
A0423766	[***]	[***]
A0423777	[***]	[***]
A0423779	[***]	[***]
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EXHIBIT 10.24

February 8, 2002

Ladies and Gentlemen:

This letter sets forth our agreement relating to certain aspects of the conversion of the Series A Preferred Stock, $.01 par value per share, the Series B Preferred Stock, $.01 par value per share, the Series C Preferred Stock, $.01 par value per share, the Series D Preferred Stock, $.01 par value per share, the Series E Preferred Stock, $.01 par value per share (collectively, the "Series A through E Preferred Stock') of CommVault Systems, Inc. (the "Company").

At the election of the Company, upon the closing of the Initial Public Offering (as such term is defined in the Certificate (defined below)), the Series A through E Preferred Stock shall be automatically converted into Common Stock in accordance with the terms of Section IV(B)(3)(d) of the Company's Amended and Restated Certificate of Incorporation dated the date hereof (the "Certificate"), subject to the provisions of this letter set forth below. In lieu of paying all or any portion of the cash payment upon conversion of shares of the Series A through E Preferred Stock on or prior to the Initial Public Offering (as such term is defined in the Certificate) as provided in Section IV(B)(3)(d) of the Company's Certificate, the Company may, in its sole discretion, issue a promissory note (the "Note"), in form and substance reasonably satisfactory to the holders of the A through E Preferred Stock, subject to the limitations set forth in the remainder of this paragraph. The principal amount of any Note shall be equal to any cash amounts which the Company is otherwise obligated to pay pursuant to Section IV(B)(3)(d) of the Company's Certificate, but which it elects not to pay in accordance with the preceding sentence. With respect solely to the portion of the principal amount of the Note arising from the payment of the $14.85 for each share of Series A through E Preferred Stock pursuant to Section IV(B)(3)(d) of the Company's Certificate, the Note shall bear interest from its date of issuance at the rate of 12% per year payable [quarterly] in arrears. The maturity of any such Note shall be at least twelve months from its date of issuance. At any time prior to maturity of the Note, the Company may prepay, without penalty, all or any portion of the principal and interest on the Note at its election.

You agree that you will not transfer ownership of any of your shares of Series A through E Preferred Stock unless the transferee of such shares expressly agrees in writing to be bound by the terms of this letter agreement.

If this is consistent with your understanding of our agreement, please sign below where indicated.

Sincerely,

/s/ N. Robert Hammer

N. Robert Hammer
Chief Executive Officer

EXHIBIT 10.25

STOCKHOLDERS AGREEMENT

dated as of

May 22, 1996

among

DLJ MERCHANT BANKING PARTNERS, L.P.,

DLJ INTERNATIONAL PARTNERS, C.V.,

DLJ OFFSHORE PARTNERS, C.V.,

DLJ MERCHANT BANKING FUNDING, INC.,

DLJ CAPITAL CORPORATION

SPROUT GROWTH II, L.P.,

SPROUT CAPITAL VII, L.P.,

SPROUT CEO FUND L.P.

DAVID H. IRELAND

SCOTTY R. NEAL

ROBERT FREIBURGHOUSE

and

COMMVAULT SYSTEMS, INC.

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STOCKHOLDERS AGREEMENT

STOCKHOLDERS AGREEMENT (this "AGREEMENT") dated as of May 22, 1996 among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P. (each of the foregoing, a "DLJ ENTITY," and collectively, the "DLJ ENTITIES"), David H. Ireland ("IRELAND"), Scotty R. Neal ("NEAL"), Robert Freiburghouse ("FREIBURGHOUSE") and CommVault Systems. Inc. (the "ISSUER," formerly CV Systems, Inc.).

WITNESSETH:

WHEREAS, pursuant to the Asset Purchase Agreement dated as of May 22, 1996 (the "ASSET PURCHASE AGREEMENT") between the Issuer and Lucent Technologies Inc., certain of the parties hereto, concurrently with the execution of this Agreement, are acquiring stock of the Issuer; and

WHEREAS, the parties hereto desire to enter into this Agreement to govern certain of their rights, duties and obligations after consummation of the transactions contemplated by the Asset Purchase Agreement;

The parties hereto agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions. (a) The following terms, as used herein, have the following meanings:

"ADVERSE PERSON" means any person that is an actual competitor or reasonably potential competitor of the Issuer or whose interest is otherwise materially adverse to the Issuer.

"AFFILIATE" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person, provided that no stockholder of the Issuer shall be deemed an Affiliate of any other stockholder solely by reason of any investment in the Issuer. For the purpose of this definition, the term "CONTROL" (including with correlative meanings, the terms "CONTROLLING," "CONTROLLED BY" and "UNDER COMMON CONTROL WITH"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting stock or by contract or otherwise.

"AFFILIATED EMPLOYEE BENEFIT TRUST" means any trust that is a successor to the assets held by a trust established under an employee benefit plan subject to ERISA or any other trust established directly or indirectly under such plan or any other such plan having the same sponsor.

"ALLOWABLE TRANSFER AMOUNT" shall mean, as to each member of Management, at any time in any given calendar year, that number of shares of Fully Diluted Common Stock equal to (i) (a) the aggregate Initial Ownership Position of the DLJ Entities, minus (b) the aggregate number of Shares of Fully Diluted Common Stock owned by the DLJ Entities at such time, divided by (ii) the aggregate Initial Ownership Position of the DLJ Entities, multiplied by (iii) the number of shares of Fully Diluted Common Stock owned by such individual at such time.

"BENCHMARK SHARES" means shares of Fully Diluted Common Stock sold or proposed to be sold by the DLJ Entities (other than to their Permitted Transferees) subsequent to the Closing Date until the aggregate number of shares of Fully Diluted Common Stock so sold or proposed to be sold by the DLJ Entities (other than as aforesaid) equals 70% of the aggregate Initial Ownership Position of the DLJ Entities (taking into account any stock dividend, stock split or reverse stock split on or subsequent to the Closing Date).

"BOARD" means the board of directors of the Issuer.

"BUSINESS DAY" means any day except a Saturday, Sunday or other day on which commercial banks in New York City are authorized by law to close.

"COMMON STOCK" means the Common Stock, par value $.01 per share, of the Issuer.

"EMPLOYMENT AGREEMENTS" means the Employment Agreements between the Issuer and each of Neal and Ireland dated the date hereof.

"EQUITY STOCK" means Common Stock, stock convertible into or exchangeable for Common Stock and options, warrants or other rights to acquire Common Stock.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"EXCHANGE ACT" means the Stock Exchange Act of 1934, as amended.

"FULLY DILUTED" means, with respect to Common Stock and without duplication, all outstanding shares and all shares issuable in respect of stock convertible into or exchangeable for Common Stock, stock appreciation rights or options, warrants and other irrevocable rights to purchase or subscribe for Common Stock or stock convertible into or exchangeable for Common Stock and any Person shall be deemed to own such number of Fully Diluted shares of Common Stock as such Person beneficially owns or has the right to acquire from any other Person (including the Issuer).

"INITIAL OWNERSHIP POSITION" means (i) the number of Fully Diluted shares of Common Stock held by the DLJ Entities on the date hereof, plus (ii) the number of Fully Diluted shares of Common Stock acquired by the DLJ Entities subsequent to the date hereof.

"INITIAL PUBLIC OFFERING" means the initial sale after the date hereof of Common Stock pursuant to an effective registration statement under the Securities Act (other than a registration statement on Form S-8 or any successor form).

"MANAGEMENT" means Neal, Ireland, Freiburghouse (and any other Person deemed by the Board of Directors to be a key executive) and their Permitted Transferees.

"OTHER STOCKHOLDERS" means all Stockholders other than any DLJ Entity, and their respective Permitted Transferees.

"OPTION AGREEMENTS" means the agreements between the Issuer and each holder of options to acquire Common Stock of the Issuer.

"PERCENTAGE OWNERSHIP" means, with respect to any Stockholder or any group of Stockholders at any time, (i) the number of shares of Fully Diluted Common Stock that such Stockholder or group of Stockholders owns at such time, divided by (ii) the total number of shares of Fully Diluted Common Stock at such time.

"Permitted Transferee" means:

(i) in the case of any DLJ Entity, (A) any other DLJ Entity, (B) any general or limited partner of any such entity (a "DLJ PARTNER"), and any corporation, partnership, Affiliated Employee Benefit Trust or other entity which is an Affiliate of any DLJ Partner (collectively, the "DLJ AFFILIATES"), (C) any managing director, general partner, director, limited partner, officer or employee of such DLJ Entity or a DLJ Affiliate, or the heirs, executors, administrators, testamentary trustees, legatees or beneficiaries of any of the foregoing Persons referred to in this clause (C) (collectively, "DLJ ASSOCIATES"), (D) any trust, the beneficiaries of which, or any corporation, limited liability company or partnership, the stockholders, members or general or limited partners of which, include only such DLJ Entity, DLJ Affiliates, DLJ Associates, their spouses or their lineal descendants and (E) a voting trustee for one or more DLJ Entities, DLJ Affiliates or DLJ Associates under the terms of a voting trust designed to conform with the requirements of the Insurance Law of the State of New York; and

(ii) in the case of any Other Stockholder, (A) the Issuer, (B) (x) such Stockholder's spouse or (y) such Stockholder's siblings or lineal descendants, so long as such Stockholder retains the right to vote such Stock, (C) a Person who acquires Stock from any such Stockholder pursuant to a will or the laws of descent and distribution, (D) any trust the beneficiaries of which consist only of such Stockholders and/or such Stockholder's spouse, siblings and lineal descendants, and (E) any DLJ Entity.

"PERSON" means an individual, corporation, partnership, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"PIGGYBACK STOCKHOLDER" means: (a) if the DLJ Entities collectively hold greater than or equal to 30% of the Initial Ownership Position, the DLJ Entities, and (b) if the DLJ Entities collectively hold less than 30% of the Initial Ownership Position, the DLJ Entities and the Other Stockholders.

"PREFERRED STOCK" means the Series A Preferred Stock, par value $.01 per share, of the Issuer.

"REGISTRABLE STOCK" means any shares of Common Stock until (i) a registration statement covering such shares of Common Stock has been declared effective by the SEC and such shares have been disposed of pursuant to such effective registration statement, (ii) such shares are sold under circumstances in which all of the applicable conditions of Rule 144 (or any similar provisions then in force) under the Securities Act are met or such shares may be sold pursuant to Rule 144(k) or (iii) such shares are otherwise transferred, the Issuer has delivered a new certificate or other evidence of ownership for such shares not bearing the legend required pursuant to this Agreement and such shares may be resold without subsequent registration under the Securities Act.

"REGISTRATION EXPENSES" means (i) all registration and filing fees, (ii) fees and expenses of compliance with stock or blue sky laws (including reasonable fees and disbursements of counsel in connection with blue sky qualifications of the Stock), (iii) printing expenses, (iv) internal expenses of the Issuer (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), (v) reasonable fees and disbursements of counsel for the Issuer and customary fees and expenses for independent certified public accountants retained by the Issuer (including expenses relating to any comfort letters or costs associated with the delivery by independent certified public accountants of a comfort letter or comfort letters requested pursuant to Section 4.4(h) hereof), (vi) the reasonable fees and expenses of any special experts retained by the Issuer in connection with such registration, (vii) reasonable fees and expenses of one counsel for the Stockholders participating in the offering, selected by the DLJ Entities, in the case of an offering in which any of the DLJ Entities participate, or selected by Management in any other case involving exercise of registration rights under Sections 4.1 or 4.2, (viii) fees and expenses in connection with any review of underwriting arrangements by the National Association of Stock Dealers, Inc. (the "NASD") including fees and expenses of any "QUALIFIED INDEPENDENT UNDERWRITER" and (ix) fees and disbursements of underwriters customarily paid by issuers or sellers of stock, but shall not include any underwriting fees, discounts or commissions attributable to the sale of Registrable Stock, or any out-of-pocket expenses (except as set forth in clause (vii) above) of the Stockholders or any fees and expenses of underwriter's counsel.

"SEC" means the Securities and Exchange Commission.

"SECURITIES ACT" means the Securities Act of 1933, as amended.

"STOCK" means shares of Common Stock, Preferred Stock and other voting stock of the Issuer held by the stockholders.

"STOCKHOLDER" means each Person (other than the Issuer) who shall be a party to this Agreement, whether in connection with the execution and delivery hereof as of the date hereof, pursuant to Section 6.3 or otherwise, so long as such Person shall "BENEFICIALLY OWN" (as such term is defined in Rule 13d-3 under the Exchange Act) any Stock.

"SUBSIDIARY" means, with respect to any Person, any entity of which stock or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person.

"THIRD PARTY" means a prospective purchaser of shares in an arm's-length transaction from a Stockholder where such purchaser is not a Permitted Transferee of such Stockholder.

"TRANSACTION DOCUMENTS" means this Agreement, the Employment Agreements and the Option Agreements.

"UNDERWRITTEN PUBLIC OFFERING" means an underwritten public offering of Registrable Stock of the Issuer pursuant to an effective registration statement under the Securities Act.

(b) The term "DLJ ENTITIES," to the extent such entities shall have transferred any of their Stock to "Permitted Transferees," shall mean the DLJ Entities and the Permitted Transferees of the DLJ Entities, taken together, and any right or action that may be taken at the election of the DLJ Entities may be taken at the election of the DLJ Entities, and such Permitted Transferees.

(c) The term "OTHER STOCKHOLDERS," to the extent such stockholders shall have transferred any of their Stock to "Permitted Transferees," shall mean the Other Stockholders and the Permitted Transferees of the Other Stockholders, as the case may be, and any right or action that may be taken at the election of the Other Stockholders may be taken at the election of the Other Stockholders and the Permitted Transferees of the Other Stockholders, as the case may be.

(d) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Aggregate Tag Amount	3.1(g)(i)
Confidential Information	5.1(b)
control	1.1(a)
Demand Registration	4.1(a)
DLJ Affiliate	1.1(a)
DLJ Associates	1.1(a)
DLJ Entity	1.1(b)
DLJ Partner	1.1(a)
DLJSC	6.5
Holders	4.1(a)(ii)
Incidental Registration	4.2(a)
Indemnified Party	4.7
Indemnifying Party	4.7
Inspectors	4.4(g)
Maximum Offering Size	4.1(d)
NASD	1.1(a)
Other Stockholder	1.1(c)
Private Transaction	2.1(b)

Records	4.4(g)
Representatives	5.1(b)
Restriction Termination Date	2.1(a)
Section 2.1(c) Termination Date	2.1(c)
Section 3.1 Offer	3.1(a)
Section 3.1 Offer Notice	3.1(a)
Section 3.1 Offer Price	3.1(a)
Section 3.2 Notice	3.2
Section 3.3 Agreement	3.3(a)
Section 3.3 Notice	3.3(a)
Section 3.3 Notice Period	3.3(a)
Section 3.3 Sale	3.3(a)
Section 3.3 Sale Price	3.3(a)
Selling Party	3.1(a)
Selling Stockholder	4.1(a)
Tag Along Notice Period	3.1(g)(i)
Tag Along Right	3.1(g)(i)
Tag Along Sale	3.1(g)(i)
Tag Along Seller	3.1(g)(i)
Tagging Person	3.1(g)(i)
transfer	2.1(a)

(e) Capitalized terms used herein and not otherwise defined herein shall have the meanings herein that are assigned to such terms in the Asset Purchase Agreement.

ARTICLE 2
RESTRICTIONS ON TRANSFER

2.1 General. (a) Until the earlier of (i) the fifth anniversary of the date of this Agreement and (ii) the second anniversary of the consummation of an Initial Public Offering (the earlier of such dates, the "RESTRICTION TERMINATION DATE"), no Stockholder may, directly or indirectly, sell, assign, transfer, grant a participation in, pledge or otherwise dispose of ("TRANSFER") any Stock (or solicit any offers to buy or otherwise acquire, or to take a pledge of, any of its Stock) except transfers permitted by Section 2.3.

(b) From and after the Restriction Termination Date, no Stockholder may transfer any Stock (or solicit any offers to buy or otherwise acquire, or to take a pledge of, any Stock) except for, subject to Section 2.1(c): (i) transfers permitted by Section 2.3, (ii) transfers in a bona fide Underwritten Public Offering upon exercise of registration rights pursuant to Article 4, (iii) transfers pursuant to Rule 144 (or any successor provisions under the Securities Act), (iv) in the case of any DLJ Entity and subject to Section 3.1, transfers to any other Person in any Private Transaction (as defined below), provided that no Stock may be transferred pursuant to this clause (iv) to any Person unless such Person shall have agreed in writing to be bound by the terms of this Agreement applicable to such Stockholder, (v) in the case of any Management, subject to Section 3.1, transfers of shares of Stock and to any other Person in any Private Transaction, provided that no Stock may be transferred to any Person pursuant to this clause (v) unless such

Person shall have agreed in writing to be bound by the terms of this Agreement applicable to such Stockholder and (vi) in the case of any Other Stockholders, transfers pursuant to Section 3.3 hereby. As used herein, "PRIVATE TRANSACTION" means any transfer not covered by clause (i), (ii), (iii) or (vi) above.

