

ELLIE MAE INC
Form PRE 14A
March 14, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x
Filed by a Party other than the Registrant ..

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

ELLIE MAE, INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

4420 ROSEWOOD DRIVE
PLEASANTON, CALIFORNIA 94588
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 18, 2018

To the Stockholders of Ellie Mae, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (“2018 Annual Meeting”) of Ellie Mae, Inc., a Delaware corporation (the “Company”), will be held on May 18, 2018, at 10:00 a.m., local time, at the Company’s headquarters at 4420 Rosewood Drive, Pleasanton, California 94588, for the following purposes:

- To elect to the Company’s Board of Directors (the “Board”) three Class I directors to hold office until our 2021 annual meeting of stockholders or until their successors are elected. The Board intends to present for election the following three nominees: Sigmund Anderman, Craig Davis and Rajat Taneja;
1. To elect to the Company’s Board of Directors (the “Board”) three Class I directors to hold office until our 2021 annual meeting of stockholders or until their successors are elected. The Board intends to present for election the following three nominees: Sigmund Anderman, Craig Davis and Rajat Taneja;
 2. To ratify the selection, by the audit committee of the Board, of Grant Thornton LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 31, 2018;
 3. To vote to approve, on a non-binding advisory basis, the compensation of our named executive officers for the fiscal year ended December 31, 2017 as set forth in this proxy statement;
 4. To vote to approve, on a non-binding advisory basis, the frequency of future stockholder advisory votes on the compensation of our named executive officers;
 5. To vote to approve an amendment to our Amended and Restated Certificate of Incorporation and Bylaws to declassify our Board, and to provide for the annual election of directors beginning with the 2019 annual meeting of stockholders;
 6. To consider a stockholder proposal, if properly presented at the meeting, requesting that the Company take action to amend the Company’s governing documents to allow stockholders to call a special meeting; and
 7. To transact such other business as may properly come before the 2018 Annual Meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the proxy statement accompanying this Notice (the “Proxy Statement”). Only stockholders who owned our common stock at the close of business on March 21, 2018 can vote at this meeting or any adjournments that take place.

Our Board recommends that you vote FOR the election of the director nominees named in Proposal No. 1 of the Proxy Statement, FOR the ratification of the appointment of Grant Thornton LLP as our independent registered public accounting firm as described in Proposal No. 2 of the Proxy Statement, FOR the approval, on a non-binding advisory basis, of the compensation of our named executive officers as described in Proposal No. 3 of the Proxy Statement, FOR the approval, on a non-binding advisory basis, of a frequency of every ONE YEAR for future advisory votes to approve executive compensation as described in Proposal No. 4 of the Proxy Statement, FOR the approval of an amendment to our Amended and Restated Certificate of Incorporation and Bylaws as described in Proposal No. 5 of the Proxy Statement and AGAINST Proposal No. 6, the stockholder proposal requesting that the Company take action to amend the Company’s governing documents to allow stockholders to call a special meeting.

For our 2018 Annual Meeting, we have elected to use the Internet as our primary means of providing our proxy materials to stockholders. Consequently, most stockholders will not receive paper copies of our proxy materials. We will instead send to these stockholders a Notice of Internet Availability of Proxy Materials with instructions for accessing the proxy materials, including our Proxy Statement and Annual Report to Stockholders, and for voting via the Internet. The Notice of

Internet Availability of Proxy Materials also provides information on how stockholders may obtain paper copies of our proxy materials free of charge, if they so choose. The electronic delivery of our proxy materials will significantly reduce our printing and mailing costs and the environmental impact of the proxy materials.

The Notice of Internet Availability of Proxy Materials will also provide the date, time and location of the 2018 Annual Meeting; the matters to be acted upon at the meeting and the Board of Directors' recommendation with regard to each matter; a toll-free number, an e-mail address and a website where stockholders can request a paper or email copy of the Proxy Statement, our annual report to stockholders and a form of proxy relating to the 2018 Annual Meeting; information on how to access the form of proxy; and information on how to attend the meeting and vote in person. You are cordially invited to attend the 2018 Annual Meeting, but whether or not you expect to attend in person, you are urged to vote and submit your proxy as soon as possible by following the voting procedures described in the Notice of Internet Availability of Proxy Materials or on the proxy card.

By Order of the Board of Directors
Brian Brown
Executive Vice President, General Counsel and Secretary

Pleasanton, California

April __, 2018

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE ANNUAL STOCKHOLDER MEETING
TO BE HELD ON MAY 18, 2018:**

The Notice of Internet Availability of Proxy Materials, Notice of Meeting and Proxy Statement are available free of charge at: www.proxyvote.com

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4420 Rosewood Drive
Pleasanton, California 94588

PROXY STATEMENT
FOR THE 2018 ANNUAL MEETING OF STOCKHOLDERS
May 18, 2018

The Board of Directors of Ellie Mae, Inc. is soliciting your proxy to vote at the Annual Meeting of Stockholders to be held on May 18, 2018, at 10:00 a.m., local time, and any adjournment or postponement of that meeting (the “2018 Annual Meeting”). The 2018 Annual Meeting will be held at the Company’s headquarters at 4420 Rosewood Drive, Pleasanton, California 94588.

We have elected to use the Internet as our primary means of providing our proxy materials to stockholders. Accordingly, on or about April 3, 2018, we are making this Proxy Statement and the accompanying Proxy Card, Notice of Annual Meeting of Stockholders and Annual Report to Stockholders available on the Internet and mailing a Notice of Internet Availability of Proxy Materials to stockholders of record as of March 21, 2018 (the “Record Date”). Brokers and other nominees who hold shares on behalf of beneficial owners will be sending their own similar notices. All stockholders as of the Record Date will have the ability to access the proxy materials on the website referred to in the Notice of Internet Availability of Proxy Materials or request to receive a printed set of the proxy materials. Instructions on how to request a printed copy by mail or electronically may be found in the Notice of Internet Availability of Proxy Materials and on the website referred to in the notice, including an option to request paper copies on an ongoing basis. We intend to mail this Proxy Statement, together with the accompanying Proxy Card, to those stockholders entitled to vote at the 2018 Annual Meeting who have properly requested paper copies of such materials within three business days of request.