(c) Notwithstanding anything else contained herein, except pursuant to Section 2.3 or 3.3, no transfer of any shares of Common Stock may be made by a member of Management at any time to the extent that the number of shares then sought to be transferred by such member of Management, as the case may be, would exceed the Allowable Transfer Amount applicable to such individual at such time. From and after the Section 2.1(c) Termination Date (as defined below), (x) the restriction contained in the preceding sentence shall terminate as to transfers pursuant to Section 2.1(b)(ii) and 2.1(b)(iii), and (y) transfers of shares of Common Stock may be made by Management pursuant to Section 2.1(b)(ii) or 2.1(b)(iii) without regard to the Allowable Transfer Amount but only to the extent such transfers are otherwise in accordance with the provisions of Articles 2 and 3. Such time as the aggregate number of shares of Fully Diluted Common Stock held by the DLJ Entities is less than 10% of the aggregate number of shares of Fully Diluted Common Stock held by the DLJ Entities on the date hereof (determined taking into account any adjustments in accordance with the terms of the applicable stock) is referred to as the "SECTION 2.1(C) TERMINATION DATE."

(d) No Stockholder may transfer any Stock at any time except in compliance with applicable federal or state securities laws.

(e) Notwithstanding anything else contained herein, prior to making any transfer of Stock, a Stockholder shall give at least 30 days notice to the Board. The Board shall have the right to prevent the transfer of any Stock to any person that the Board determines, in its sole discretion, is an Adverse Person. The Board shall be required to notify such Stockholder within 30 days after receipt of a notice of transfer from such Stockholder that a proposed transferee is an Adverse Person.

2.2 Legend on Stock. (a) In addition to any other legend that may be required, each certificate for Stock that is issued to any Stockholder shall bear a legend in substantially the following form:

> "THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD EXCEPT IN COMPLIANCE THEREWITH. THIS SECURITY IS ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER AS SET FORTH IN THE STOCKHOLDERS AGREEMENT DATED AS OF MAY 22, 1996, COPIES OF WHICH MAY BE OBTAINED UPON REQUEST FROM COMMVAULT SYSTEMS, INC. AND ANY SUCCESSOR THERETO."

(b) If any shares of Stock shall cease to be Registrable Stock, the Issuer shall, upon the written request of the holder thereof, issue to such holder a new certificate evidencing such

shares without the first sentence of the legend required by Section 2.2(a) endorsed thereon. If any Stock cease to be subject to any and all restrictions on transfer set forth in this Agreement, the Issuer shall, upon the written request of the holder thereof, issue to such holder a new certificate evidencing such Stock without the second sentence of the legend required by Section 2.2(a) endorsed thereon.

2.3 Permitted Transferees. Notwithstanding anything in this Agreement to the contrary, any Stockholder may at any time transfer any or all of its Stock to one or more of its Permitted Transferees without the consent of the Board or any other Stockholder or group of Stockholders and without compliance with Section 3.1 so long as (a) such Permitted Transferee shall have agreed in writing to be bound by the terms of this Agreement, (b) the transfer to such Permitted Transferee is not in violation of applicable federal or state securities laws and (c) such Permitted Transferee is not an Adverse Party.

ARTICLE 3
RIGHTS OF FIRST REFUSAL; TAG ALONG RIGHTS; PREEMPTIVE RIGHTS; DRAG ALONG RIGHTS; TERMINATION

3.1 Right of First Refusal; Tag Along Rights. (a) Subject to the provisions of Section 3.1(g), if any Other Stockholder receives from or otherwise negotiates with a Third Party in a Private Transaction an offer to purchase for cash (or, subject to clause (f) non-cash consideration) any or all of the Stock owned or held by such Other Stockholder that is otherwise permitted under this Agreement (including, without limitation, Section 3.1 hereof) (a "SECTION 3.1 OFFER") and such Other Stockholder (a "SELLING PARTY") intends to pursue such sale of such Stock to such Third Party in such Private Transaction, such Selling Party shall provide the Issuer and each DLJ Entity written notice of such Section 3.1 Offer (a "SECTION 3.1 OFFER NOTICE"). The Section 3.1 Offer Notice shall identify the number and type of Stock subject to the Section 3.1 Offer, the cash price at which a sale is proposed to be made (the "SECTION 3.1 OFFER PRICE") and all other material terms and conditions of the Section 3.1 Offer.

(b) Subject to the provisions of Section 3.1(g), the receipt of a Section 3.1 Offer Notice by the Issuer and each DLJ Entity from any Selling Party shall constitute an offer by such Selling Party to sell, to the Issuer and each DLJ Entity, for cash (or, subject to clause (f), non-cash consideration) in whole and not in part, with the Issuer having priority with respect to the acceptance of the Section 3.1 Offer. If the Issuer does not accept the offer, in whole and not in part, in accordance herewith, then such offer may be accepted, in whole and not in part, at the Section 3.1 Offer Price by the DLJ Entities on a pro rata basis based on each DLJ Entity's Percentage Ownership (unless the DLJ Entities shall agree to another allocation resulting in acceptance of the Section 3.1 Offer with respect to all Stock subject to the Section 3.1 Offer); provided that in the event there is an undersubscription by the DLJ Entities at the end of the 30-day period referred to below, the unsubscribed Stock shall be apportioned among those DLJ Entities whose written notice of acceptance referred to below specified a number of additional shares such DLJ Entity would like to purchase pursuant to this Section 3.1, which apportionment shall be on a pro rata basis among such DLJ Entities in accordance with such DLJ Entity's Percentage Ownership. Such offer shall be irrevocable for 30 days after receipt of such Section 3.1 Offer Notice by the Issuer and each DLJ Entity (and, if not accepted in accordance with the

terms hereof, shall expire at the completion of such 30-day period). During such 30-day period, subject to the Issuer's priority right of exercise as set forth above, each DLJ Entity shall have the right to accept such offer (as provided above). The Section 3.1 Offer may be accepted by giving a written irrevocable notice of acceptance to such Selling Party prior to the expiration of such 30-day period.

(c) The Issuer or the DLJ Entity(ies), as the case may be, shall purchase for cash (or, subject to clause (f), non-cash consideration) at the Section 3.1 Offer Price and pay for all Stock set forth in the Section 3.1 Offer Notice within a 20-day period following acceptance of the Section 3.1 Offer; provided that if the purchase and sale of such Stock is subject to expiration of any applicable statutory waiting period, the time period during which such purchase and sale may be consummated shall be extended until the expiration of five Business Days after such waiting period shall have expired; provided further that such time period shall not exceed 60 days without the written consent of the Selling Party.

(d) Upon the rejection or expiration of the Section 3.1 Offer by the Issuer and the DLJ Entities or the failure to obtain any required consent for the purchase of the Stock subject thereto within 60 days, there shall commence a 90-day period during which the Selling Party shall have the right, subject to Section 3.1(g), to consummate the sale to the Third Party making the Section 3.1 Offer of all but not less than all of the Stock subject to the Section 3.1 Offer at a price not less than the Section 3.1 Offer Price; provided that (i) such Third Party shall have agreed in writing to be bound by the terms of this Agreement and (ii) the transfer to such Third Party is not in violation of applicable federal or state or foreign securities laws. Notwithstanding the foregoing, if the purchase and sale of such Stock is subject to any prior regulatory approval, the time period during which such purchase and sale may be consummated shall be extended until the expiration of five Business Days after all such approvals shall have been received but in no event shall such time period exceed 120 days without the consent of the Issuer. If such Selling Party does not consummate the sale of any Stock subject to the Section 3.1 Offer in accordance with the time limitations set forth above, such Selling Party may not sell any Stock without repeating the foregoing procedures.

(e) Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 3.1 will not be applicable to transfers made pursuant to and in compliance with Section 2.3, Section 3.3 or Article 4.

(f) A Stockholder may transfer Stock in accordance with the foregoing provisions of this Section 3.1 for consideration other than cash only if such Other Stockholder has first obtained and delivered to each DLJ Entity and the Issuer an opinion of an investment banking firm of national standing indicating that the fair market value of the non-cash consideration that such Stockholder proposes to accept as consideration for such Stock, together with any cash consideration, is at least equal to the Section 3.1 Offer Price.

(g) (i) In the event of any proposed transfer by one or more DLJ Entities (each a "TAG ALONG SELLER") of a total of 25% or more of the aggregate Initial Ownership Position of the DLJ Entities in a Private Transaction permitted by Section 2.1(b)(iv) (a "TAG ALONG SALE"), the Other Stockholders may, at their option, elect to exercise their rights under this Section 3.1(g). Such electing Other Stockholders (each of such Other Stockholders, a "TAGGING PERSON") shall

have the right (a "TAG ALONG RIGHT"), exercisable by written notice given to the Tag Along Seller within 45 days after receipt of the Section 3.1 Offer Notice (the "TAG ALONG NOTICE PERIOD"), to request the Tag Along Seller to include in the proposed transfer to the Third Party the number of shares of Common Stock or Stock convertible into shares of Common Stock held by such Tagging Person as is specified in such notice; provided that (x) the Tag Along Seller shall be required only to include in the proposed transfer a number (the "AGGREGATE TAG AMOUNT") of shares of Common Stock or Stock convertible into Common Stock held by such Tagging Persons equal to not more than the number of shares of Common Stock proposed to be sold by the Tag Along Seller to such Third Party in such transaction multiplied by a fraction, the numerator of which is the number of shares of Fully Diluted Common Stock owned by all such Tagging Persons immediately prior to the Tag Along Sale, and the denominator of which is the total number of shares of Fully Diluted Common Stock immediately prior to the Tag Along Sale and (y) if the aggregate number of shares of Common Stock proposed to be sold (and in fact sold) by all Tagging Persons in such transaction exceeds the Aggregate Tag Amount, the Aggregate Tag Amount of shares permitted to be sold shall be allocated among all Tagging Persons pro rata based on Percentage Ownership. If the Other Stockholders exercise their Tag Along Right hereunder, each Tagging Person shall deliver to the Tag Along Seller the certificate or certificates representing the Stock of such Tagging Person to be included in the transfer, together with a limited power-of-attorney authorizing the Tag Along Seller to transfer such Stock on the terms set forth in the Section 3.1 Offer Notice. Delivery of such certificate or certificates representing the Stock to be transferred and the limited power-of-attorney authorizing the Tag Along Seller to transfer such Stock shall constitute an irrevocable acceptance of the Tag Along Sale, subject to the terms of this Section 3.1(g), by such Tagging Persons and the Tag Along Seller. If, at the end of a 120-day period after such delivery, the Tag Along Seller has not completed the transfer of all such Stock, the Tag Along Seller shall return to each Tagging Person the limited power-of-attorney (and all copies thereof) together with all certificates representing the Stock which such Tagging Person delivered for transfer but not sold pursuant to this Section 3.1(g), and the DLJ Entities may not effect another Tag Along Sale without repeating the foregoing procedures.

(ii) The per share consideration to be paid to the Tagging Persons in any Tag Along Sale shall be: (i) in the case of Common Stock proposed to be sold by the Tag Along Seller, the consideration per share of Common Stock for which the transfer by the Tag Along Seller is proposed to be made; or (ii) in the case of Stock that is convertible into Common Stock proposed to be sold by the Tag Along Seller, the consideration set forth in clause (i), multiplied by the number of shares into which such Stock is convertible, plus the amount of cash to be received by the holders of such Stock upon conversion thereof.

(iii) Concurrently with the consummation of the Tag Along Sale, the Tag Along Seller shall notify the Tagging Persons thereof, shall remit to the Tagging Persons the total consideration for the Stock of the Tagging Persons transferred pursuant thereto (computed pursuant to Section 3.1(g)(ii)), and shall, promptly after the consummation of such Tag Along Sale furnish such other evidence of the completion and time of completion of such transfer and the terms thereof as may be reasonably requested by the Tagging Persons.

(iv) If at the termination of the Tag Along Notice Period any Tagging Person shall not have elected to participate in the Tag Along Sale, such Tagging Person will be deemed to have

waived its rights under this Section 3.1(g) with respect to the transfer of its Stock pursuant to such Tag Along Sale.

(v) In any Tag Along Sale in which any of the Other Stockholders have exercised their Tag Along Right, the right of any party pursuant to Section 3.1(b) to accept the offer referred to therein shall be deemed to have terminated. If the Other Stockholders elect not to exercise their Tag Along Right in any Tag Along Sale and elect to accept the offer referred to in Section 3.1(b), no other Person may exercise any Tag Along Right under this Section 3.1(g).

3.2 Preemptive Rights. For so long as any shares of Preferred Stock remain outstanding, the Issuer shall provide each DLJ Entity with a written notice (a "SECTION 3.2 NOTICE") of any proposed issuance by the Issuer of Equity Stock at least 60 days prior to the proposed issuance date. Such notice shall specify the price at which the Equity Stock is to be issued and the other material terms of the issuance. Each DLJ Entity shall be entitled to purchase, at the price and on the terms specified in such Section 3.2 Notice, the Equity Stock proposed to be issued on a pro rata basis based upon such DLJ Entity's Percentage Ownership. A DLJ Entity may exercise its rights under this Section 3.2 by delivering written notice of its election to purchase Equity Stock to the Issuer within 30 days of receipt of the Section 3.2 Notice. Each DLJ Entity shall deliver a copy of any such written notice to the Issuer at least five Business Days prior to the expiration of such 30-day period. A delivery of such a written notice (which notice shall specify the number of shares (or amount) of Equity Stock to be purchased by the DLJ Entity submitting such notice) by a DLJ Entity shall constitute a binding agreement of such DLJ Entity to purchase, at the price and on the terms specified in the Section 3.2 Notice, the number of shares (or amount) of Equity Stock specified in such DLJ Entity's written notice. In the case of any issuance of Equity Stock, the Issuer shall have 90 days from the date of the Section 3.2 Notice to consummate the proposed issuance of any or all of such Equity Stock which the DLJ Entities have not elected to purchase at the price and upon terms that are not materially less favorable to the Issuer than those specified in the Section 3.2 Notice. At the consummation of such issuance, the Issuer shall issue certificates representing the Equity Stock to be purchased by each DLJ Entity exercising preemptive rights pursuant to this Section 3.2 registered in the name of such DLJ Entity, against payment by such DLJ Entity of the purchase price for such Equity Stock. If the Issuer proposes to issue Equity Stock after such 90-day period, it shall again comply with the procedures set forth in this Section. Notwithstanding the foregoing, no DLJ Entity shall be entitled to purchase Equity Stock as contemplated by this Section 3.2 in connection with issuances of Equity Stock (i) to employees of the Issuer or any Subsidiary of the Issuer pursuant to employee benefit plans or arrangements approved by the Board (including upon the exercise of employee stock options), (ii) in connection with any bona fide, arm's-length direct or indirect merger, acquisition or similar transaction, or (iii) upon the conversion of any shares of Preferred Stock into Common Stock. The Issuer shall not be under any obligation to consummate any proposed issuance of Equity Stock, regardless of whether it shall have delivered a Section 3.2 Notice in respect of such proposed issuance. Unless earlier terminated pursuant to the terms of this Section 3.2, the provisions of this Section 3.2 shall terminate upon the consummation of an Initial Public Offering.

3.3 Right to Compel Participation in Certain Transfers. (a) If the DLJ Entities should propose to transfer more than 25% of the aggregate Initial Ownership Position of the DLJ Entities to any Third Party (a "SECTION 3.3 SALE"), the DLJ Entities may, at their option, require

all but not less than all the Other Stockholders to participate in such transfer. The DLJ Entities shall provide written notice of such Section 3.3 Sale to the Other Stockholders (a "SECTION 3.3 NOTICE") and a copy of the agreement pursuant to which such shares are proposed to be transferred (the "SECTION 3.3 AGREEMENT"). The Section 3.3 Notice shall identify the transferee, the number of shares of Common Stock subject to the Section 3.3 Sale, the consideration per share of Common Stock for which a transfer is proposed to be made (the "SECTION 3.3 SALE PRICE") and all other material terms and conditions of the Section 3.3 Sale. Each Other Stockholder shall be required to participate in the Section 3.3 Sale on the terms and conditions set forth in the Section 3.3 Notice and to tender all its shares of Common Stock, and Stock convertible into Common Stock as set forth below. The price of such transfer shall be the Section 3.3 Sale Price in the case of shares of Common Stock, and in the case of Stock convertible into Common Stock shall be the Section 3.3 Sale Price multiplied by the number of shares of Common Stock into which such Stock is convertible, plus the amount of cash to be received by the holder(s) of such Stock upon conversion thereof. Within ten Business Days following the date of the Section 3.3 Notice (the "SECTION 3.3 NOTICE PERIOD"), each of the Other Stockholders shall deliver to a representative of the DLJ Entities designated in the Section 3.3 Notice certificates representing all shares of Common Stock held by such Other Stockholder and all Stock convertible into Common Stock held by such Other Shareholder, duly endorsed, together with all other documents required to be executed in connection with such Section 3.3 Sale or, if such delivery is not permitted by applicable law, an unconditional agreement to deliver such stock pursuant to this Section 3.3(a) at the closing for such Section 3.3 Sale against delivery to such other Stockholder of the consideration therefor. If an Other Stockholder should fail to deliver such certificates to the DLJ Entities, the Issuer shall cause the books and records of the Issuer to show that such Stock are bound by the provisions of this Section 3.3(a) and that such Stock shall he transferred to the Third Party immediately upon surrender for transfer by the Other Stockholder thereof.

(b) If, within 120 days after the DLJ Entities give the Section 3.3 Notice, they have not completed the transfer of all the stock subject to the Section 3.3 Sale, the DLJ Entities shall return to each of the Other Stockholders all certificates representing Stock that such Other Stockholder delivered for transfer pursuant hereto, together with any documents in the possession of the DLJ Entities executed by the Other Stockholder in connection with such proposed transfer, and all the restrictions on transfer contained in this Agreement or otherwise applicable at such time with respect to Stock owned by the Other Stockholders shall again be in effect.

(c) Promptly after the consummation of the transfer of Stock of the DLJ Entities and the Other Stockholders pursuant to this Section 3.3, the DLJ Entities shall give notice thereof to the Other Stockholders, shall remit to each of the Other Stockholders who have surrendered their certificates the total consideration for the shares of Common Stock and Stock convertible into Common Stock transferred pursuant hereto and shall furnish such other evidence of the completion and time of completion of such transfer and the terms thereof as may be reasonably requested by such Other Stockholders.

3.4 Improper Transfer. Any attempt to transfer any Stock not in compliance with this Agreement shall be null and void and neither the Issuer nor any transfer agent shall give any effect in the Issuer's records to such attempted transfer.

3.5 Termination of Agreement. This Agreement shall terminate upon the earliest of:

(i) the tenth anniversary of the date hereof; and

(ii) such time as the DLJ Entities own less than 5% of the aggregate number of shares of Fully Diluted Common Stock.

ARTICLE 4
REGISTRATION RIGHTS

4.1 Demand Registration. (a) The DLJ Entities may at any time make a written request (such requesting DLJ Entity, a "SELLING STOCKHOLDER") that the Issuer effect the registration under the Securities Act of all or a portion of such Selling Stockholder's Registrable Stock, and specifying the intended method of disposition thereof. The Issuer will promptly give written notice of such requested registration (a "DEMAND REGISTRATION") at least 30 days prior to the anticipated filing date of the registration statement relating to such Demand Registration to the Other Stockholders and thereupon will use its best efforts to effect, as expeditiously as possible, the registration under the Securities Act of:

(i) the Registrable Stock then held by the Selling Stockholders which the Issuer has been so requested to register by the Selling Stockholders; and

(ii) subject to Section 4.2, all other Registrable Stock which any Other Stockholder entitled to request the Issuer to effect an Incidental Registration (as such term is defined in Section 4.2) pursuant to Section 4.2 (all such Stockholders, together with the Selling Stockholders, the "HOLDERS") has requested the Issuer to register by written request received by the Issuer within 15 days after the receipt by such Holders of such written notice given by the Issuer,

all to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Stock so to be registered; provided that, subject to Section 4.1(c) hereof, the Issuer shall not be obligated to effect more than three Demand Registrations for the DLJ Entities collectively pursuant to this Section 4.1 other than any such Demand Registrations effected on Form S-3; and provided further that the Issuer shall not be obligated to effect a Demand Registration unless the Registrable Stock requested to be included in such Demand Registration constitutes at least 25% of the Common Stock then outstanding or to be issued upon conversion of the Preferred Stock. In no event will the Issuer be required to effect more than two Demand Registrations on Form S-3 within any 12 month period.

Promptly after the expiration of the 15-day period referred to in Section 4.1(a)(ii) hereof, the Issuer will notify all of the Holders to be included in the Demand Registration of the other Holders and the number of shares of Registrable Stock requested to be included therein. The Selling Stockholders requesting a registration under this Section 4.1(a) may, at any time prior to the effective date of the registration statement relating to such registration, revoke such request, without liability to any of the other Holders, by providing a written notice to the Issuer revoking such request, in which case such request, so revoked, shall be considered a Demand Registration unless such revocation arose out of the fault of the Issuer, in which case such request shall not be

considered a Demand Registration. Notwithstanding anything contained in this, Agreement to the contrary, nothing herein shall be construed as requiring the Issuer to register any of its stock other than Common Stock.

(b) The Issuer will pay all Registration Expenses in connection with any Demand Registration.

(c) A registration requested pursuant to this Section 4.1 shall not be deemed to have been effected unless the registration statement relating thereto (i) has become effective under the Securities Act and (ii) has remained effective for a period of at least 90 days (or such shorter period in which all Registrable Stock of the Holders included in such registration has actually been sold thereunder); provided that if after any registration statement requested pursuant to this Section 4.1 becomes effective (i) such registration statement is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court and (ii) less than 75% of the Registrable Stock included in such registration statement has been sold thereunder, such registration statement shall be at the sole expense of the Issuer and shall not be considered a Demand Registration, unless any such interference referred to in clause (i) of this proviso arose out of the fault of the Selling Stockholders, in which case such registration statement shall be considered a Demand Registration.

(d) If a Demand Registration involves an Underwritten Public Offering and the managing underwriter shall advise the Issuer and the Selling Stockholders that, in its view, (i) the number of shares of Common Stock requested to be included in such registration (including Common Stock which the Issuer proposes to be included which is not Registrable Stock) or (ii) the inclusion of some or all of the Stock owned by the Holders, in either case, exceeds the largest number of Stock which can be sold without having an adverse effect on such offering, including the price at which such Stock can be sold (the "MAXIMUM OFFERING SIZE"), the Issuer will include in such registration, in the priority listed below, up to the Maximum Offering Size:

(A) first, all Benchmark Shares requested to be registered by the DLJ Entities (allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the DLJ Entities on the basis of the relative number of shares of Registrable Stock requested to he included in such registration);

(B) second, any Common Stock proposed to be registered by the Issuer; and

(C) third, all Registrable Stock requested to be registered by any Selling Stockholders and any other Holders (allocated, if necessary for the offering not to exceed the Maximum Offering size, pro rata among such Selling Stockholders and other Holders on the basis of the relative number of shares of Registrable Stock (excluding any Benchmark Shares) so requested to be included in such registration).

4.2 Incidental Registration. (a) If the Issuer proposes to register any of its Common Stock under the Securities Act (other than a registration (A) in connection with an Initial Public Offering, (B) on Form S-8 or S-4 or any successor or similar forms, (C) relating to Common

Stock issuable upon exercise of employee stock options or in connection with any employee benefit or similar plan of the Issuer or (D) in connection with a direct or indirect merger, acquisition or other similar transaction) whether or not for sale for its own account, the Issuer will each such time, subject to the provisions of Section 4.2(b) hereof, give prompt written notice at least 30 days prior to the anticipated filing date of the registration statement relating to such registration to each Piggyback Stockholder, which notice shall set forth such Piggyback Stockholders' rights under this Section 4.2 and shall offer all Piggyback Stockholders the opportunity to include in such registration statement such number of shares of Registrable Stock as each such Piggyback Stockholder may request (an "INCIDENTAL REGISTRATION"). Upon the written request of any such Piggyback Stockholder made within 15 days after the receipt of notice from the Issuer (which request shall specify the number of shares of Registrable Stock intended to be disposed of by such Piggyback Stockholder), the Issuer will use its best efforts to effect the registration under the Securities Act of all Registrable Stock which the Issuer has been so requested to register by such Piggyback Stockholders, to the extent requisite to permit the disposition of the Registrable Stock so to be registered: provided that (i) if such registration involves an Underwritten Public Offering, all such Piggyback Stockholders requesting to be included in the Issuer's registration must sell their Registrable Stock to the underwriters selected as provided in Section 4.4(f) on the same terms and conditions as apply to the Issuer and the selling Piggyback Stockholders and (ii) if, at any time after giving written notice of its intention to register any stock pursuant to this Section 4.2(a) and prior to the effective date of the registration statement filed in connection with such registration, the Issuer shall determine for any reason not to register such stock, the Issuer shall give written notice to all such Piggyback Stockholders and, thereupon, shall be relieved of its obligation to register any Registrable Stock in connection with such registration. No registration effected under this Section 4.2 shall relieve the Issuer of its obligations to effect a Demand Registration to the extent required by Section 4.1 hereof. The Issuer will pay all Registration Expenses in connection with each registration of Registrable Stock requested pursuant to this Section 4.2.

(b) If a registration pursuant to this Section 4.2 involves an Underwritten Public Offering (other than in the case of an Underwritten Public Offering requested by any Stockholder in a Demand Registration, in which case the provisions with respect to priority of inclusion in such offering set forth in Section 4.1(d) shall apply) and the managing underwriter advises the Issuer that, in its view, the number of shares of Common Stock which the Issuer and the selling Piggyback Stockholders intend to include in such registration exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, so much of the Common Stock proposed to be registered by the Issuer as would not cause the offering to exceed the Maximum Offering Size;

(ii) second, all Benchmark Shares requested to be included in such registration statement by any DLJ Entity pursuant to this Section 4.2 (allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such DLJ Entities on the basis of the relative number of shares of Registrable Stock requested to be so included); and

(iii) third, all Registrable Stock other than Benchmark Shares requested to be included in such registration by any Piggyback Stockholder pursuant to Section 4.2 (allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Piggyback Stockholders on the basis of the relative number of shares of Registrable Stock (excluding any Benchmark Shares) so requested to be included in such registration).

4.3 Holdback Agreements. If any registration of Registrable Stock shall be in connection with an Underwritten Public Offering, each Stockholder agrees not to effect any public sale or distribution, including any sale pursuant to Rule 144, or any successor provision, under the Securities Act, of any Registrable Stock, and not to effect any such public sale or distribution of any other Common Stock of the Issuer or of any stock convertible into or exchangeable or exercisable for any Common Stock of the Issuer (in each case, other than as part of such Underwritten Public Offering) during the 14 days prior to the effective date of such registration statement (except as part of such registration) or during the period after such effective date that such managing underwriter and the Issuer shall agree (but not to exceed 90 days).

4.4 Registration Procedures. Whenever Stockholders request that any Registrable Stock be registered pursuant to Section 4.1 or 4.2 hereof, the Issuer will, subject to the provisions of such sections, use its best efforts to effect the registration and the sale of such Registrable Stock in accordance with the intended method of disposition thereof as quickly as practicable, and in connection with any such request:

(a) The Issuer will as expeditiously as possible prepare and file with the SEC a registration statement on any form for which the Issuer then qualifies or which counsel for the Issuer shall deem appropriate and which form shall be available for the sale of the Registrable Stock to be registered thereunder in accordance with the intended method of distribution thereof, and use its best efforts to cause such filed registration statement to become and remain effective for a period of not less than 90 days (or such shorter period in which all of the Registrable Stock of the Holders included in such registration statement shall have actually been sold thereunder).

(b) The Issuer will, if requested, prior to filing a registration statement or prospectus or any amendment or supplement thereto, furnish to each Stockholder and each underwriter, if any, of the Registrable Stock covered by such registration statement copies of such registration statement as proposed to be filed, and thereafter the Issuer will furnish to such Stockholder and underwriter, if any, such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits thereto and documents incorporated by reference therein), the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such Stockholder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Stock owned by such Stockholder.

(c) After the filing of the registration statement, the Issuer will promptly notify each Stockholder holding Registrable Stock covered by such registration statement of any stop order issued or threatened by the SEC and take all reasonable actions required to prevent the entry of such stop order or to remove it if entered.

(d) The Issuer will use its best efforts to (i) register or qualify the Registrable Stock covered by such registration statement under such other stock or blue sky laws of such jurisdictions in the United States as any Stockholder holding such Registrable Stock reasonably (in light of such Stockholder's intended plan of distribution) requests and (ii) cause such Registrable Stock to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Issuer and do any and all other acts and things that may be reasonably necessary or advisable to enable such Stockholder to consummate the disposition of the Registrable Stock owned by such Stockholder; provided that the Issuer will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph (d), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction.

(e) The Issuer will immediately notify each Stockholder holding such Registrable Stock covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Stock, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and promptly prepare and make available to each such Stockholder and file with the SEC any such supplement or amendment.

(f) Subject to Section 6.5, the Issuer may select, in its sole discretion, the underwriter or underwriters in connection with any Underwritten Public Offering as it may deem appropriate. Notwithstanding the foregoing, the DLJ Entities will have the right, in their sole discretion, to select the underwriter or underwriters in connection with any underwritten Demand Registration initiated by any of the DLJ Entities pursuant to Section 4.1. Any Affiliate of any of the DLJ Entities may be selected as underwriter for an Underwritten Public Offering. The Issuer will enter into customary agreements (including an underwriting agreement in customary form) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Stock, including the engagement of a "qualified independent underwriter" in connection with the qualification of the underwriting arrangements with the NASD.

(g) The Issuer will make available for inspection by any Stockholder and any underwriter participating in any disposition pursuant to a registration statement being filed by the Issuer pursuant to this Section 4.4 and any attorney, accountant or other professional retained by any such Stockholder or underwriter (collectively, the "INSPECTORS"), all financial and other records, pertinent corporate documents and properties of the Issuer (collectively, the "RECORDS") as shall be reasonably requested by any such Person, and cause the Issuer's officers, directors and employees to supply all information reasonably requested by any Inspectors in connection with such registration statement.

(h) The Issuer will furnish to each such Stockholder and to each such underwriter, if any, a signed counterpart, addressed to such underwriter, of (i) an opinion or opinions of counsel to the Issuer and (ii) a comfort letter or comfort letters from the Issuer's independent public accountants, each in customary form and covering such matters of the type customarily covered

by opinions or comfort letters, as the case may be, as a majority of such Stockholders or the managing underwriter therefor reasonably requests.

(i) The Issuer will otherwise use its best efforts to comply with all applicable rules and regulations of the SEC, and make available to its stockholders, as soon as reasonably practicable, an earnings statement covering a period of 12 months, beginning within three months after the effective date of the registration statement, which earnings statement shall satisfy the provisions of section 11(a) of the Securities Act. The Issuer may require each such Stockholder to promptly furnish in writing to the Issuer such information regarding the distribution of the Registrable Stock as the Issuer may from time to time reasonably request and such other information as may be legally required in connection with such registration.

Each such Stockholder agrees that, upon receipt of any notice from the Issuer of the happening of any event of the kind described in Section 4.4(e) hereof, such Stockholder will forthwith discontinue disposition of Registrable Stock pursuant to the registration statement covering such Registrable Stock until such Stockholder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 4.4(e) hereof, and, if so directed by the Issuer, such Stockholder will deliver to the Issuer all copies, other than any permanent file copies then in such Stockholder's possession, of the most recent prospectus covering such Registrable Stock at the time of receipt of such notice. In the event that the Issuer shall give such notice, the Issuer shall extend the period during which such registration statement shall be maintained effective (including the period referred to in Section 4.4(a) hereof) by the number of days during the period from and including the date of the giving of notice pursuant to Section 4.4(e) hereof to the date when the Issuer shall make available to such Stockholder a prospectus supplemented or amended to conform with the requirements of Section 4.4(e) hereof.

4.5 Indemnification by the Issuer. The Issuer agrees to indemnify and hold harmless each Stockholder holding Registrable Stock covered by a registration statement, its officers, directors and agents, and each Person, if any, who controls such Stockholder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages and liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in any registration statement or prospectus relating to the Registrable Stock (as amended or supplemented if the Issuer shall have furnished any amendments or supplements thereto) or any preliminary prospectus, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission so made in strict conformity with information furnished in writing to the Issuer by such Stockholder or on such Stockholder's behalf expressly for use therein; provided that with respect to any untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus, or in any prospectus, as the case may be, the indemnity agreement contained in this paragraph shall not apply to the extent that any such loss, claim, damage, liability or expense results from the fact that a current copy of the prospectus (or, in the case of a prospectus, the prospectus as amended or supplemented) was not sent or given to the Person asserting any such loss, claim, damage, liability or expense at or prior to the written confirmation of the sale of the Registrable Stock concerned to such Person if it is determined that the Issuer has provided such prospectus and it was the responsibility of such Stockholder to provide such

Person with a current copy of the prospectus (or such amended or supplemented prospectus, as the case may be) and such current copy of the prospectus (or such amended or supplemented prospectus, as the case may be) would have cured the defect giving rise to such loss, claim, damage, liability or expense. The Issuer also agrees to indemnify any underwriters of the Registrable Stock, their officers and directors and each person who controls such underwriters on substantially the same basis as that of the indemnification of the Stockholders provided in this Section 4.5.