The only voting securities of Ellie Mae, Inc. are shares of common stock, par value \$0.0001 per share (the “common stock”), of which there were _____ shares outstanding as of the Record Date (excluding any treasury shares). We need the holders of a majority in voting power of the shares of common stock issued and outstanding and entitled to vote, present in person or represented by proxy, to hold the 2018 Annual Meeting.

In this Proxy Statement, we refer to Ellie Mae, Inc. as the “Company,” “Ellie Mae,” “we” or “us” and our Board of Directors as the “Board.” When we refer to Ellie Mae’s fiscal year, we mean the 12 month period ending December 31 of the stated year.

The Company’s Annual Report to Stockholders, which contains consolidated financial statements for the 2017 fiscal year, accompanies this Proxy Statement. You also may obtain a paper copy of the Company’s Annual Report on Form 10-K for fiscal 2017 that was filed with the Securities and Exchange Commission (the “SEC”) by writing to our Secretary at the above address. The Company’s Annual Report on Form 10-K is also available in the “Financial Information” section of our website at <https://www.elliemae.com/annual-report/> and at the SEC’s website at www.sec.gov.

THE PROXY PROCESS AND STOCKHOLDER VOTING
QUESTIONS AND ANSWERS ABOUT THIS PROXY MATERIAL AND VOTING

Who can vote at the 2018 Annual Meeting?

Only stockholders of record at the close of business on March 21, 2018 will be entitled to vote at the 2018 Annual Meeting. At the close of business on the Record Date, there were _____ shares of common stock issued and outstanding and entitled to vote.

Stockholder of Record: Shares Registered in Your Name

If on March 21, 2018, you hold your shares in your own name as a stockholder of record (i.e., your shares were registered directly in your name with our transfer agent Equiniti Group (formerly Wells Fargo Shareowner Services), you may vote your shares either by proxy or in person at the meeting. Voting by proxy will not affect your right to vote your shares in person—by voting in person you automatically revoke your previously voted proxy. Whether or not you plan to attend the 2018 Annual Meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy over the telephone or on the Internet as instructed below to ensure your vote is counted.

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

If on March 21, 2018, your shares were held in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in “street name” and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the 2018 Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the 2018 Annual Meeting. However, because you are not the stockholder of record, you may not vote your shares in person at the 2018 Annual Meeting unless you request and obtain a valid proxy from your broker or other agent.

What am I being asked to vote on?

You are being asked to vote FOR:

- the election to our Board of the three Class I director nominees named in this Proxy Statement to hold office until our 2021 annual meeting of stockholders;
- the ratification of the selection, by the audit committee of the Board, of Grant Thornton LLP as our independent registered public accounting firm for the 2018 fiscal year;
- the approval, on a non-binding advisory basis, of the compensation of our named executive officers for the fiscal year ended December 31, 2017, as set forth in this Proxy Statement;
- the approval, on a non-binding advisory basis, of one year, as the frequency of future advisory votes to approve executive compensation; and
- the amendment to our Amended and Restated Certificate of Incorporation and Bylaws to declassify our Board and to provide for the annual election of directors beginning with the 2019 annual meeting of stockholders.

You are being asked to vote AGAINST:

- the stockholder proposal requesting that the Company take action to amend the Company’s governing documents to allow stockholders to call a special meeting.

In addition, you are entitled to vote on any other matters that are properly brought before the 2018 Annual Meeting.

How do I vote?

You may vote by mail or follow any alternative voting procedure described on the proxy card or the Notice of Internet Availability of Proxy Materials. To use an alternative voting procedure, follow the instructions on each proxy card that you receive or on the Notice of Internet Availability of Proxy Materials.

Regarding the election of directors, you may either vote "FOR" each of the three nominees or you may "WITHHOLD" your vote for any nominee you specify. Regarding (i) the ratification of the selection of the Company's independent auditors, (ii) the non-binding advisory vote to approve the compensation of our named executive officers for fiscal 2017, (iii) the amendment to our Amended and Restated Certificate of Incorporation and Bylaws, and (iv) the stockholder proposal requesting that the Company take action to amend the company's governing documents to allow stockholders to call a special meeting, you may vote "FOR" or "AGAINST" or "ABSTAIN" from voting. For the advisory vote on the frequency of the advisory vote to approve named executive officer compensation, you may choose among four options: holding the vote every (1) "ONE YEAR" or (2) "TWO YEARS" or (3) "THREE YEARS" or (4) "ABSTAIN." The procedures for voting are as follows:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may (i) vote in person at the 2018 Annual Meeting, (ii) vote by proxy over the Internet, or (iii) if you properly request and receive a proxy card by mail or email, vote by signing, dating and returning the proxy card or by telephone. Whether or not you plan to attend the 2018 Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. Even if you have submitted a proxy before the 2018 Annual Meeting, you may still attend the 2018 Annual Meeting and vote in person. In such case, your previously submitted proxy will be disregarded.

- To vote in person, come to the 2018 Annual Meeting and we will give you a ballot when you arrive. Please bring a valid form of identification, such as a valid driver's license or passport.

To vote by proxy over the Internet, follow the instructions provided in the Notice of Internet Availability of Proxy Materials or on the proxy card. The Internet voting procedures comply with Delaware law.

To vote by telephone, if you properly requested and received a proxy card by mail or email, you may vote by proxy by calling the toll free number found on the proxy card.