4.6 Indemnification by Participating Stockholders. (a) Subject to Section 4.6(b), each Stockholder holding Registrable Stock included in any registration statement agrees, severally but not jointly, to indemnify and hold harmless the Issuer, its officers, directors and agents and each Person, if any, who controls the Issuer within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Issuer to such Stockholder, but only (i) with respect to any untrue statement or omission or alleged untrue statement or omission made in strict conformity with information furnished in writing by such Stockholder or on such Stockholder's behalf expressly for use in any registration statement or prospectus relating to the Registrable Stock, or any amendment or supplement thereto, or any preliminary prospectus or (ii) to the extent that any loss, claim, damage, liability or expense described in Section 4.5 results from the fact that a current copy of the prospectus (or, in the case of a prospectus, the prospectus as amended or supplemented) was not sent or given to the Person asserting any such loss, claim, damage, liability or expense at or prior to the written confirmation of the sale of the Registrable Stock concerned to such Person if it is determined that it was the responsibility of such Stockholder to provide such Person with a current copy of the prospectus (or such amended or supplemented prospectus, as the case may be) and such current copy of the prospectus (or such amended or supplemented prospectus, as the case may be) would have cured the defect giving rise to such loss, claim, damage, liability or expense. Subject to Section 4.6(b), each such Stockholder also agrees to indemnify and hold harmless underwriters of the Registrable Stock, their officers and directors and each person who controls such underwriters on substantially the same basis as that of the indemnification of the Issuer provided in this Section 4.6. As a condition to including Registrable Stock in any registration statement filed in accordance with Article 4 hereof, the Issuer may require that it shall have received an undertaking reasonably satisfactory to it from any underwriter to indemnify and hold it harmless to the extent customarily provided by underwriters with respect to similar stock.

(b) No Stockholder shall be liable under Section 4.6(a) for any damage thereunder in excess of the net proceeds realized by such Stockholder in the sale of the Registrable Stock of such Stockholder.

4.7 Conduct of Indemnification Proceedings. In case any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to this Article 4, such Person (an "INDEMNIFIED PARTY") shall promptly notify the Person against whom such indemnity may be sought (the "INDEMNIFYING PARTY") in writing and the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnified Party, and shall assume the payment of all fees and expenses; provided that the failure of any Indemnified Party so to notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder

except to the extent that the Indemnifying Party is materially prejudiced by such failure to notify. In any such proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel or (ii) in the reasonable judgment of such Indemnified Party representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the Indemnifying Party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for all such Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Indemnified Parties, such firm shall be designated in writing by the Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, or if there be a final judgment for the plaintiff, the Indemnifying Party shall indemnify and hold harmless such Indemnified Parties from and against any and all losses, claims, damages, liabilities and expenses or liability (to the extent stated above) by reason of such settlement or judgment. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement includes an unconditional release of such Indemnified Party from all liability arising out of such proceeding.

4.8 Contribution. If the indemnification provided for in this Article 4 is held by a court of competent jurisdiction to be unavailable to the Indemnified Parties in respect of any losses, claims, damages or liabilities referred to herein, then each such Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (i) as between the Issuer and the Stockholders holding Registrable Stock covered by a registration statement on the one hand and the underwriters on the other, in such proportion as is appropriate to reflect the relative benefits received by the Issuer and such Stockholders on the one hand and the underwriters on the other, from the offering of the Registrable Stock, or if such allocation is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits but also the relative fault of the Issuer and such Stockholders on the one hand and of such underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations and (ii) as between the Issuer on the one hand and each such Stockholder on the other, in such proportion as is appropriate to reflect the relative fault of the Issuer and of each such Stockholder in connection with such statements or omissions, as well as any other relevant equitable considerations. The relative benefits received by the Issuer and such Stockholders on the one hand and such underwriters on the other shall be deemed to be in the same proportion as the total proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Issuer and such Stockholders bear to the total underwriting discounts and commissions received by such underwriters, in each case as set forth in the table on the cover page of the prospectus. The relative fault of the Issuer and such Stockholders on the one hand and of such underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer and such

Stockholders or by such underwriters. The relative fault of the Issuer on the one hand and of each such Stockholder on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Issuer and the Stockholders agree that it would not be just and equitable if contribution pursuant to this Section 4.8 were determined by pro rata allocation (even if the underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages or liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 4.8, no underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Registrable Stock underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, and no Stockholder shall be required to contribute any amount in excess of the amount by which the net proceeds realized on the sale of the Registrable Stock of such Stockholder exceeds the amount of any damages which such Stockholder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Each Stockholder's obligation to contribute pursuant to this Section 4.8 is several in the proportion that the proceeds of the offering received by such Stockholder bears to the total proceeds of the offering received by all such Stockholders and not joint.

4.9 Participation in Public Offering. No Person may participate in any Underwritten Public Offering hereunder unless such Person (a) agrees to sell such Person's stock on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements and the provisions of this Agreement in respect of registration rights.

ARTICLE 5
CERTAIN COVENANTS AND AGREEMENTS

5.1 Confidentiality. (a) Each Stockholder hereby agrees that Confidential Information (as defined below) furnished and to be furnished to it was and will be made available in connection with such Stockholder's investment in the Issuer. Each Stockholder agrees that it will not use the Confidential Information in any way to the competitive disadvantage of the Issuer. Each Stockholder further acknowledges and agrees that it will not

disclose any Confidential Information to any Person; provided that Confidential Information may be disclosed (i) to such Stockholder's Representatives (as defined below) in the normal course of the performance of their duties, (ii) to the extent required by applicable law, rule or regulation (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process to which a Stockholder is subject), (iii) to any Person to whom such Stockholder is contemplating a transfer of its Stock (provided that such transfer would not be in violation of the provisions of this Agreement and as long as such potential transferee is advised of the confidential nature of such information and agrees to be bound by a confidentiality agreement in form and substance satisfactory to the Issuer and consistent with the provisions hereof) or (iv) if the prior written consent of the Board shall have been obtained. Nothing contained herein shall prevent the use of Confidential Information in connection with the assertion or defense of any claim by or against the Issuer or any Stockholder.

(b) "CONFIDENTIAL INFORMATION" means any information concerning the Issuer, its financial condition, business, operations or prospects in the possession of or to be furnished to any Stockholder in its capacity as a shareholder of the Issuer or by virtue of its present or former right to designate a director of the Issuer; provided, that the term "Confidential Information" does not include information which (i) becomes generally available to the public other than as a result of a disclosure by a Stockholder or its partners, directors, officers, employees, agents, counsel, investment advisers or representatives (all such persons being collectively referred to as "REPRESENTATIVES") in violation of the Asset Purchase Agreement, (ii) is or was available to such Stockholder on a nonconfidential basis prior to its disclosure to such Stockholder or its Representatives by the Issuer or (iii) was or becomes available to such Stockholder on a non-confidential basis from a source other than the Issuer, provided that such source is or was (at the time of receipt of the relevant information) not, to the best of such Stockholder's knowledge, bound by a confidentiality agreement with (or other confidentiality obligation to) the Issuer or another Person.

5.2 New Stockholders. The Issuer agrees (and each Stockholder acknowledges) that as a condition precedent to the issuance of any Equity Stock (including options issued or reserved for issuance to Management and employees of the Issuer) the Issuer will require the holder of such Equity Stock to agree in writing to be bound by the terms of this Agreement. The terms of this Section 5.2 shall not apply to the issuance of Equity Stock in an Underwritten Public Offering.

ARTICLE 6
MISCELLANEOUS

6.1 Entire Agreement. The Transaction Documents constitute the entire agreement between the parties with respect to the subject matter of the Transaction Documents and supersede all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement and the other Transaction Documents.

6.2 Binding Effect; Benefit. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and

permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

6.3 Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Issuer or any Stockholder, except in connection with a transfer of Stock pursuant to the terms hereof; provided that any Person acquiring Stock who is required by the terms of this Agreement to become a party hereto shall execute and deliver to the Issuer an agreement to be bound by this Agreement and shall thenceforth be a "Stockholder." Any Stockholder who ceases to beneficially own any Stock shall cease to be bound by the terms hereof (other than Sections 4.6, 4.7, 4.8 and 5.1).

6.4 Amendment; Waiver; Termination. (a) No provision of this Agreement may be waived except by an instrument in writing executed by the party against whom the waiver is to be effective. No provision of this Agreement may be amended or otherwise modified except by an instrument in writing executed by the Issuer with the approval of the Board and Stockholders holding or having the right to acquire at least 85% of the Fully Diluted Common Stock held by parties to this Agreement.

(b) In addition, any amendment, modification or termination of any provision of this Agreement that would adversely affect a DLJ Entity may be effected only with the consent of such DLJ Entity.

(c) In addition, any amendment, modification or termination of any provision of this Agreement that would adversely affect Management may be effected only with the consent of Management, respectively.

6.5 Exclusive Financial Advisor and Investment Banking Advisor. During the period from and including the date hereof through and including the fifth anniversary hereof, Donaldson, Lufkin & Jenrette Securities Corporation ("DLJSC"), or any Affiliate of DLJSC that the DLJ Entities may choose in their sole discretion, shall, at the option of the DLJ Affiliates, be engaged as the exclusive financial advisor and investment banker for the Issuer for an annual retainer fee which shall be on commercially reasonable terms to be agreed between the Issuer and DLJSC.

6.6 Notices. All notices and other communications given or made pursuant hereto or pursuant to any other agreement among the parties, unless otherwise specified, shall be in writing and shall be deemed to have been duly given or made if sent by fax (with confirmation in writing), delivered personally or sent by registered or certified mail (postage prepaid, return receipt requested) to the parties at the fax number or address set forth below or at such other addresses as shall be furnished by the parties by like notice, and such notice or communication shall be deemed to have been given or made upon receipt:

if to the DLJ Entities, to:

DLJ Merchant Banking Partners, L.P.
DLJ International Partners, C.V.
DLJ Offshore Partners, C.V.
DLJ Merchant Banking Funding, Inc.
277 Park Avenue
New York, New York 10172
Attention: Thomas J. Barry
Fax: (212) 892-7272

and to:

DLJ Capital Corporation
Sprout Growth II, L.P.
Sprout Capital VII, L.P.
Sprout CEO Fund L.P.
3000 Sand Hill Road
Suite 270
Menlo Park, California 94025
Attention: Keith B. Geeslin
Fax: (415) 854-8779

with a copy to:

Latham & Watkins
885 Third Avenue
New York, New York 10022
Attention: R. Ronald Hopkinson
Fax: (212) 751-4864

if to Management or the Issuer, to:

CommVault Systems, Inc.
2 Industrial Way, Building D
Eatontown, New Jersey 07724
Attention: Scotty R. Neal
Fax: (908) 935-8070

Any Person who becomes a Stockholder shall provide its address and fax number to the Issuer, which shall promptly provide such information to each other Stockholder.

6.7 Headings. The headings contained in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.

6.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

6.9 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to the conflicts of law rules of such state.

6.10 Specific Enforcement. Each party hereto acknowledges that the remedies at law of the other parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any party to this Agreement, without posting any bond, and in addition to all other remedies which may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available.

6.11 Consent to Jurisdiction. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby be brought in the United States District Court for the Southern District of New York or any other New York State court sitting in New York City, and each of the parties hereby consents to the non-exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 7.6 shall be deemed effective service of process on such party.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of, the day and year first above written.

DLJ MERCHANT BANKING PARTNERS, L.P.

BY DLJ Merchant Banking, Inc.
Managing General Partner

By: /s/ Illegible

Name:

Attorney-In-Fact

DLJ INTERNATIONAL PARTNERS, C.V.

BY DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ Illegible

Name:

Attorney-In-Fact

DLJ OFFSHORE PARTNERS, C.V.

BY DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ Illegible

Name:

Attorney-In-Fact

DLJ MERCHANT BANKING FUNDING, INC.

By: /s/ Illegible

Name:

Attorney-In-Fact

COMMVAULT SYSTEMS, INC.

By: /s/ Scotty R. Neal

Name: Scotty R. Neal
Title: President

/s/ Scotty R. Neal

SCOTTY R. NEAL

/s/ David H. Ireland

DAVID H. IRELAND

/s/ Robert Freiburghouse

ROBERT FREIBURGHOUSE

DLJ CAPITAL CORPORATION

By: /s/ Arthur S. Zuckerman

Arthur S. Zuckerman
Attorney-In-Fact

SPROUT GROWTH II, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Arthur S. Zuckerman
Attorney-In-Fact

SPROUT CAPITAL VII, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Arthur S. Zuckerman
Attorney-In-Fact

SPROUT CEO FUND L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Arthur S. Zuckerman
Attorney-In-Fact

EXHIBIT 10.26

AMENDMENT
TO
THE STOCKHOLDERS AGREEMENT

This Amendment to The Stockholders Agreement dated as of May 22, 1996 entered into among DLJ Merchant Banking Partners, L.P., DLJ International Partners C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P., David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc. (the "Amendment") shall be effective as of the signature date below.

WHEREAS, CommVault Systems, Inc., (the "Issuer") has entered into a Stockholder's Agreement dated as of May 22, 1006 (the "Agreement") along with the parties named above;

WHEREAS, the Issuer desires to amend the terms of said Agreement;

WHEREAS, Issuer has secured the proper approvals to amend the terms of said Agreement;

NOW, THEREFORE, the Agreement shall be amended, pursuant to its terms, as follows:

Section 2.1 shall be modified to read as follows:

(i) General. (a) Until the earlier of (i) the fifth anniversary of the date of this Agreement or (ii) six (6) months or the date as otherwise set forth by the Underwriters from the consummation of an Initial Public Offering, the earlier of such dates, (the "Restriction Termination Date"), no stockholder may, directly or indirectly, sell, assign, transfer, grant a participation in, pledge or otherwise dispose of ("transfer") any Stock (or solicit any offers to buy or otherwise acquire, to take a pledge of, any of its Stock) except transfers permitted by Section 2.3.

Section 6.6 shall be modified to read as follows:

If to Management or the Issuer, to:
CommVault Systems, Inc.
2 Crescent Place, Building B
P.O. Box 900
Oceanport, New Jersey 07757-0900
Attention: CEO
Fax: 732-870-4512

All capitalized terms shall have the same meaning as assigned to such term in the Agreement. All terms and conditions of the Agreement which are not specifically amended herein shall remain in full force and effect. This Amendment shall be binding upon and inure to the benefit of the parties to the Agreement.

By signing below, the Issuer acknowledges that all approvals necessary relating to the execution of this Agreement have been obtained and are in full force and effect.

CommVault Systems, Inc.

/s/ Scotty R. Neal
- --
Scotty R. Neal
Title: President
Date: July 23, 1998

EXHIBIT 10.27

AMENDMENT
TO
THE STOCKHOLDERS' AGREEMENT

This Second Amendment (this "Amendment") to The Stockholders' Agreement dated as of May 22, 1996, as amended, entered into among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P. (collectively, the "DLJ Entities"), David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc. (the "Issuer") shall be effective as of the signature date below.

WHEREAS, the Issuer has entered into a Stockholders' Agreement dated as of May 22, 1996, as amended (the "Agreement"), along with the DLJ Entities and the other parties thereto; and

WHEREAS, the Issuer and the DLJ Parties desire to amend the terms of the Agreement;

NOW THEREFORE, the Agreement shall be amended, pursuant to the terms, as follows:

1. The carryover paragraph directly after Section 4.1(a)(ii) shall be amended to replace the word "three" directly before "Demand Registrations" in the first proviso, with the word "six", with the intent that the DLJ Entities shall have the right to request up to six Demand Registrations pursuant to Section 4.1.

2. Section 4.1(d) shall be modified to read as follows:

" (d) If a Demand Registration involves an Underwritten Public Offering and the managing underwriter shall advise the Issuer and the Selling Stockholders in writing that, in its opinion, the number of shares of Common Stock requested to be included in such registration (including Common Stock which the Issuer proposes to be included which is not Registrable Stock or any other securities of other parties with piggyback registration rights) exceeds the largest number of Stock which can be sold in an orderly manner within a price range acceptable to the Selling Stockholders (the "MAXIMUM OFFERING SIZE"), the Issuer will include such registration, in the priority listed below, up to the Maximum Offering Size:

(i) first, the Registrable Stock requested be included in such registration by the Holders of Registrable Stock requesting such registration and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights granted under the Registration Rights Agreement, dated April 14, 2000 (the "PRIOR HOLDERS"), pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or Prior Holder;

(ii) second, any securities requested to be included therein by any other holders pursuant to such holders' piggyback rights, if any, pro rata on the basis of the

number of shares of such securities requested for inclusion in such registration by each such holder; and

(iii) third, the Common Stock proposed to be registered by the Issuer, if any."

3. Section 4.2(b) shall be modified to read as follows:

" (b) If a registration pursuant to this Section 4.2 involves a primary Underwritten Public Offering on behalf of the Issuer and the managing underwriter advises the Issuer that in its opinion, the numbers of shares of Common Stock requested to be included exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the Common Stock proposed to be registered by the Issuer;

(ii) second, the securities requested to be included in such registration by the Prior Holders pro rata on the basis of the number of shares of securities requested for inclusion in such registration by each such Prior Holder; and

(iii) third, the Registrable Stock requested be included in such registration among the Holders of Registrable Stock requesting such registration and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights, if any, pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or holder."

(c) If a registration pursuant to this Section 4.2 involves a secondary Underwritten Public Offering requested by holders of the Issuer's securities other than the Holders of Registrable Stock and the managing underwriter advises the Issuer that in its view, the numbers of shares of Common Stock requested to be included exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the securities requested be included in such registration by the holders requesting such registration and the securities of the Prior Holders requested to be included therein, if any, pro rata on the basis of the number of shares of such securities requested for inclusion in such registration by each such holder or Prior Holder;

(ii) second, the Registrable Stock requested be included in such registration by the Holders of Registrable Stock and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights, if any, pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or holder;

(iii) third, the Common Stock proposed to be registered by the Issuer, if any.

4. All capitalized terms shall have the same meaning as assigned to such term in the Agreement. All terms and conditions of the Agreement which are not specifically amended herein shall remain in full force and effect. This Amendment shall be binding upon and inure to the benefit of the parties to the Agreement.

5. This Amendment has been approved by the Board and the signatories hereto represent holders of at least 85% of the Fully Diluted Common Stock held by parites to the Agreement, in compliance with Section 6.4 of the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of this 6th day of November, 2000

DLJ MERCHANT BANKING PARTNERS, L.P.

By: DLJ Merchant Banking, Inc.
Managing General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

DLJ INTERNATIONAL PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

DLJ OFFSHORE PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

DLJ MERCHANT BANKING FUNDING, INC.

By: /s/ Ivy Dodes

Name: Ivy Dodes
Vice President

DLJ CAPITAL CORPORATION

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
Authorized Signatory

SPROUT GROWTH II, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Name:

Title:

SPROUT CAPITAL VII, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
Authorized Signatory

SPROUT CEO FUND, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
Authorized Signatory

DLJ FIRST ESC, L.P.

By: DLJ LBO Management Corporation, its
General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

COMMVAULT SYSTEMS, INC.

By: /s/ N. Robert Hammer

Name: N. Robert Hammer
Title: President

EXHIBIT 10.28

AMENDMENT
TO
THE STOCKHOLDERS' AGREEMENT

This Third Amendment (this "Amendment") to The Stockholders' Agreement dated as of May 22, 1996, as amended, entered into among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P. (collectively, the "DLJ Entities"), David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc. (the "Issuer") shall be effective as of the signature date below.

WHEREAS, the Issuer has entered into a Stockholders' Agreement dated as of May 22, 1996, as amended by the First Amendment thereto, dated July 23, 1998, and the Second Amendment thereto, dated November 6, 2000 (as so amended, the "Agreement"), along with the DLJ Entities and the other parties thereto; and

WHEREAS, the Issuer and the DLJ Parties desire to amend the terms of the Agreement;

NOW THEREFORE, the Agreement shall be amended, pursuant to the terms, as follows:

1. Section 4.1(d) shall be modified to read as follows:

" (d) If a Demand Registration involves an Underwritten Public Offering and the managing underwriter shall advise the Issuer and the Selling Stockholders in writing that, in its opinion, the number of shares of Common Stock requested to be included in such registration (including Common Stock which the Issuer proposes to be included which is not Registrable Stock or any other securities of other parties with piggyback registration rights) exceeds the largest number of Stock which can be sold in an orderly manner within a price range acceptable to the Selling Stockholders (the "MAXIMUM OFFERING SIZE"), the Issuer will include such registration, in the priority listed below, up to the Maximum Offering Size:

(i) first, the Registrable Stock requested be included in such registration by the Holders of Registrable Stock requesting such registration and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights granted under the Amended and Restated Registration Rights Agreement, dated as of February 14, 2002, relating to shares of the Company's Series AA Preferred Stock (the "SERIES AA HOLDERS") or pursuant to such holder's piggyback rights granted under the Registration Rights Agreement, dated as of February 14, 2002, relating to shares of the Company's Series CC Preferred Stock (the "SERIES CC HOLDERS");

(ii) second, any securities requested to be included therein by any other holders pursuant to such holders' piggyback rights, if any, pro rata on the basis of the number of shares of such securities requested for inclusion in such registration by each such holder; and

(iii) third, the Common Stock proposed to be registered by the Issuer, if any."

2. Section 4.2(b) shall be modified to read as follows:

" (b) If a registration pursuant to this Section 4.2 involves a primary Underwritten Public Offering on behalf of the Issuer and the managing underwriter advises the Issuer that in its opinion, the numbers of shares of Common Stock requested to be included exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the Common Stock proposed to be registered by the Issuer;

(ii) second, the securities requested to be included in such registration by the Series AA Holders and the Series CC Holders, if any; and

(iii) third, the Registrable Stock requested be included in such registration among the Holders of Registrable Stock requesting such registration and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights, if any, pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or holder."

(c) If a registration pursuant to this Section 4.2 involves a secondary Underwritten Public Offering requested by holders of the Issuer's securities other than the Holders of Registrable Stock and the managing underwriter advises the Issuer that in its view, the numbers of shares of Common Stock requested to be included exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the securities requested be included in such registration by the holders requesting such registration and the securities of the Series AA Holders and the Series CC Holders requested to be included therein, if any;

(ii) second, the Registrable Stock requested be included in such registration by the Holders of Registrable Stock and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights, if any, pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or holder;

(iii) third, the Common Stock proposed to be registered by the Issuer, if any.

3. All capitalized terms shall have the same meaning as assigned to such term in the Agreement. All terms and conditions of the Agreement which are not specifically amended herein shall remain in full force and effect. This Amendment shall be binding upon and inure to the benefit of the parties to the Agreement.

4. This Amendment has been approved by the Board and the signatories hereto represent holders of at least 85% of the Fully Diluted Common Stock held by parties to the Agreement, in compliance with Section 6.4 of the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of this ____ day of February 2002.

DLJ MERCHANT BANKING PARTNERS, L.P.

By: DLJ Merchant Banking, Inc.
Managing General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

DLJ INTERNATIONAL PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

DLJ OFFSHORE PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

DLJ MERCHANT BANKING FUNDING, INC.

By: /s/ Ivy Dodes

Name: Ivy Dodes
Vice President

DLJ CAPITAL CORPORATION

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
President

SPROUT GROWTH II, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
Title: President

SPROUT CAPITAL VII, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
President

SPROUT CEO FUND, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Arthur S. Zuckerman

Name: Arthur S. Zuckerman
President

DLJ FIRST ESC, L.P.

By: DLJ LBO Management Corporation, its
General Partner

By: /s/ Ivy Dodes

Name: Ivy Dodes
Principal

COMMVAULT SYSTEMS, INC.

By: /s/ N. Robert Hammer

Name: N. Robert Hammer
Title: President

EXHIBIT 10.29

AMENDMENT
TO
THE STOCKHOLDERS' AGREEMENT

This Fourth Amendment (this "Amendment") to The Stockholders' Agreement dated as of May 22, 1996, as amended, entered into among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout CEO Fund L.P. (collectively, the "DLJ Entities"), David H. Ireland, Scotty R. Neal, Robert Freiburghouse and CommVault Systems, Inc. (the "Issuer") shall be effective as of this 2nd day of September, 2003.

WHEREAS, the Issuer has entered into a Stockholders' Agreement dated as of May 22, 1996, as amended by the First Amendment thereto, dated July 23, 1998, the Second Amendment thereto, dated November 6, 2000, and the Third Amendment thereto, dated February 14, 2002 (as so amended, the "Agreement"), along with the DLJ Entities and the other parties thereto; and

WHEREAS, the Issuer and the DLJ Parties desire to amend the terms of the Agreement;

NOW THEREFORE, the Agreement shall be amended, pursuant to the terms, as follows:

1. Section 4.1(d) shall be modified to read as follows:

" (d) If a Demand Registration involves an Underwritten Public Offering and the managing underwriter shall advise the Issuer and the Selling Stockholders in writing that, in its opinion, the number of shares of Common Stock requested to be included in such registration (including Common Stock which the Issuer proposes to be included which is not Registrable Stock or any other securities of other parties with piggyback registration rights) exceeds the largest number of Stock which can be sold in an orderly manner within a price range acceptable to the Selling Stockholders (the "MAXIMUM OFFERING SIZE"), the Issuer will include such registration, in the priority listed below, up to the Maximum Offering Size:

(i) first, the Registrable Stock requested be included in such registration by the Holders of Registrable Stock requesting such registration and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights granted under the Amended and Restated Registration Rights Agreement, dated as of August __, 2003, relating to shares of the Company's Series AA Preferred Stock (the "SERIES AA HOLDERS") or pursuant to such holder's piggyback rights granted under the Amended and Restated Registration Rights Agreement, dated as of August __, 2003, relating to shares of the Company's Series CC Preferred Stock (the "SERIES CC HOLDERS");

(ii) second, any securities requested to be included therein by any other holders pursuant to such holders' piggyback rights, if any, pro rata on the basis of the number of shares of such securities requested for inclusion in such registration by each such holder; and

(iii) third, the Common Stock proposed to be registered by the Issuer, if any."

2. Sections 4.2(b) and 4.2(c) shall be modified to read as follows:

" (b) If a registration pursuant to this Section 4.2 involves a primary Underwritten Public Offering on behalf of the Issuer and the managing underwriter advises the Issuer that in its opinion, the numbers of shares of Common Stock requested to be included exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the Common Stock proposed to be registered by the Issuer;

(ii) second, the securities requested to be included in such registration by the Series AA Holders and the Series CC Holders, if any; and

(iii) third, the Registrable Stock requested be included in such registration among the Holders of Registrable Stock requesting such registration and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights, if any, pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or holder."

(c) If a registration pursuant to this Section 4.2 involves a secondary Underwritten Public Offering requested by holders of the Issuer's securities other than the Holders of Registrable Stock and the managing underwriter advises the Issuer that in its view, the numbers of shares of Common Stock requested to be included exceeds the Maximum Offering Size, the Issuer will include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the securities requested be included in such registration by the holders requesting such registration and the securities of the Series AA Holders and the Series CC Holders requested to be included therein, if any;

(ii) second, the Registrable Stock requested be included in such registration by the Holders of Registrable Stock and any securities requested to be included therein by any other holder pursuant to such holder's piggyback rights, if any, pro rata on the basis of the number of shares of Registrable Stock and other securities requested for inclusion in such registration by each such Holder or holder;

(iii) third, the Common Stock proposed to be registered by the Issuer, if any.

3. All capitalized terms shall have the same meaning as assigned to such term in the Agreement. All terms and conditions of the Agreement which are not specifically amended herein shall remain in full force and effect. This Amendment shall be binding upon and inure to the benefit of the parties to the Agreement.

4. This Amendment has been approved by the Board and the signatories hereto represent holders of at least 85% of the Fully Diluted Common Stock held by parties to the Agreement, in compliance with Section 6.4 of the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

DLJ MERCHANT BANKING PARTNERS, L.P.

By: DLJ Merchant Banking, Inc.
Managing General Partner

By: /s/ George Hornig

George Hornig
Attorney-In-Fact

DLJ INTERNATIONAL PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ George Hornig

George Hornig
Attorney-In-Fact

DLJ OFFSHORE PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ George Hornig

George Hornig
Attorney-In-Fact

DLJ MERCHANT BANKING FUNDING, INC.

By: /s/ George Hornig

George Hornig
Attorney-In-Fact

DLJ CAPITAL CORPORATION

By: /s/ Keith B. Geeslin

SPROUT GROWTH II, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Keith B. Geeslin

SPROUT CAPITAL VII, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Keith B. Geeslin

SPROUT CEO FUND, L.P.

By: DLJ Capital Corporation,
Managing General Partner

By: /s/ Keith B. Geeslin

DLJ FIRST ESC, L.P.

By: DLJ LBO Management Corporation, its
General Partner

By: /s/ Keith B. Geeslin

COMMVAULT SYSTEMS, INC.

By: /s/ N. Robert Hammer

N. Robert Hammer
President

EXHIBIT 10.30

FIFTH AMENDMENT TO STOCKHOLDERS' AGREEMENT

This Fifth Amendment (this "Amendment"), dated as of May 22, 2006, to the Original Agreement (as defined below) is by and among DLJ Merchant Banking Partners, L.P., DLJ International Partners, C.V., DLJ Offshore Partners, C.V., DLJ Merchant Banking Funding, Inc., DLJ Capital Corporation, DLJ First ESC, L.P., DLJ ESC II, L.P., Sprout Growth II, L.P., Sprout Capital VII, L.P., Sprout Capital IX, L.P., Sprout Entrepreneurs' Fund, L.P., Sprout IX Plan Investors, L.P., Sprout CEO Fund L.P., Thomas J. Barry, Larry Cormier, Randy Fodero, Robert Freiburghouse, Bob Gailus, N. Robert Hammer, David H. Ireland, Lou Miceli, Tom Miller, Scotty R. Neal and CommVault Systems, Inc., a Delaware corporation.

WITNESSETH:

WHEREAS, the parties hereto previously entered into a Stockholders' Agreement, dated as of May 22, 1996, as amended by the First Amendment thereto, dated July 23, 1998, the Second Amendment thereto, dated November 6, 2000, the Third Amendment thereto, dated February 14, 2002, and the Fourth Amendment thereto, dated September 2, 2003 (as so amended, the "Original Agreement");

WHEREAS, the parties hereto desire to amend the Original Agreement to extend certain provisions of the Original Agreement as set forth herein; and

WHEREAS, in compliance with Section 6.4(a) of the Original Agreement, this Amendment has been approved by the Board and the signatories hereto represent holders of at least 85% of the Fully Diluted Common Stock held by parties to the Original Agreement.

NOW THEREFORE, the parties hereto agree that the Original Agreement shall be amended as follows:

Section 1. Definitions. Capitalized terms used but not defined herein shall have the meaning assigned such terms in the Original Agreement.

Section 2. Extension. Each provision of the Original Agreement that was in full force and effect immediately prior to the execution of this Amendment, and had not expired or terminated pursuant to its terms prior to the date hereof, shall hereby be extended, and the rights and obligations set forth in each such provision shall continue in full force and effect, until the earlier of (a) the first anniversary of the date of this Amendment and (b) the consummation of an Initial Public Offering.

Section 3. Miscellaneous.

(a) This Amendment shall be binding upon and shall inure to the benefit of the parties to the Original Agreement.

(b) This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed one and the same instrument.

*****

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of, the day and year first above written.

DLJ MERCHANT BANKING PARTNERS, L.P.

By: DLJ Merchant Banking, Inc.
Managing General Partner

By: /s/ Goerge R. Hornig

Name: George R. Hornig
Title: Attorney-In-Fact

DLJ INTERNATIONAL PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ George R. Hornig

Name: George R. Hornig
Title: Attorney-In-Fact

DLJ OFFSHORE PARTNERS, C.V.

By: DLJ Merchant Banking, Inc.
Advisory General Partner

By: /s/ George R. Hornig

Name: George R. Hornig
Title: Attorney-In-Fact

DLJ MERCHANT BANKING FUNDING, INC.

By: /s/ George R. Hornig

Name: George R. Hornig
Title: President

DLJ CAPITAL CORPORATION

By: /s/ Amy Yeung

Name: Amy Yeung
Vice President

DLJ FIRST ESC, L.P.

By: DLJ LBO Management Corporation,
its General Partner

By: /s/ George R. Hornig

Name: George R. Hornig
Title: President

DLJ ESC II, L.P.