To vote by mail, if you properly requested and received a proxy card by mail or email, simply complete, sign and date the proxy card and return it promptly in the envelope provided. If you return your signed proxy card to us before the 2018 Annual Meeting, we will vote your shares as you direct.

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

If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received a voting instruction card and voting instructions with these proxy materials from that organization rather than from us. Simply follow the instructions on the voting instruction card to ensure that your vote is counted. To vote in person at the 2018 Annual Meeting, you must obtain a valid proxy from your broker, bank or other agent and present a valid form of identification. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker, bank or other agent to request a proxy form.

Who counts the votes?

Broadridge Financial Solutions, Inc. ("Broadridge") has been engaged as our independent agent to tabulate stockholder votes. If you are a stockholder of record, and you choose to vote over the Internet or by telephone, Broadridge will access and tabulate your vote electronically, and if you have requested and received proxy materials via mail or email and choose to sign and mail your proxy card, your executed proxy card is returned directly to Broadridge for tabulation. As noted above, if you hold your shares through a broker, your broker (or its agent for tabulating votes of shares held in "street name," as applicable) returns one proxy card to Broadridge on behalf of all its clients.

How are votes counted (i.e. What is the voting requirement to approve each of the proposals and how are abstentions and broker non-votes treated)?

The vote required and methods of calculation for the proposals to be considered at the 2018 Annual Meeting are as follows:

Proposal No. 1 Election of directors. If a quorum is present, the nominees receiving the highest number of votes will be elected to the Board. You may vote either “for” or “withhold” your vote for the director nominees. A properly executed proxy marked “withhold” with respect to the election of certain or all of the directors will not be voted with respect to such directors and will not affect the outcome of the election, although it will be counted for purposes of determining whether there is a quorum.

The nominees receiving the highest number of affirmative votes of the holders of shares of outstanding stock entitled to vote and present at the meeting, either in person or by proxy, will be elected as the Class I directors identified herein.

Proposal No. 2 Ratification of the appointment of Grant Thornton LLP. If a quorum is present, for the ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm for the 2018 fiscal year, the affirmative vote of a majority of the shares present, represented and entitled to vote on the item will be required for approval. You may vote “for,” “against,” or “abstain” from the voting on this proposal. If you abstain from voting on this matter, your shares will be counted as present and entitled to vote on the matter for purposes of establishing a quorum, and your abstention will have the same effect as a vote against this proposal.

Proposal No. 2 requires the affirmative vote of a majority of the outstanding shares of our stock that are present in person or by proxy and entitled to vote at the 2018 Annual Meeting.

Proposal No. 3 Advisory vote to approve named executive officer compensation. If a quorum is present, to vote to approve, on a non-binding advisory basis, the compensation of our named executive officers for the 2017 fiscal year, you may vote “for” or “against” or “abstain” from voting on this proposal. If you choose to “abstain” from voting the shares represented will be counted as present for the purpose of determining a quorum, and will have the effect of a vote “against” this proposal.

Proposal No. 3 requires the affirmative vote of a majority of the outstanding shares of our stock that are present in person or by proxy and entitled to vote at the 2018 Annual Meeting. Because your vote is advisory, it will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions regarding executive compensation.

Proposal No. 4 Advisory on the Frequency of Future Stockholder Advisory Votes on Executive Compensation. If a quorum is present to vote to approve, on a non-binding advisory basis, the frequency of the advisory vote to approve named executive officer compensation, you may choose among four options: holding the vote every “ONE YEAR,” “TWO YEARS,” “THREE YEARS” or “ABSTAIN.” If you choose to “abstain” from voting the shares represented will be counted as present for the purpose of determining a quorum and will have no effect on the outcome this proposal.

Proposal No. 4 approves, on a non-binding advisory basis, of the frequency of future stockholder advisory votes on the compensation of our named executive officers. The frequency receiving the highest number of votes from the holders of shares of common stock present or by proxy at the 2018 Annual Meeting and entitled to vote thereon will be considered the frequency preferred by the stockholders. Because your vote is advisory, it will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions regarding the frequency of the advisory vote to approve named executive officer compensation.

Proposal No. 5 Vote to Approve Amendment to Certificate of Incorporation and Bylaws to provide for the annual election of directors. If a quorum is present, to vote to approve the stockholder proposal, you may vote “for” or “against” or “abstain” from voting on this proposal. If you choose to “abstain” from voting the shares represented will be counted as present for the purpose of determining a quorum, and will have the effect of a vote “against” the proposal.

Proposal No. 5 requires the affirmative vote of a majority of the outstanding shares of our voting stock.

Proposal No. 6 Stockholder Proposal requesting the Company to amend governing documents to allow stockholders to call a special meeting. If a quorum is present, to vote to approve the stockholder proposal, you may vote “for” or “against” or “abstain” from voting on this proposal. If you choose to “abstain” from voting the shares represented will be counted as present for the purpose of determining a quorum, and will have the effect of a vote “against” the proposal.

Proposal No. 6 requires the affirmative vote of a majority of the outstanding shares of our stock that are present in person or by proxy and entitled to vote at the 2018 Annual Meeting. Because the proposal is precatory, it is advisory in nature and will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions on this subject.

If you vote your shares without providing specific instructions, your shares will be voted in accordance with the recommendations of the Board.

Brokers who hold shares for the accounts of their clients (that is, in “street name”) may vote such shares either as directed by their clients or in the absence of such direction, in their own discretion if permitted by the stock exchange or other organization of which they are members. If your shares are held by a broker on your behalf, and you do not instruct the broker as to how to vote these shares on Proposal No. 2, the broker may exercise its discretion to vote for or against that proposal in the absence of your instruction. With respect to Proposal Nos. 1, 3, 4, 5, or 6, the broker cannot exercise discretion to vote on those proposals. This would be a “broker non-vote” and these shares will not be counted as having been voted on the applicable proposal. “Broker non-votes” will be considered present at the 2018 Annual Meeting and will be counted towards determining whether or not a quorum is present. In order to minimize the number of broker non-votes, please instruct your bank or broker so your vote can be counted.