By: DLJ LBO Management Corporation,
its General Partner

By: /s/ George R. Hornig

Name: George R. Hornig
Title: President

SPROUT GROWTH II, L.P.

By: DLJ Capital Corporation
Managing General Partner

By: /s/ Amy M. Yeung

Name: Amy M. Yeung
Vice President

SPROUT CAPITAL VII, L.P.

By: DLJ Capital Corporation
Managing General Partner

By: /s/ Amy M. Yeung

Name: Amy M. Yeung
Vice President

SPROUT CAPITAL IX, L.P.

By: DLJ Capital Corporation
Managing General Partner

By: /s/ Amy M. Yeung

Name: Amy M. Yeung
Vice President

SPROUT IX PLAN INVESTORS, L.P.

By: DLJ Capital Corporation
Managing General Partner

By: /s/ Amy M. Yeung

Name: Amy M. Yeung
Attorney-In-Fact

SPROUT CEO FUND L.P.

By: DLJ Capital Corporation
Managing General Partner

By: /s/ Amy M. Yeung

Name: Amy M. Yeung
Vice President

SPROUT ENTREPRENEURS' FUND

By: DLJ Capital Corporation
Managing General Partner

By: /s/ Amy M. Yeung

Name: Amy M. Yeung
Vice President

THOMAS J. BARRY

LARRY CORMIER

RANDY FODERO

ROBERT FREIBURGHOUSE

BOB GAILUS

N. ROBERT HAMMER

DAVID H. IRELAND

LOU MICELI

TOM MILLER

SCOTTY R. NEAL

COMMVAULT SYSTEMS, INC.

By: /s/ N. Robert Hammer

Name: N. Robert Hammer
Title: President

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated June 28, 2006, in Amendment No. 2 to the Registration Statement (Form S-1 No. 333-132550) and related Prospectus of CommVault Systems, Inc.

/s/ Ernst & Young LLP

MetroPark, New Jersey
June 28, 2006

(MAYER, BROWN, ROWE & Maw LLP LOGO)

June 30, 2006

Mayer, Brown, Rowe & Maw LLP
71 South Wacker Drive
Chicago, Illinois 60606-4637

Main Tel (312) 782-0600
Main Fax (312) 701-7711
www.mayerbrownrowe.com

By EDGAR & UPS

Securities and Exchange Commission
Division of Corporate Finance
Attention: Mark P. Shuman, Branch Chief - Legal
100 F Street, N.E.
Washington, D.C. 20549

Re: CommVault Systems, Inc. Amendment No. 1 to
Registration Statement on Form S-1 filed
May 3, 2006 (File No.333-132550)

Dear Mr. Shuman:

This letter responds to the Staff's comment letter, dated May 26, 2006, addressed to N. Robert Hammer, Chairman of the Board, President and Chief Executive Officer of CommVault Systems, Inc. ("CommVault"), related to the above-referenced filing. CommVault's responses to the Staff's comments are set forth herein. To facilitate the Staff's review, CommVault's responses are set forth below the headings and numbered comments used in the Staff's comment letter, which are reproduced in bold face text. The supplemental materials referenced herein will accompany the hard copy of this letter, which has been forwarded to you via overnight courier. CommVault is contemporaneously filing an amended Form S-1.

AMENDMENT NO. 1 TO REGISTRATION STATEMENT ON FORM S-1

INSIDE FRONT COVER PAGE

1. **WE NOTE YOUR RESPONSE TO COMMENT 4 OF OUR LETTER DATED APRIL 13, 2006; HOWEVER, YOUR ARTWORK CONTINUES TO CONTAIN EXTENSIVE NARRATIVE TEXT THAT IS DIFFICULT TO FOLLOW. AS NOTED IN OUR PRIOR COMMENT, PLEASE LIMIT YOUR GRAPHIC ARTWORK TO A PICTORIAL OR GRAPHIC REPRESENTATION OF YOUR PRODUCTS OR BUSINESS AND USE TEXT ONLY TO THE EXTENT NECESSARY TO EXPLAIN BRIEFLY THE VISUALS IN THE PRESENTATION. WE NOTE YOUR RESPONSE THAT THE CURRENT TEXT IS NECESSARY TO EXPLAIN THE VISUALS PRESENTED IN THE GRAPHIC. THE TEXT, HOWEVER, CURRENTLY APPEARS TOO EXCESSIVE AND OVERWHELMS THE VISUAL PRESENTATION. PLEASE REFER TO SECTION VIII OF OUR MARCH 31, 2001 UPDATE TO OUR CURRENT ISSUES AND RULEMAKING PROJECTS OUTLINE FOR ADDITIONAL GUIDANCE AND REVISE ACCORDINGLY.**

The artwork has been revised as requested.

PROSPECTUS SUMMARY, PAGE 1

2. WE NOTE YOUR REVISED DISCLOSURE IN RESPONSE TO COMMENT 6 OF OUR LETTER DATED APRIL 13, 2006. PLEASE ELABORATE OR QUANTIFY ON YOUR USE OF THE TERM "SIGNIFICANT DEPLOYMENT."

The prospectus has been revised as requested.

3. IN YOUR RESPONSE TO COMMENT 7 OF OUR LETTER DATED APRIL 13, 2006 YOU INDICATE THAT THE MARKETING STUDIES YOU EXCERPT ARE NOT AVAILABLE TO THE PUBLIC WITHOUT COST OR AT NOMINAL COST. AS SUCH, PLEASE PROVIDE CONSENTS OF THE AUTHORS OF THE REFERENCED REPORTS THAT CONFORM TO RULE 436 UNDER THE SECURITIES ACT AND ITEM 601(b)(23) OF REGULATION S-K. ALTERNATIVELY, ELIMINATE THE REFERENCE TO THE AUTHORITIES YOU CITE AND INDICATE THAT THE MARKET DATA YOU SUMMARIZE IN THE PROSPECTUS REPRESENT THE VIEWS OF COMMVAULT.

The prospectus has been revised as requested.

4. WE NOTE YOUR RESPONSE TO COMMENT 22 OF OUR LETTER DATED APRIL 13, 2006 AND YOUR DISCLOSURE IN LIQUIDITY AND CAPITAL RESOURCES ON PAGE 47 SUMMARIZING YOUR PRIVATE PLACEMENTS. PLEASE BRIEFLY SUMMARIZE THESE PRIVATE PLACEMENTS IN YOUR PROSPECTUS SUMMARY AND RELATE THEM TO THE TRANSACTIONS PLANNED IN CONNECTION WITH THE OFFERING. PLEASE ALSO BRIEFLY DISCUSS THE INTERESTS OF CREDIT SUISSE IN THE TRANSACTIONS.

The prospectus has been revised as requested.

5. IT APPEARS THAT THE LETTER AGREEMENT DATED FEBRUARY 8, 2002 YOU MENTION IN YOUR RESPONSE TO COMMENT 11 OF OUR LETTER DATED APRIL 13, 2006 SHOULD BE FILED AS AN EXHIBIT TO YOUR REGISTRATION STATEMENT PURSUANT TO ITEM 601(b)(10)(i) OF REGULATION S-K.

The letter agreement has been filed as an exhibit to the Registration Statement.

6. WITH RESPECT TO YOUR RESPONSE TO COMMENT 12 OF OUR LETTER DATED APRIL 13, 2006, PLEASE ADVISE US WHETHER EACH INVESTOR IS AN ACCREDITED INVESTOR. PLEASE ALSO PROVIDE FOR OUR REVIEW ANY AGREEMENTS RELATED TO YOUR CONCURRENT PRIVATE PLACEMENT. WE FURTHER NOTE YOUR RESPONSE TO COMMENT 44 OF OUR LETTER DATED APRIL 13, 2006 AS TO THE PRIVATE PLACEMENT AGREEMENTS. IT APPEARS THAT THE FILING OF SUCH AGREEMENTS MAY BE NECESSARY PURSUANT TO ITEMS 601(b)(10)(i) AND (II)(A) OF REGULATION S-K. PLEASE FILE OR OTHERWISE ADVISE.

The requested documentation is located behind Tab A in the binder of supplemental material accompanying this filing. The agreements are immaterial in amount and significance and do not fall within the requirements set forth under Items 601(b)(10)(i) or (ii)(A) of Regulation S-K.

7. WE NOTE YOUR RESPONSE TO COMMENT 17 OF OUR LETTER DATED APRIL 13, 2006. PLEASE BRIEFLY DISCUSS IN YOUR PROSPECTUS SUMMARY THE FACT THAT A SUBSTANTIAL PORTION OF YOUR REVENUE HAS BEEN DERIVED FROM ONE PRODUCT IN YOUR SUITE OF PRODUCTS. PLEASE ALSO ELABORATE IN YOUR MANAGEMENT'S DISCUSSION AND ANALYSIS AS TO WHETHER YOU PLAN TO CONTINUE TO SUBSTANTIALLY DERIVE YOUR REVENUE FROM THIS PRODUCT.

The prospectus has been revised to include the requested disclosure.

RISK FACTORS

WE ANTICIPATE THAT AN INCREASING PORTION OF OUR REVENUES WILL DEPEND..., PAGE 12

8. WE NOTE YOUR RESPONSE TO COMMENT 15 OF OUR LETTER DATED APRIL 13, 2006. DELL IS A SIGNIFICANT SELLER OF COMPUTER HARDWARE. NOTWITHSTANDING YOUR RESPONSE THAT DELL HAS NO MINIMUM SALES REQUIREMENTS OR MARKETING OBLIGATIONS, YOUR ARRANGEMENT WITH DELL THROUGH YOUR AGREEMENTS AFFORDS YOU THE ABILITY TO HAVE YOUR SOFTWARE OFFERED TO DELL'S LARGE CUSTOMER BASE. YOUR AGREEMENTS WITH DELL CONSTITUTE 18 PERCENT OF YOUR REVENUE FOR THE NINE MONTHS ENDED DECEMBER 31, 2005. ACCORDINGLY, IT APPEARS THAT YOU ARE DEPENDENT ON YOUR ARRANGEMENT WITH DELL THROUGH YOUR AGREEMENTS FOR A SIGNIFICANT PORTION OF YOUR REVENUE AND, AS A RESULT, SUCH AGREEMENTS ARE MATERIAL PURSUANT TO ITEM 601(b)(10)(II)(B) OF REGULATION S-K. PLEASE FILE SUCH AGREEMENTS OR FURTHER ADVISE US OTHERWISE.

The agreements have been filed as exhibits to the Registration Statement.

CREDIT SUISSE SECURITIES (USA) LLC, AN UNDERWRITER IN THIS OFFERING, HAS AN INTEREST..., PAGE 23

9. PLEASE ELABORATE ON THE SPECIFIC RISKS TO THE OFFERING POSED BY THE CONFLICT OF INTEREST OF CREDIT SUISSE SUCH AS ANY RISKS RELATING TO THE PRICING OR EXECUTION OF THE OFFERING.

The prospectus has been revised as requested.

APPROXIMATELY % OF OUR OUTSTANDING COMMON STOCK HAS BEEN DEPOSITED..., PAGE 23

10. PLEASE ELABORATE FURTHER HERE OR ELSEWHERE, AS APPROPRIATE, ON THE CRITERIA, IF ANY, USED BY THE TRUSTEE IN DETERMINING WHETHER OR NOT TO VOTE ON A MATTER.

The prospectus has been revised as requested.

CRITICAL ACCOUNTING POLICIES

STOCK-BASED COMPENSATION, PAGE 39

11. IN YOUR RESPONSE, YOU INDICATE THAT YOU CONSIDERED THE DISCLOSURE GUIDANCE SET FORTH IN THE AICPA'S AUDIT AND ACCOUNTING PRACTICE AIDS (THE PRACTICE AID). IT IS NOT CLEAR FROM EXISTING DISCLOSURE THAT YOU HAVE ADDRESSED HOW YOUR STOCK-BASED COMPENSATION VALUATION REFLECTS THE BEST PRACTICE FOR PRIVATELY HELD EQUITY VALUATION. PLEASE ADDRESS FOLLOWING:

- IN YOUR MANAGEMENT'S DISCUSSION AND ANALYSIS OF STOCK-BASED COMPENSATION, DISCLOSE THE INTRINSIC VALUE OF OUTSTANDING VESTED AND UNVESTED OPTIONS BASED ON THE ESTIMATED OFFERING PRICE AND THE OPTIONS OUTSTANDING AS OF THE MOST RECENT BALANCE SHEET DATE PRESENTED IN THE REGISTRATION STATEMENT.

Management's discussion and analysis of stock-based compensation includes the requested disclosure. The remaining blanks will be completed prior to circulation of a preliminary prospectus.

- IN YOUR MANAGEMENT'S DISCUSSION AND ANALYSIS AND NOTE 9, EXPAND YOUR DISCLOSURE TO ADDRESS HOW EACH OF THE FACTORS YOU DISCLOSE CONTRIBUTED TO THE DIFFERENCE BETWEEN THE FAIR VALUE AS OF THE DATE OF EACH GRANT AND THE ESTIMATED OFFERING PRICE. YOUR DISCUSSION SHOULD CLARIFY THE REASONS FOR ANY DIFFERENCE BETWEEN THE FAIR VALUE AT EACH OPTION GRANT DATE AND THE ESTIMATED OPTION PRICE RANGE.

In lieu of solely relying upon its internal valuation model, CommVault solicited the assistance of an unrelated third-party valuation specialist to prepare a retrospective determination of fair value of its common stock underlying the stock option grants since January 1, 2005. The retrospective determination of fair value of CommVault's common stock utilized the probability weighted expected returns ("PWER") method described in the AICPA Technical Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation ("Practice Aid"). The valuations performed by the unrelated valuation specialist are located behind Tab B in the binder of supplemental materials accompanying this filing. In addition, the prospectus has been revised to include the significant factors that contributed to the increase in the fair value of CommVault's common stock at each grant date during fiscal 2006 leading up to a potential initial public offering.

Under the PWER method, the value of common stock is estimated based upon an analysis of future values for the enterprise assuming various future outcomes. In CommVault's situation, the future outcomes included two scenarios: (i) CommVault becomes a public company ("public company scenario") and; (ii) CommVault remains a private company ("remains private scenario").

The "public company" scenario was based on the estimated mid-point of the initial public offering price range and utilized a discount rate ranging from 20% to 25% based on the inherent risk of an investment in CommVault. Under the "public company" scenario, the closer CommVault gets to an initial public offering, the higher the probability assessment weighting is for that scenario. CommVault used a 10% probability assumption for its January 2005 grants and this percentage increased to 90% for CommVault's March 2006 grant as significant milestones were achieved and as discussions with CommVault's investment bankers increased as CommVault prepared for the initial public offering process.

Under the "remains private" scenario, the retrospective estimates of enterprise value at each of the grant dates since January 2005 were based upon a combination of the income approach and the market approach. CommVault applied weights of 80% to the income approach and 20% to the market approach because CommVault believes that the income approach is a better approximation of value. Under the income approach, CommVault's enterprise value was based on the present value of its forecasted operating results. In addition, the income approach used discount rates ranging from 20% to 25% (as discussed above) as well as an EBITDA terminal multiple based upon the EBITDA multiples of a comparable group of publicly-traded companies engaged in lines of business similar to CommVault. Under the market approach, CommVault's estimated enterprise value was calculated based upon the revenue multiples of the same group of comparable companies discussed in the income approach. The fair value of CommVault's common stock under the "remains private" scenario was determined by reducing the total estimated "remains private" enterprise value by the liquidation preferences of CommVault's Series A through E cumulative redeemable preferred stock and the conversion preferences of the Series AA, BB and CC convertible preferred stock as well as a discount for lack of marketability assuming CommVault remains a private company.

The prospectus has been revised to reflect the results of the retrospective determination of fair value of CommVault's common stock. In summary, CommVault recorded approximately $9.2 million in deferred stock-based compensation expense and recognized compensation expense of approximately $1.1 million during fiscal 2006 related to stock options that were granted with an exercise price that was below the fair value of CommVault's common stock on the date of grant.

SUPPLEMENTAL MATERIAL BINDER, TAB E

12. WE NOTE THE SUPPLEMENTAL INFORMATION PROVIDED IN TAB E, WHICH INCLUDES AN INTEROFFICE MEMORANDUM THAT DISCUSSES THE VALUATION METHODOLOGY AND ASSUMPTIONS USED TO FAIR VALUE THE COMPANY'S OPTION GRANTS. PLEASE PROVIDE A COPY OF THE ACTUAL VALUATION ANALYSIS THAT INCLUDES YOUR REVENUE OR EARNINGS PROJECTIONS AND THE LIST OF COMPARABLE COMPANIES USED BY THE BOARD OF DIRECTORS TO DETERMINE THE FAIR VALUE OF YOUR COMMON STOCK FOR EACH GRANT DATE. ALSO, CONFIRM TO US THAT YOUR REVENUE AND OPERATING PROJECTION ASSUMPTIONS ARE CONSISTENT WITH INTERNAL PROJECTIONS THAT WERE

USED BY MANAGEMENT, PRESENTED TO THE BOARD OF DIRECTORS, PROVIDED TO YOUR BANKERS AND UNDERWRITERS, AND/OR USED BY OTHER PARTIES.

A copy of the actual valuation analysis and a list of the comparable companies used by the board of directors to determine the fair value of CommVault's common stock at each stock option grant date is located behind Tab C in the binder of supplemental materials accompanying this filing.

The revenue and operating projections used in CommVault's valuation analysis were consistent with internal projections that were used by management and presented to CommVault's board of directors. The revenue and operating projections used in CommVault's valuation analysis were generally higher (generated higher per share value) than those provided to bankers, underwriters and other third parties.

In connection with the preparation of the fiscal 2006 annual financial statements, CommVault performed a retrospective determination of fair value of its common stock underlying stock option grants since January 1, 2005 based upon valuations performed by an unrelated valuation specialist. See the response to the second bullet under Comment 11 above.

13. CONFIRM TO US THAT COMPARABLE COMPANIES WERE USED FOR THE MARKET APPROACH AT EACH VALUATION DATE AND TELL US HOW MANAGEMENT DETERMINED THAT THE COMPANIES USED IN YOUR VALUATION WERE IN FACT COMPARABLE.

CommVault used comparable companies for the market approach at each valuation date. Based on its knowledge of the storage and management software industry, CommVault identified the population of direct competitors along with other companies within the industry that offer somewhat similar products. CommVault then analyzed the identified population, selecting a peer group of publicly-traded companies that it believed to be most comparable in terms of business operations, size, stage of development, prospects for growth and risk.

In connection with the preparation of the fiscal 2006 annual financial statements, CommVault performed a retrospective determination of fair value of its common stock underlying stock option grants since January 1, 2005 based upon valuations performed by an unrelated valuation specialist. See the response to the second bullet under Comment 11 above.

14. WE NOTE THAT THE FAIR VALUE OF YOUR COMMON STOCK AS OF JANUARY 2005, MAY 2005, JULY 2005 AND NOVEMBER 2005 AS DISCLOSED ON PAGE F-23 OF YOUR PROSPECTUS DOES NOT AGREE TO THE INFORMATION DISCLOSED ON PAGE 2 IN TAB E TO YOUR SUPPLEMENTAL MATERIAL. PLEASE EXPLAIN.

The fair value of CommVault's common stock disclosed in the materials located behind Tab E to the supplemental materials that accompanied the May 3, 2006 filing was the per share value calculated from CommVault's valuation analysis. CommVault's Board of Directors used this per share value as a basis for determining the fair value of CommVault's common stock at each

stock option grant date. The difference between the per share value calculated by CommVault's valuation analysis and the fair value of CommVault's common stock determined by the Board of Directors is primarily due to the conservative approach the Board of Directors utilized when establishing fair values in fiscal 2006. As a result, the Board of Directors generally set the exercise price of stock options higher than the per share value calculated from CommVault's valuation analysis. However, the fair value determined by the Board of Directors since January 1, 2005 is now superseded by the retrospective determination of fair value as discussed above in the response to the second bullet under Comment 11.

15. WE NOTE THAT YOU APPLIED A MARKETABILITY DISCOUNT RATE OF 15 PERCENT FOR OPTIONS GRANTED ON JANUARY 2005, MAY 2005, JULY 2005 AND SEPTEMBER 2005. PLEASE EXPLAIN TO US HOW YOU DETERMINED THAT THIS DISCOUNT RATE OF 15 PERCENT DEMONSTRATES AN OBJECTIVE DETERMINATION OF FAIR VALUE.

Determining the fair value of CommVault's common stock required making complex and subjective judgments, particularly since there was no trading market for its common stock at the time of the each stock option valuation. CommVault initially based the fair value of its common stock on multiples of a comparable group of publicly-traded companies in its market sector. CommVault then applied a 15% marketability discount to the multiples used to value its common stock in January 2005, May 2005, July 2005 and September 2005 based on a qualitative analysis utilizing the guidance in the AICPA Practice Aid "Valuation of Privately-Held-Company Equity Securities Issued as Compensation." In retrospect, based on the valuations performed by the unrelated valuation specialist as described in the second bullet under Comment 11, this 15% discount was conservative as compared to the 35% discount rate utilized by the unrelated valuation specialist.

The factors considered in the qualitative analysis to determine the size of the marketability discount were:

- Prospects for liquidity
- Risks associated with its business
- Risks related to CommVault's products
- Concentration of ownership
- Uncertainty of value

In connection with the preparation of the fiscal 2006 annual financial statements, CommVault performed a retrospective determination of fair value of its common stock underlying stock option grants since January 1, 2005 based upon valuations performed by an unrelated valuation specialist. See the response to the second bullet under Comment 11 above.

16. IN PAGE 8 OF THE SUPPLEMENTAL MATERIAL BINDER, TAB E, YOU INDICATE THAT "[T]HE MOST IMPORTANT FACTOR IN RECONCILING AND EXPLAINING THE DIFFERENCE BETWEEN THE FAIR VALUES

OF [Y]OUR COMMON STOCK AND AN ESTIMATED IPO PRICE OF $7.00 PER SHARE IS [Y]OUR ACHIEVEMENT OF ANTICIPATED EARNINGS IN Q4 FY 06 AND THE INCREASED CONFIDENCE THAT OUTSIDE ANALYSTS AND UNDERWRITERS HAVE IN USING [Y]OUR PROJECTED CY 07 PROJECTIONS FOR IPO VALUATION PURPOSE." YOU FURTHER INDICATE THAT "[W]ITH THE BENEFIT OF HINDSIGHT, THE COMPANY BELIEVES THAT USING THE MID-POINT OF THE ESTIMATED OFFERING RANGE OF $7.00 PER SHARE IS AN OBJECTIVE DEMONSTRATION OF FMV FOR THE JANUARY, MARCH AND APRIL 2006 GRANTS." WE FURTHER NOTE, THAT YOU "USED A MARKETABILITY DISCOUNT RATE OF 20% FOR THE JANUARY 2006 GRANT, 15% FOR THE MARCH 2006 GRANT AND 10% FOR THE APRIL 2006 GRANT GIVEN THE RISKS AND UNCERTAINTIES OF PROCEEDING WITH AN IPO." EXPLAIN TO US THE OBJECTIVE EVIDENCE THAT SUPPORTS EACH DISCOUNT RATE USED IN 2006. PLEASE NOTE THAT USE OF "RULE OF THUMB" DISCOUNTS IS NOT AN APPROPRIATE METHOD OF ESTIMATING THE FAIR VALUE OF YOUR STOCK. SEE FOOTNOTE 4 TO PARAGRAPH 4 OF THE PRACTICE AID.

As previously discussed, CommVault has prepared a retrospective determination of the fair value of its common stock since January 1, 2005. As a result of that analysis, CommVault's common stock valuation methodology utilizing discount rates in fiscal 2006 has been superseded by a retrospective determination of fair value of its common stock based upon valuations performed by an unrelated valuation specialist. See the response to the second bullet under Comment 11 above.

17. PLEASE TELL US WHAT CONSIDERATION YOUR AUDITORS GAVE TO CONSULTATION WITH THEIR NATIONAL OFFICE REGARDING YOUR STOCK VALUATION ACCOUNTING AND DISCLOSURE.

CommVault has been informed that its auditors have consulted with their national office regarding CommVault's stock valuation accounting and disclosure.

MANAGEMENT, PAGE 63

18. PLEASE ENSURE THAT YOUR DISCLOSURE CONFORMS TO THE REQUIREMENTS OF ITEM 401 OF REGULATION S-K. WE NOTE, FOR EXAMPLE, THAT MR. FANZILLI'S DISCLOSURE DOES NOT APPEAR TO FULLY ACCOUNT FOR THE PAST FIVE YEARS WITH RESPECT TO HIS BUSINESS EXPERIENCE.

The prospectus has been revised to provide the requested disclosure.

19. WE NOTE YOUR RESPONSE TO COMMENT 36 OF OUR LETTER DATED APRIL 13, 2006. IT APPEARS THAT DISCLOSURE RELATING TO ITEM 404 OF REGULATION S-K HAS BEEN MADE WITH RESPECT TO MEMBERS OF YOUR COMPENSATION COMMITTEE. ACCORDINGLY, DISCLOSURE PURSUANT TO ITEM 402(j)(III) OF REGULATION S-K APPEARS NECESSARY. PLEASE FURTHER ADVISE US OF ANY RELATIONSHIP THE COMPANY HAS WITH FRANCISCO PARTNERS.

The prospectus has been revised to provide the requested disclosure. One of CommVault's directors, Keith Geeslin, is a Partner of Francisco Partners. CommVault does not have any additional relationships with Francisco Partners.

STOCK OPTION GRANTS IN LAST FISCAL YEAR, PAGE 69

20. PLEASE ADVISE US HOW YOU PLAN TO VALUE THE OPTIONS DISCLOSED PURSUANT TO ITEM 402(c) OF REGULATION S-K. WE NOTE YOUR REFERENCE IN YOUR RESPONSE TO COMMENT 37 OF OUR LETTER DATED APRIL 13, 2006 TO THE MATERIALS REGARDING YOUR VALUATION PROCESS. WE SUGGEST THAT YOU USE THE MIDPOINT OF YOUR OFFERING PRICE FOR PURPOSES OF ITEM 402(c) AS THE USE OF THAT NUMBER WILL INFORM INVESTORS OF THE IMPACT OF THE OFFERING ON THE HOLDERS OF THE OPTIONS. PLEASE SEE INSTRUCTION 7 TO ITEM 402(C), RELEASE NO. 34-32723 AND INTERPRETATION J.17 OF OUR JULY 1997 MANUAL OF PUBLICLY AVAILABLE TELEPHONE INTERPRETATIONS. OTHERWISE, YOU SHOULD DISCUSS IN A FOOTNOTE THE VALUATION METHOD AND ASSUMPTIONS USED AND IN DETERMINING THE FAIR MARKET VALUE OF THE OPTIONS IN ACCORDANCE WITH INSTRUCTION 9 TO ITEM 402(c).

The prospectus will be revised to include the requested information prior to circulation of a preliminary prospectus. The options disclosed pursuant to Item 402(c) of Regulation S-K will be valued using the mid-point of the offering price range.

THE CONCURRENT PRIVATE PLACEMENT, PAGE 73

21. PLEASE ADVISE US WHERE SUCH PREEMPTIVE RIGHTS ARE SET FORTH. FURTHER, IT APPEARS THAT THE AGREEMENT SETTING FORTH SUCH RIGHTS SHOULD BE FILED WITH YOUR REGISTRATION STATEMENT PURSUANT TO ITEMS 601(b)(10)(i) AND (II)(A) OF REGULATION S-K.

The referenced preemptive rights are set forth in agreements filed as exhibits to the Registration Statement.

22. WE NOTE YOUR RESPONSE TO COMMENT 39 OF OUR LETTER DATED APRIL, 13, 2006. NOTWITHSTANDING YOUR DISCLOSURE HERE IN YOUR PROSPECTUS AS OPPOSED TO ITEM 15 TO YOUR REGISTRATION STATEMENT ON THIS CONCURRENT SALE OF UNREGISTERED SECURITIES, ITEM 701(d) OF REGULATION S-K REQUIRES BRIEF DISCLOSURE OF "THE FACTS RELIED UPON TO MAKE THE EXEMPTION AVAILABLE." ENSURE THAT THE INFORMATION REGARDING THE BASIS FOR YOUR CONCLUSION OF THE AVAILABILITY OF THE EXEMPTION RELIED UPON CONVEYS SPECIFIC INFORMATION THAT ADDRESSES EACH UNREGISTERED TRANSACTION IN THE THREE-YEAR PERIOD. PLEASE MAKE SUCH DISCLOSURE HERE OR AS REQUIRED IN ITEM 15 TO YOUR REGISTRATION STATEMENT.

The prospectus has been revised as requested.

FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REVENUE RECOGNITION, PAGE F-9

23. WE NOTE YOUR RESPONSE TO COMMENT 50 OF OUR LETTER DATED APRIL 13, 2006 AND YOUR REVISED DISCLOSURE WITH REGARDS TO YOUR REVENUE RECOGNITION POLICY AND THE ROLLING 12-MONTH ANALYSIS YOU PERFORMED TO DETERMINE VSOE FOR YOUR PCS. PROVIDE A COPY OF YOUR VSOE ANALYSIS. IF THE VSOE VARIES FROM CUSTOMER TO CUSTOMER WITHIN DIFFERENT CLASSES, THEN TELL US HOW YOU DETERMINED THAT YOU CAN REASONABLY ESTIMATE FAIR VALUE. TELL US HOW YOU CONSIDERED PARAGRAPHS 10 AND 57 OF SOP 97-2 IN YOUR ANALYSIS.

A copy of CommVault's rolling 12-month VSOE analysis is located behind Tab D in the binder of supplemental materials accompanying this filing.

In accordance with paragraphs 10 and 57 of SOP 97-2, CommVault has established VSOE for each of its customer classes based on the price charged when the same customer support element is sold separately. VSOE does not vary from customer to customer within the same class. CommVault has followed consistent pricing policies for all customers within each customer class. As a result, CommVault uses the specific customer support pricing policies applicable to each customer class to establish VSOE. CommVault updates its rolling 12-month VSOE analysis throughout the fiscal year in order to demonstrate and validate VSOE for the customer support element.

24. WE NOTE YOUR RESPONSE TO COMMENT 51 OF OUR LETTER DATED APRIL 13, 2006 AND YOUR REVISED DISCLOSURE IN NOTE 2 WITH REGARDS TO VSOE FOR OTHER PROFESSIONAL SERVICES. TELL US HOW OFTEN THE DAILY OR WEEKLY RATES HAVE CHANGED DURING THE PERIODS PRESENTED AND PROVIDE US A LIST OF THE RATE CHANGES DURING SUCH PERIODS.

CommVault has made no material changes to the daily and weekly rates during the periods presented in the prospectus. A list of the daily and weekly rate changes during each of the periods presented in the prospectus is located behind Tab E in the binder of supplemental materials accompanying this filing.

NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS PER SHARE, PAGE F-11

25. WE NOTE YOUR RESPONSE TO COMMENT 54 OF OUR LETTER DATED APRIL 13, 2006 AND YOUR REVISED DISCLOSURE IN NOTE 2. WITH REGARDS TO THIS INFORMATION, PLEASE EXPLAIN THE FOLLOWING:

- YOUR RESPONSE INDICATED THAT YOU DETERMINED THE SHARES OF SERIES A, B, C, D AND E PREFERRED STOCK AND SHARES OF SERIES AA, BB AND CC PREFERRED STOCK

ARE PARTICIPATING SECURITIES DUE TO THEIR PARTICIPATION RIGHTS RELATED TO CASH DIVIDENDS DECLARED TO THE COMMON STOCKHOLDERS. PLEASE EXPLAIN THESE RIGHTS AND REVISE YOUR DISCLOSURES IN NOTES 7 AND 8 TO INCLUDE A DISCUSSION OF SUCH RIGHTS FOR EACH ISSUANCE PURSUANT TO SFAS 129.

The prospectus has been revised to provide the requested disclosure.

The holders of CommVault's Series AA, BB and CC convertible preferred stock are entitled to receive a proportionate share of cash dividends declared on CommVault's common stock, calculated on an as if-converted basis. In addition, the holders of CommVault's Series A through E cumulative redeemable convertible preferred stock are entitled to receive dividends out of any assets legally available, prior and in preference to any declaration or payment of any dividend (payable other than in common stock or other non-redeemable equity securities and rights entitling the holder to receive additional shares of CommVault's common stock) on CommVault's common stock, at a per share rate of $1.788 per annum, or, if greater, an amount equal to that paid on any other outstanding shares of CommVault. Such dividends accrue and are cumulative.

In the event CommVault declares any other dividend or distribution payable in securities of other persons, evidences of indebtedness issued by CommVault or other persons, assets (excluding cash dividends) or options or rights to purchase any such securities or evidence of indebtedness, holders of CommVault's Series AA, BB and CC convertible preferred stock and Series A through E cumulative redeemable convertible preferred stock are entitled to receive a proportionate share of any such dividend or distribution on an as if-converted basis. See the chart set forth in the response to the final bullet of this Comment 25 for a full reconciliation of CommVault's basic earnings per share calculation.