A summary of the voting provisions, provided a valid quorum is present or represented at the 2018 Annual Meeting, for the above matters is as follows:

Proposal No.	Vote	Director Recommendation	Routine or Non-routine	Discretionary Voting by Broker Permitted?	Vote Required for Approval	Impact of Abstentions	Impact of Broker Non-votes (Uninstructed Shares)
1.	Election of director nominees	FOR	Non-routine, thus if you hold your shares in street name, your broker may not vote your shares for you.	No	Plurality	No impact	No impact
2.	Ratification of independent registered public accounting firm	FOR	Routine, thus if you hold your shares in street name, your broker may vote your shares for you absent any other instructions from you.	Yes	Majority of shares present or represented by proxy and entitled to vote	Has the same effect as a vote against	Broker has the discretion to vote
3.	Advisory, non-binding approval of compensation of named executive	FOR	Non-routine, thus if you hold your shares in street name, your broker	No	Majority of shares presentsame effect or represented by proxy and	Has the same effect as a vote against	No impact

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	officers		may not vote your shares for you.		entitled to vote	
4.	Advisory, non-binding approval of the Frequency of Future Stockholder Advisory Votes on Executive Compensation	ONE YEAR	Non-routine, thus if you hold your shares in street name, your broker may not vote your shares for you.	No	Plurality	No impact No impact
5.	Approval of Amendment to Certificate of Incorporation and Bylaws	FOR	Non-routine, thus if you hold your shares in street name, your broker may not vote your shares for you.	No	Majority of outstanding voting shares	Has the same effect as a vote against No impact
6.	Approval of stockholder proposal	AGAINST	Non-routine, thus if you hold your shares in street name, your broker may not vote your shares for you.	No	Majority of shares present or represented by proxy and entitled to vote	Has the same effect as a vote against No impact

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How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock you owned as of March 21, 2018.

Why did I receive a one-page notice in the mail regarding the Internet Availability of Proxy Materials instead of a full set of proxy materials?

Pursuant to rules adopted by the SEC, we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials to our stockholders of record as of the Record Date. All stockholders as of the Record Date will have the ability to access the proxy materials on the website referred to in the Notice of Internet Availability of Proxy Materials or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice of Internet Availability of Proxy Materials and on the website referred to in the notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. We encourage stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of the 2018 Annual Meeting.

How do I vote via Internet or telephone?

You may vote by proxy via the Internet by following the instructions provided in the Notice of Internet Availability of Proxy Materials or on the proxy card. If you properly request and receive printed copies of the proxy materials by mail, you may vote by proxy by calling the toll-free number found on the proxy card. Please be aware that if you vote over the Internet or by telephone, you may incur costs such as telephone and Internet access charges, as applicable, for which you will be responsible. The Internet and telephone voting facilities for eligible stockholders of record will close at 11:59 p.m. Eastern Time on May 17, 2018. The giving of such a telephonic or Internet proxy will not affect your right to vote in person should you decide to attend the 2018 Annual Meeting.

The telephone and Internet voting procedures are designed to authenticate stockholders' identities, to allow stockholders to give their voting instructions and to confirm that stockholders' instructions have been recorded properly.

What if I return a proxy card but do not make specific choices?

Shares voted by proxy will be voted in accordance with the specifications in the proxy card. If we receive a signed and dated proxy card and the proxy card does not specify how your shares are to be voted, your shares will be voted "FOR" the election of each of the three nominees for director, "FOR" the ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm, "FOR" the approval, on a non-binding advisory basis, of named executive officer compensation, for every "ONE YEAR," on a non-binding advisory basis, as the frequency for the advisory vote to approve named executive officer compensation, "FOR" the approval of an amendment to our Amended and Restated Certificate of Incorporation and Bylaws to provide for the annual election of directors and "AGAINST" the stockholder proposal requesting that the Company take action to amend the Company's governing documents to allow stockholders to call a special meeting. If any other matter is properly presented at the 2018 Annual Meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. In addition to mailing proxy materials, our directors, officers and employees may also solicit proxies in person, by telephone or by other means of communication. Directors, officers and employees will not be paid any additional compensation for soliciting proxies. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

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

If you receive more than one set of materials, your shares are registered in more than one name or are registered in different accounts. In order to vote all the shares you own, you must follow the instructions for voting on each Notice of Internet Availability of Proxy Materials or proxy card that you receive by mail or email pursuant to your request, which include voting over the Internet, by telephone or by signing, dating and returning any of such proxy cards.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the 2018 Annual Meeting. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

• You may submit another properly completed proxy over the Internet, by telephone or by mail with a later date.

• You may send a written notice that you are revoking your proxy to our Secretary, at Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588.

You may attend the 2018 Annual Meeting and vote in person. Simply attending the 2018 Annual Meeting will not, by itself, revoke your proxy. See page 3 of this Proxy Statement under the caption “Stockholder of Record: Shares Registered in Your Name” for additional information.

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

When are stockholder proposals due for next year’s annual meeting?

To be considered for inclusion in our proxy materials for next year’s annual meeting in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), your proposal must be submitted in writing by December 4, 2018, to our Secretary, at Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588 and must otherwise comply with the requirements of Rule 14a-8 of the Exchange Act.

In addition, our Bylaws establish an advance notice procedure for stockholders who wish to present certain matters before an annual meeting of stockholders without including those matters in the Company’s proxy statement. Such proposals, including the information required by our Bylaws, must be received by our Secretary no earlier than January 18, 2019 and no later than February 17, 2019.

If the date of the 2019 annual meeting of stockholders is moved more than 30 days before or 60 days after the anniversary of the 2018 Annual Meeting, you must give notice not earlier than the 120th day prior to the annual meeting date and not later than the 90th day prior to the annual meeting date or, if later, the 10th day following the day on which such notice of the date of the meeting was mailed or such public disclosure of the annual meeting date is first made. A stockholders notice to the Company must set forth, as to each matter the stockholder proposes to bring before an annual meeting, the information required by our Bylaws. Our Bylaws have been publicly filed with the SEC. If you fail to give notice of a stockholder proposal as required by our Bylaws or other applicable requirements, then the proposal will not be included in the proxy statement for our 2019 annual meeting of stockholders and you will not be permitted to present the proposal to the stockholders for a vote at our 2019 annual meeting of stockholders. For information about director nominations by our stockholders, see “Stockholder Recommendations and Nominations for Membership on our Board of Directors” below.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if the holders of a majority in voting power of the shares of common stock issued and outstanding and entitled to vote are present in person or represented by proxy at the 2018 Annual Meeting. On the Record Date, there were _____ shares outstanding and entitled to vote. Accordingly, _____ shares must be represented by stockholders present at the 2018 Annual Meeting or by proxy to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy vote or vote at the 2018 Annual Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, either the chair of the 2018 Annual Meeting or a majority in voting power of the stockholders entitled to vote at the 2018 Annual Meeting, present in person or represented by proxy, may adjourn the 2018 Annual Meeting to another time or place.

How can I find out the results of the voting at the 2018 Annual Meeting?

Voting results will be announced by the filing of a Current Report on Form 8-K within four business days after the 2018 Annual Meeting. If final voting results are unavailable at that time, we will file an amended Current Report on Form 8-K within four business days of the day the final results are available.

What is householding?

Householding is a procedure approved by the SEC that provides for the delivery of only one copy of our proxy materials to stockholders residing at the same address, unless the stockholders have notified us of their desire to receive multiple copies. This procedure is known as “householding” and is intended to reduce our printing costs and postage fees.

Stockholders who participate in householding will continue to receive separate proxy cards or Notices of Internet Availability.

We will promptly deliver, upon request, separate copies of the proxy statement and annual report to any stockholder residing at an address at which only one copy was mailed. And we will remove your name from the householding program within 30 days of receiving your request. Requests should be addressed to Investor Relations at our principal executive offices. If you are eligible for householding, but you and other stockholders of record currently receive multiple copies of these proxy materials, or if you hold stock in more than one account, and in either case you wish to receive only a single copy of each of these documents for your household, please contact Broadridge, either by calling toll-free at: 1-800-542-1061, or by writing to Broadridge, Householding Department, 51 Mercedes Way, Edgewood, NY 11717.

If you are a beneficial stockholder and own your shares through a bank or broker, please contact your bank or broker to request additional copies, or you may contact Broadridge, either by calling toll-free at: 1-800-542-1061, or by writing to Broadridge, Householding Department, 51 Mercedes Way, Edgewood, NY 11717.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Company's Amended and Restated Certificate of Incorporation currently provides that the Board shall be divided into three classes, with the directors in each class having a three-year term. However, this may change depending on the voting results of the 2018 Annual Meeting relating to Proposal No. 5 – see “Proposal No. 5 – Vote to Approve Amendment to Certificate of Incorporation and Bylaws to Provide for the Annual Election of Directors” below. Unless the Board determines that vacancies (including vacancies created by increases in the number of directors) shall be filled by the stockholders, and except as otherwise provided by law, vacancies on the Board may be filled only by the affirmative vote of a majority of the remaining directors. A director elected by the Board to fill a vacancy (including a vacancy created by an increase in the number of directors) shall serve for the remainder of the full term of the class of directors in which the vacancy occurred and until such director's successor is elected and qualified.

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

• Class I directors: Sigmund Anderman, Craig Davis, Frank Schultz and Rajat Taneja, whose current terms will expire at the 2018 Annual Meeting;

• Class II directors: Carl Buccellato, A. Barr Dolan and Marina Levinson, whose current terms will expire at the annual meeting of stockholders to be held in 2019; and

• Class III directors: Karen Blasing, Jonathan Corr, Robert J. Levin and Jeb S. Spencer, whose current terms will expire at the annual meeting of stockholders to be held in 2020.

At each annual meeting of stockholders, the successors to directors whose terms will then expire will be elected to serve from the time of election and qualification until the third subsequent annual meeting of stockholders.

Mr. Schultz's term will end as of the Annual Meeting. The authorized size of our Board will be decreased to 10 effective upon the end of Mr. Schultz's term. Messrs. Anderman, Davis and Taneja have been nominated to serve as Class I directors and have each agreed to stand for election. Each director to be elected will hold office from the date of their election by the stockholders until the third subsequent annual meeting of stockholders or until his or her successor is elected and has been qualified, or until such director's earlier death, resignation or removal.

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

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

The following table sets forth, for our current directors who will continue in office after the 2018 Annual Meeting, information with respect to their ages and position/office held with the Company:

Name	Age	Position/Office Held With the Company	Director Since
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Class I Nominees for Election at the 2018 Annual Meeting

Sigmund Anderman	76	Director and Executive Chairman	1997
Craig David	66	Director	2004
Rajat Tanuja	53	Director	2015

Class II Directors Whose Terms Expire at the 2019 Annual Meeting of Stockholders

Carl Bucillat	75	Director	1997
Barr Dolan	68	Director	2005
Marina Levinson	79	Director	2014

Class III Nominees Whose Terms Expire at the 2020 Annual Meeting of Stockholders

Karen Blasing	61	Director	2015
Jonathan Corr	51	President, Chief Executive Officer and Director	2015
Robert J. Levin	62	Director	2009
Jeb S. Spencer	49	Director	2011

- (1) Member of the audit committee of the Board.
- (2) Member of the compensation committee of the Board.
- (3) Member of the nominating and corporate governance committee of the Board.
- (4) Member of the mergers and acquisitions committee of the Board.
- (5) Member of the technology and cybersecurity committee of the Board.