- PLEASE EXPLAIN WHY YOUR CALCULATIONS OF DILUTED EARNINGS PER SHARE ON THE IF-CONVERTED METHOD FOR THE NINE MONTHS ENDED DECEMBER 31, 2005 DOES NOT INCLUDE THE DILUTIVE AFFECTS OF THE CONVERTIBLE PREFERRED STOCK ON AN IF-CONVERTED BASIS. SEE ISSUE 6 TO EITF 03-6.

The prospectus has been revised to present diluted earnings per share under the if-converted method, subject to the anti-dilution provisions of SFAS 128. To reflect the maximum potential dilution, each series of issues of potential common shares were considered in sequence from the most dilutive to the least dilutive. As a result, in the nine months ended December 31, 2005 and the year ended March 31, 2006, diluted net income (loss) attributable to common stockholders per share presented under the if-converted method includes the dilutive impact of CommVault's Series AA, BB and CC convertible preferred stock. However, in the nine months ended December 31, 2005 and the year ended March 31, 2006, diluted net income (loss) attributable to common stockholders per share presented under the if-converted method excludes the dilutive impact of CommVault's Series A through E cumulative redeemable convertible preferred stock because the conversion of such preferred stock in anti-dilutive to the diluted earnings per share calculation.

- YOUR CALCULATIONS OF BASIC EARNINGS PER SHARE DO NOT APPEAR TO FIRST REDUCE INCOME FROM CONTINUING OPERATIONS BY THE AMOUNT OF DIVIDENDS DECLARED OR THE CONTRACTUAL AMOUNT OF DIVIDENDS DUE ON THE PREFERRED STOCK. PLEASE EXPLAIN.

CommVault did not declare any dividends in the fiscal years ended March 31, 2004, 2005 and 2006. CommVault's calculation of basic earnings per share in the fiscal years ended March 31, 2004, 2005 and 2006 does reduce net income by the annual contractual amount of dividends of $1.788 per share due on the Series A through E cumulative redeemable convertible preferred stock. See the chart set forth in the response to the final bullet of this Comment 25 for a full reconciliation of CommVault's earnings per share calculation.

- ALSO, TELL US WHY YOUR CALCULATIONS OF BASIC EARNINGS PER SHARE UNDER THE TWO-STEP METHOD ALLOCATED A PORTION OF THE UNDISTRIBUTED NET INCOME TO SERIES AA, BB AND CC PREFERRED STOCK AND NOT TO THE SERIES A, B, C, D AND E PREFERRED STOCK. PLEASE PROVIDE THE SUPPORT TO YOUR CALCULATIONS OF THE UNDISTRIBUTED EARNINGS.

The response to the first bullet point in this Comment 25 describes the participating rights related to cash dividends of the Series A through E preferred stock and Series AA, BB and CC preferred stock. Net income in the basic earnings per share calculation is reduced by the contractual amount of dividends ($1.788 per share) due on CommVault's Series A through E preferred stock. Net income attributable to common stockholders is not allocated to the Series A through E preferred stock because such stockholders only participate in cash dividends in excess of their annual contractual dividend amount of $1.788 per share, and CommVault does not have the ability to distribute amounts in excess of $1.788 per share in the year ended March 31, 2006.

The information required to compute basic net income (loss) attributable to common stockholders per share is as follows (in thousands):

	YEAR ENDED MARCH 31,		
	2004	2005	2006
RECONCILIATION OF NET INCOME (LOSS) TO UNDISTRIBUTED NET INCOME (LOSS) ALLOCABLE TO COMMON STOCKHOLDERS FOR THE BASIC COMPUTATION:			
Net income (loss)	$(11,698)	$ 483	$ 10,756
Accretion of preferred stock dividends (1)	(5,676)	(5,661)	(5,661)
Net income (loss) attributable to common stockholders	(17,374)	(5,178)	5,095
Undistributed net income allocated to Series AA, BB and CC convertible preferred stock, if converted (2)	--	--	(1,730)
Undistributed net income (loss) allocable to common stockholders	$(17,374)	$ (5,178)	$ 3,365

========			
BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS PER SHARE:			
Basic weighted average shares outstanding	37,201	37,424	37,678
========			
========			
========			
Basic net income (loss) attributable to common stockholders per share	$ (0.47)	$ (0.14)	$ 0.09
========			
========			
========			

(1) Net income is reduced by the contractual amount of dividends ($1.788 per share) due on CommVault's Series A through E cumulative redeemable convertible preferred stock.

(2) In the year ended March 31, 2006, net income attributable to common stockholders is reduced by the participation rights of the Series AA, BB and CC convertible preferred stock related to cash dividends declared by CommVault. Net income attributable to common stockholders is not allocated to the Series A through E cumulative redeemable convertible preferred stock because such stockholders only participate in cash dividends in excess of their annual contractual dividend amount of $1.788 per share, and CommVault does not have the ability to distribute amounts in excess of $1.788 per share in the year ended March 31, 2006. As a result, the detailed calculation of CommVault's undistributed net income allocated to Series AA, BB and CC convertible preferred stock is as follows (in thousands except percentages):

Weighted Average Shares Outstanding	Undistributed Security Number of Shares	Percentage of Total Earnings (3)
Common Stock	37,678	66.0%
$ 3,365 Series AA Preferred Stock	4,484	7.9%
$ 400 Series BB Preferred Stock	2,758	4.8%
$ 246 Series CC Preferred Stock	12,132	21.3%
$ 1,084		
	19,374	34.0%
$ 1,730		
	57,052	

(3) Undistributed earning is calculated as net income attributable to common stockholders multiplied by the percentage of weighted average shares outstanding.

26. WE NOTE YOUR RESPONSE TO COMMENT 55 OF OUR LETTER DATED APRIL 13, 2006 WHERE YOU INDICATE THAT YOU DID NOT CALCULATE THE FAIR VALUE OF YOUR COMMON STOCK AS OF DECEMBER 31, 2005. WHAT VALUE DID YOU USE AT DECEMBER 31, 2005 AND HOW WAS SUCH VALUE DETERMINED? TELL US HOW YOU DETERMINED THAT IT WAS APPROPRIATE TO EXCLUDE THE 2,030,000 SHARES SUBJECT TO STOCK OPTIONS AND 4,615,000 SHARES SUBJECT TO WARRANTS FROM YOUR COMPUTATION OF DILUTED NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS PER SHARE AT DECEMBER 31, 2005.

The prospectus does not include financial statements for the nine months ended December 31, 2005 because CommVault has updated the prospectus to reflect the audited financial statements for fiscal 2006.

In connection with the preparation of the fiscal 2006 annual financial statements, CommVault performed a retrospective determination of fair value of its common stock underlying stock option grants since January 1, 2005 based upon valuations performed by an unrelated valuation specialist. Based on this analysis, CommVault determined that fair value of its common stock was $5.17 per share on November 3, 2005 and CommVault used this per share value through December 31, 2005 for the purposes of calculating diluted net income attributable to common stockholders. CommVault has revised its earnings per share calculation to reflect the retrospective determination of the fair value of its common stock as described in CommVault's response to the second bullet in Comment 11. As a result, no shares subject to stock options should have been excluded from the earnings per share calculation at December 31, 2005. CommVault has excluded 3,000,000 shares subject to warrants for the nine months ended December 31, 2005 because the exercise price of such warrants ($6.27 per share) exceeded the average fair value of CommVault's common stock of $4.96 for the quarter ending December 31, 2005. In addition, no shares subject to stock options have been excluded from the earnings per share calculation at March 31, 2006.

NOTE 7. CUMULATIVE REDEEMABLE CONVERTIBLE PREFERRED STOCK: SERIES A THROUGH E, PAGE F-18

27. WE NOTE YOUR RESPONSE TO COMMENT 56 OF OUR LETTER DATED APRIL 13, 2006 WHERE YOU INDICATE THAT YOU BELIEVES THE KEY DETERMINANT IN EVALUATING THE NATURE OF THE HOST INSTRUMENT IS THE ABSENCE OF A MANDATORY REDEMPTION FEATURE. WHILE WE NOTE THAT THESE PREFERRED SECURITIES DO NOT HAVE A MANDATORY REDEMPTION FEATURE, WE ALSO NOTE THAT YOU HAVE CLASSIFIED THE SERIES A THROUGH E PREFERRED STOCK ISSUANCES IN THE MEZZANINE SECTION OF THE BALANCE SHEET PURSUANT TO ASR 268 AND EITF D-98. CLASSIFICATION OUTSIDE OF EQUITY INDICATES THAT THESE SECURITIES HAVE A REDEMPTION FEATURE THAT IS OUTSIDE THE CONTROL OF THE COMPANY AND ALSO MAY BE AN INDICATOR THAT THESE SECURITIES ARE MORE AKIN TO DEBT AS THEY HAVE A MATURITY FEATURE, THAT WHILE IT MAY NOT BE MANDATORY, IT IS NOT WITHIN YOUR CONTROL. PLEASE RECONCILE YOUR ANALYSIS OF ASR 268 AND EITF D-98 AND YOUR DECISION TO CLASSIFY THESE SECURITIES OUTSIDE OF PERMANENT EQUITY TO YOUR ANALYSIS OF PARAGRAPH 61(l) OF SFAS 133 WHERE YOU CONCLUDED THE PREFERRED STOCK ISSUANCES WERE MORE AKIN TO EQUITY.

ASR 268 applies to all equity securities that are redeemable: (1) at a fixed or determinable price on a fixed or determinable date, (2) at the option of the holder or (3) upon the occurrence of an event that is not solely within the control of the issuer. ASR 268 requires redeemable preferred stock to be presented as a separate item outside of stockholders' equity. EITF Topic D-98 further clarifies the applications of ASR 268 and requires securities with redemption features that are not solely within the control of the issuer to be classified outside of permanent equity. Since the redemption of the Series A through E cumulative redeemable convertible preferred stock is not solely within the control of the holders or the issuer without regard to probability (the Series A through E preferred stock is redeemable upon a qualified initial public offering or upon approval of the Series AA and CC preferred stockholders, see bullets below), CommVault has

classified such Series A through E preferred stock in the mezzanine equity section of the balance sheet.

CommVault reviewed the guidance in paragraph 61(l) of SFAS 133 to determine if such Series A through E preferred stock was more akin to equity (resulting in mezzanine classification) or more akin to debt (resulting in liability classification). Per paragraph 61(l) of SFAS 133, a typical cumulative fixed-rate preferred stock that has a mandatory redemption feature is more akin to debt, whereas cumulative participating perpetual preferred stock is more akin to an equity instrument. CommVault believes these examples in SFAS 133 provide two ends of a continuum in which neither properly describes CommVault's Series A through E preferred stock. CommVault considered this guidance and believes its Series A through E preferred stock is more akin to equity due to the following features:

- The Series A through E preferred stock does not have a mandatory redemption feature. Prior to a qualified initial public offering, any election by the holders of such preferred stock to convert shares into common stock and receive a cash payment of $14.85 per share plus the aggregate amount of unpaid dividends requires the approval of a majority of the Series AA and CC preferred stock, each voting as a separate class. The Series A through E preferred stockholders own approximately 15% of the Series AA and CC preferred stock and accordingly cannot force the approval of redemption of the Series A through E preferred stock.

- The Series A through E preferred stock do not contain a stated maturity date. The Series A through E preferred stock is contingently redeemable subject to the factors discussed above.

- Holders of shares of Series A through E preferred stock are entitled to participate in dividends with common stockholders if a cash dividend in excess of $1.788 per share of common stock is declared.

28. ALSO, YOU INDICATE THAT YOU ANALYZED THE CONVERSION FEATURE PURSUANT TO PARAGRAPHS 12 THROUGH 32 OF EITF AND CONCLUDED THAT EQUITY CLASSIFICATION WAS APPROPRIATE. PLEASE PROVIDE THE DETAILS TO YOUR ANALYSIS TO SUPPORT YOUR CONCLUSIONS.

Since CommVault has determined that the Series A through E preferred stock is an equity host, the embedded equity conversion feature does not require analysis under paragraphs 12-32 of EITF 00-19. However, if additional analysis under EITF 00-19 were required, CommVault would conclude that the embedded derivative should be classified as equity based on the following: 1) CommVault can issue unregistered shares upon conversion of the preferred stock; 2) CommVault has sufficient authorized and unissued shares available to allow for the conversion of the preferred stock; 3) the conversion rights contain an explicit limit on the number of shares to be delivered (conversion to common stock on a 4-to-1 basis); 4) cash payments to the holders of such preferred stock is not required in the event CommVault fails to make a timely filing with the SEC; 5) the conversion rights do not contain "top-off" or "make-whole" provisions; 6) there are no net cash settlement provisions upon conversion; 7) the

conversion rights of the preferred stockholders do not rank higher than those of the common stockholders in the event of CommVault's bankruptcy; and 8) there are no requirements to post collateral at any point or for any reason.

NOTE 8. STOCKHOLDERS' DEFICIT, PAGE F-18

29. WE NOTE YOUR RESPONSE TO COMMENT 59 OF OUR LETTER DATED APRIL 13, 2006 WHERE YOU PROVIDE THE FAIR VALUE OF YOUR COMMON STOCK AT EACH MONTH IN WHICH YOU ISSUED SHARES OF SERIES AA, BB AND CC PREFERRED STOCK. TELL US HOW YOU DETERMINED SUCH VALUE FOR EACH ISSUANCE MONTH. SPECIFICALLY EXPLAIN THE SIGNIFICANT FACTORS, ASSUMPTIONS AND METHODOLOGIES USED IN DETERMINING THE FAIR VALUE. EXPLAIN THE SIGNIFICANT EVENTS THAT WOULD ACCOUNT FOR THE DECREASE IN THE FAIR VALUE FROM NOVEMBER 2000 TO FEBRUARY 2002 AND THE FURTHER DECREASE IN SEPTEMBER 2003.

CommVault determined the fair value of its common stock in April 2000 and November 2000 based on a contemporaneous valuation performed by an unrelated third-party valuation specialist. The valuation specialist utilized a combination of a guideline public company approach and discounted cash flow approach (eight year model with terminal value) to estimate the fair value of CommVault's common stock in April 2000 and November 2000.

CommVault believes that the fair value of its common stock in February 2002 was equal to or less than $3.00 per share. CommVault estimated the fair value of its common stock in February 2002 based on the $3.13 per share price of the initial Series CC Preferred Stock that was primarily led by a new third-party investor group. CommVault believes that the price for the Series CC preferred stock should be higher than the fair value of the underlying common stock based on the Series CC preferred stockholders' blocking rights if an initial public offering does not provide a 2x return on their initial investment and the Series CC preferred stockholders' liquidation preferences over the common stockholders in the event of any liquidation or winding up of CommVault. In addition, the fair value was further supported by a valuation performed by an unrelated third-party valuation specialist in April 2001 which yielded a per share value of $2.90. The valuation specialist utilized a combination of a guideline public company approach and discounted cash flow approach (eight year model with terminal value) to estimate the fair value of CommVault's common stock in April 2001. The decrease in the fair value from November 2000 to February 2002 was primarily associated with deteriorating marketing conditions in the storage and management software industry, as well as the overall decrease in the Nasdaq composite of approximately 33% during this time period.

CommVault believes that the fair value of its common stock in September 2003 was equal to or less than $2.25 per share. CommVault was required to raise additional funding in September 2003 through the issuance of a second round of Series CC preferred stock. The second round of Series CC preferred stock was priced consistently with the first round of Series CC preferred stock. CommVault believes that the price for the Series CC preferred stock should be higher than the fair value of the underlying common stock based on the Series CC preferred stockholders' blocking rights if an initial public offering does not provide a 2x return on their

initial investment and the Series CC preferred stockholders' liquidation preferences over the common stockholders in the event of any liquidation or winding up of CommVault. In September 2003, CommVault estimated the fair value of its common stock based on its analysis of comparable group of publicly traded companies in its market sector. CommVault used the valuation methodology contained in the memorandum included in the materials located behind Tab E to the supplemental materials that accompanied the May 3, 2006 filing. CommVault transitioned to this internal valuation methodology during fiscal 2004 because it believed that its internal valuation model, which is built upon revenue and earnings multiples of a comparable group of public companies, served as a reasonable basis for establishing the fair value of its common stock. The decrease in the fair value of CommVault's common stock from February 2002 to September 2003 was primarily due to continued losses incurred by CommVault, the inability to generate operating cash flows, the continuing challenge of being able to accurately forecast revenue, and the continued difficulty of competing as a smaller private company in a market that has historically been dominated by larger public companies.

Should you have any questions regarding the foregoing or the amended Registration Statement, please contact Philip Niehoff at (312) 701-7843 or Wendy Gallegos at (312) 701-8057.

Very truly yours,
/s/ Wendy Gallegos

Wendy Gallegos

cc: Daniel Lee, Securities and Exchange Commission
Warren Mondschein, CommVault Systems, Inc.