Set forth below is biographical information for the nominees and each person whose term of office as a director will continue after the 2018 Annual Meeting. The following includes certain information regarding our directors' individual experience, qualifications, attributes and skills that led the Board to conclude that they should serve as directors.

Nominees for Election to a Three-Year Term Expiring at the 2021 Annual Meeting of Stockholders

Sigmund Anderman, our founder, has served as our executive chairman since February 2015, and as a member of the Board since our inception in August 1997. Mr. Anderman previously served as our chief executive officer from August 1997 through January 2015. Mr. Anderman co-founded American Home Shield Corporation, a home warranty company, in 1973, and served as its general counsel until 1979 and as its chief executive officer from 1979 to 1982.

Mr. Anderman founded CompuFund, Inc., a computerized mortgage banking company, in 1982 and served as its chief executive officer until 1991. Mr. Anderman founded Inspectech Corporation, a computerized home inspection company, in 1991 and served as its chief executive officer until 1998. Mr. Anderman holds a Bachelor of Arts degree in Education from City University of New York and a Juris Doctor from New York University. The Board has concluded that Mr. Anderman should serve on the Board as executive chairman based on his extensive executive leadership experience, knowledge of our company as founder and former chief executive officer, and comprehensive knowledge of the mortgage and mortgage technology industries.

Craig Davis has served on the Board since January 2004 and serves as the Board's lead independent director. From September 2003 to the present, Mr. Davis has been a private investor. From December 1996 to September 2003, Mr. Davis served as president of the Home Loans and Insurance Services Group at Washington Mutual, a national bank. From January 1989 to December 1996, Mr. Davis held various positions at American Savings Bank, a financial services company, including as executive vice president and director of Mortgage Origination and president of several ASB Subsidiaries. From May 1982 to January 1989, Mr. Davis was executive vice president at Griffin Financial Services, a financial services company and subsidiary of Home Savings of America. Mr. Davis has served on numerous boards and councils including the Real Estate Board of Governors of the Mortgage Bankers Association and Fannie Mae's National Advisory Council. Mr. Davis holds a Bachelor of Arts degrees in English and History from United States International University. The Board has concluded that Mr.

Davis should serve on the Board based on his extensive experience in the residential mortgage industry and his service as an executive at some of the largest residential mortgage lenders in the United States.

Rajat Taneja has served on the Board since June 2015 and following the 2018 Annual Meeting will chair the nominating and corporate governance committee. From November 2013 to the present, Mr. Taneja has served as the executive vice president of technology at Visa Inc. Mr. Taneja served as global chief technology officer of Electronic Arts Inc. from 2011 to 2013 and also served as its executive vice president. Prior to Electronic Arts, Mr. Taneja spent 15 years at Microsoft Corporation where he last served as corporate vice president of Microsoft's advertising and commerce platform division. Mr. Taneja holds a Bachelor of Engineering degree in electrical engineering from Jadavpur University, India, and a Master of Business Administration degree from Washington State University. The Board has concluded that Mr. Taneja should serve on the Board based on his extensive experience as a technology executive.

Directors Continuing in Office Until the 2019 Annual Meeting of Stockholders

Carl Buccellato has served on the Board since December 1997 and chairs our compensation committee. From March 2012 to the present, Mr. Buccellato has been a private investor. From May 2008 to February 2012, Mr. Buccellato served as chief executive officer and a director of SavingStreet, LLC, an e-commerce company. From 1996 to May 2008, Mr. Buccellato was a private investor and, from June 2000 to May 2002, he served as a consultant to Ultrastrip Technologies, currently known as Echosphere Technologies, an engineering, technology development and manufacturing company. Mr. Buccellato was a co-founder of Homeowners Group, Inc., a real estate services company, and served as its president and chief executive officer from 1982 to 1996. Mr. Buccellato has also served on a variety of industry boards, including the President's Advisory Council on Real Estate and the Real Estate Buyers Council. The Board has concluded that Mr. Buccellato should serve on the Board based on his experience in founding and managing a large, nationwide real estate services company, and his extensive background in advising and serving as a director of many high growth companies.

A. Barr Dolan has served on the Board since June 2005 and was previously a member of the Board from December 1997 to November 2000. From 1982 to April 2010, Mr. Dolan served as a general partner of Charter Ventures, a venture capital firm. From 1986 to May 2008, Mr. Dolan was a member of the board of directors for Heska Corporation, a veterinary products company. Mr. Dolan is a member of the board of directors for several private companies, including KFX Inc. and CMD Consulting. Mr. Dolan holds a Bachelor of Arts degree in Chemistry and a Master of Science degree in Engineering from Cornell University, a Master of Arts degree in Applied Science from Harvard University and a Master of Business Administration degree from Stanford University. The Board has concluded that Mr. Dolan should serve on the Board based on his significant experience in analyzing, investing in and serving on the boards of directors of many start-up and high growth companies.

Marina Levinson has served on the Board since August 2014 and chairs our technology and cybersecurity committee. Ms. Levinson is a founder and chief executive officer of CIO Advisory Group, LLC, which was founded in September 2011. Since April 2014, she has also been a partner at the venture capital firm Benhamou Global Ventures. Ms. Levinson is a member of the board of directors of several private companies, including Ayehu Software Technologies Ltd. From 2005 to 2011, Ms. Levinson served as senior vice president and chief information officer for NetApp, Inc. From 1999 to 2005, she served as vice president and chief information officer for Palm, Inc., having earlier served as senior director of global integration at 3Com. The Board has concluded that Ms. Levinson should serve on the Board based on her extensive enterprise technology, business process and corporate leadership experience.

Directors Continuing in Office Until the 2019 Annual Meeting of Stockholders

Karen Blasing has served on the Board since June 2015 and chairs our mergers and acquisitions committee. Ms. Blasing served as the chief financial officer of Guidewire Software, Inc. from 2009 to March 2015. Prior to 2009, Ms. Blasing served as the chief financial officer for Force 10 Networks and the Senior Vice President of Finance for salesforce.com, inc. She also served as chief financial officer for Nuance Communications, Inc. and Counterpane Internet Security, Inc., and held senior finance roles for Informix (now IBM Informix) and Oracle Corporation. Ms. Blasing is a member of the board of directors of certain private companies which include Zscaler, Inc. and LogRhythm. Ms. Blasing serves as the chair of the audit committee of the board of directors of Zscaler, Inc.; Zscaler, Inc. recently filed a Registration Statement on Form S-1 with the

SEC and may become a publicly traded company in the near future. Ms. Blasing holds a Bachelor of Arts degree in Economics and a Bachelor of Arts degree in Business Administration from the University of Montana and a Master of Business Administration degree from the University of Washington. The Board has concluded that Ms. Blasing should serve on the Board based on her financial leadership and experience at numerous SaaS and enterprise software companies.

Jonathan Corr, our chief executive officer since February 2015 and president since February 2013, has served on the Board since February 2015. Previously, Mr. Corr served as our chief operating officer from November 2011 to February 2015, executive vice president and chief strategy officer from November 2009 to November 2011, as chief strategy officer from August 2005 to November 2009 and as the Company's senior vice president of product management from October 2002 to August 2005. Prior to joining the Company, Mr. Corr served in executive and management positions at PeopleSoft, Inc., Netscape Communications Corporation and Kana/Broadbase Software/Rubric, a number of software companies that combined through acquisition. The Board has concluded Mr. Corr should serve on the Board based on his leadership experience, deep knowledge of our Company, and strategic mortgage industry and mortgage industry technology knowledge.

Robert J. Levin has served on the Board since August 2009 and chairs our audit committee. From March 2009 to the present, Mr. Levin has been a consultant. From August 2008 to February 2009, Mr. Levin was a senior advisor to Fannie Mae. From May 1981 to August 2008, Mr. Levin served in a variety of executive positions at Fannie Mae, including serving as chief business officer from January 2006 to August 2008, interim chief financial officer from December 2004 to December 2005 and executive vice president for housing and community development from August 1998 to December 2004. Mr. Levin is a trustee emeritus for Morehouse College and serves on the board of directors of the Bladder Cancer Advocacy Network. Mr. Levin holds a Bachelor of Arts degree in Economics from the University of North Carolina at Chapel Hill and a Master of Business Administration degree from the University of Chicago. The Board has concluded that Mr. Levin should serve on the Board based on his extensive experience as a key executive for many years, serving a variety of functions for Fannie Mae, the largest investor in residential mortgages in the United States.

Jeb S. Spencer has served on the Board since August 2011. From September 2006 to the present, Mr. Spencer has served as a managing partner of TVC Capital, a private equity and venture capital firm, of which he is a co-founder. From September 2002 to April 2005, Mr. Spencer served as chief executive officer of Del Mar DataTrac, a mortgage lending automation solutions company, and as its chairman of the board of directors from 2002 to 2005 and from 2008 to 2011. From December 1999 to April 2001, Mr. Spencer served as president and a member of the board of directors of Backwire.com, Inc., an Internet publishing company, of which he was a co-founder. Mr. Spencer was chairman of the board of directors of Accordent Technologies, a video content management company. Mr. Spencer is a member of the board of directors of several private companies, including Centage Corporation, Edgewave, Inc., Docupace Technologies Inc., LocationSmart, Inc., MediaPlatform Inc., HALO Business Intelligence Inc., Levels Beyond, Inc. and ReverseVision, Inc. Mr. Spencer holds a Bachelor of Arts degree in Political Science from Boston College and a Master of Business Administration degree from Harvard University. The Board has concluded that Mr. Spencer should serve on the Board based on his extensive background in the software industry and his significant experience advising and serving on the boards of directors of many start-up and high growth companies, including companies in the mortgage and software industries.

Executive Officers

The following is biographical information for our executive officers not discussed above.

Name	Age	Position(s)
Brian Brown	36	EVP, General Counsel & Corporate Secretary
Carina Cortez	40	EVP, Human Resources
Peter Hirsch	57	EVP, Technology & Operations
Matthew LaVay	48	EVP, Chief Financial Officer
Cathleen Schreiner Gates	63	EVP, Sales & Marketing
Joseph Tyrrell	52	EVP, Corporate Strategy

Brian Brown has served as our executive vice president and general counsel since January 2017. Mr. Brown is responsible for all legal and corporate governance affairs. Mr. Brown was previously our senior vice president and general counsel from February 2016 to January 2017, our vice president of legal affairs and secretary from March 2015 to February 2016 and senior corporate counsel from January 2014 to March 2015. Prior to joining us, from 2007 through 2014, Mr. Brown practiced law at Goodwin Proctor LLP, Wilson Sonsini Goodrich & Rosati PC, and Kirkland & Ellis LLP. Mr. Brown holds a Bachelor of Arts degree in Political Science from California Polytechnic State University – San Luis Obispo and a Juris Doctor from Boston College Law School.

Carina Cortez has served as our executive vice president of human resources since February 2018. Ms. Cortez oversees all aspects of human resources, including the hiring and retention of talent. Ms. Cortez previously served as Vice President, Human Resources at Walmart from June 2015 to February 2018, leading the team of human resources business partners supporting Walmart U.S. eCommerce and Walmart Labs. Prior to her tenure at Walmart, Ms. Cortez held leadership positions of increasing responsibility within the human resources department at PayPal from October 2006 through April 2012. Most recently she served as the Senior Director of Learning and Organizational Development for PayPal. Prior to PayPal, Ms. Cortez held numerous roles at Visa International, Inovant, a Visa subsidiary, and Visa USA. Ms. Cortez earned a B.S. in Business Administration with an emphasis in Human Resource Management from California Polytechnic State University - San Luis Obispo.

Peter Hirsch has served as our executive vice president of technology and operations since June 2015. Mr. Hirsch oversees all our technology areas including product architecture, engineering, cloud infrastructure and operations, internal information technology and security. From February 2013 to June 2015, Mr. Hirsch served in senior technology roles at Ariba (now SAP Ariba), most recently as CTO and senior vice president of cloud engineering and technology, leading the mainline cloud engineering team. From August 2006 to February 2013, Mr. Hirsch served as chief architect and business unit leader for IBM's collaborative business process management applications where he helped establish IBM's presence in commercial SaaS applications. Mr. Hirsch received a bachelor of science in Electrical Engineering and a master of science in Electrical Engineering from the University of Southern California.

Matthew LaVay has served as our chief financial officer since April 2017. From October 2014 to March 2017, Mr. LaVay served as our senior vice president of finance where he oversaw finance, accounting, reporting and strategic planning. From May 2012 to October 2014, Mr. LaVay previously served as our vice president and corporate controller. Mr. LaVay previously served as vice president corporate controller at Taleo Corporation from October 2011 to April 2012. Prior to Taleo Corporation, he was corporate controller and senior director of finance at Scientific Learning from July 2010 to October 2011. Mr. LaVay began his career with Arthur Andersen LLP in 1991 as an auditor and subsequently held positions of increasing responsibility rising to audit manager. After Arthur Anderson LLP, Mr. LaVay then held positions of increasing responsibility at PeopleSoft, Inc., salesforce.com, inc. and Thomas Weisel Partners. Mr. LaVay holds a Bachelor degree in Management from Georgia Institute of Technology as well as a Master of Accounting degree from Georgia State University. In addition, he is a certified public accountant.

Cathleen Schreiner Gates has served as our executive vice president of sales and marketing since March 2015. Ms. Schreiner Gates oversees all sales, marketing, client management, professional services and customer support and training. Ms. Schreiner Gates previously served as our senior vice president of sales and client services from February 2012 to March 2015. From January 2010 to December 2011, Ms. Schreiner Gates served as senior vice president of sales and client services for Bersin and Associates and from October 2008 to December 2010, she served as vice president of sales, business development and client success for Clickability, Inc. She has held various senior management positions with MarketTools, Inc. and Keynote Systems/Vividence, Inc. Ms. Schreiner Gates holds a master of business administration in finance from the Rutgers Graduate School of Management and a bachelor of arts in French literature from Douglass College-Rutgers University.

Joseph Tyrrell has served as our executive vice president of corporate strategy since March 2015. Mr. Tyrrell oversees our product strategy, product management and our business and corporate development efforts involving our network of current and potential business partners and merger and acquisition strategies. Mr. Tyrrell has been with our company since 2002 and previously held the positions of senior vice president of corporate strategy from May 2014 to March 2015 and senior vice president of client management and business development from August 2013 to March 2014. Prior to joining us, Mr. Tyrrell

served as vice president for Provident Financial in addition to other executive positions within the mortgage industry. Mr. Tyrrell holds a Bachelors of Art in Business Management from St. Mary's College.

Independence of the Board of Directors

As required under the rules and regulations of the New York Stock Exchange (the "NYSE"), a majority of the members of a listed company's board of directors must qualify as "independent," as affirmatively determined by the Board. The Board consults with the Company's counsel to ensure that the Board's determinations are consistent with all relevant securities and other laws and regulations regarding the definition of "independent," including those set forth in pertinent listing standards of the NYSE, as in effect from time to time.

Consistent with these considerations, after review of all relevant transactions or relationships between each director, or any of his or her family members, and the Company, its senior management and its independent registered public accounting firm, the Board has affirmatively determined that Messrs. Buccellato, Davis, Dolan, Levin, Schultz, Spencer, and Taneja, and Ms. Blasing and Ms. Levinson are independent directors within the meaning of the applicable NYSE listing standards.

As required under the NYSE rules and regulations, our independent directors meet in regularly scheduled executive sessions at which only independent directors are present. The lead independent director, or if unavailable another independent director designee, presides at such executive sessions. Each of our audit committee, compensation committee, and nominating and corporate governance committee is composed entirely of directors determined by the Board to be independent within the meaning of the NYSE rules and regulations.

Information Regarding the Board of Directors and its Committees

Board Responsibilities; Risk Oversight

The Board is responsible for, among other things, overseeing the conduct of our business; reviewing and, where appropriate, approving our major financial objectives, plans and actions; and reviewing the performance of our chief executive officer and other members of management based on reports from the compensation committee. Following the end of each year, the Board conducts a self-evaluation, which includes a review of any areas in which the Board or management believes the Board can make a better contribution to our corporate governance, as well as a review of the committee structure and an assessment of the Board's compliance with corporate governance principles. In fulfilling the Board's responsibilities, directors have full access to our management and independent advisors. With respect to the Board's role in our risk oversight, the audit committee discusses with management our policies with respect to risk assessment and risk management and our significant financial risk exposures and the actions management has taken to limit, monitor or control such exposures. The audit committee reports to the full Board with respect to these matters, among others.

Board Leadership

Chairman

Mr. Anderman currently serves as our chairman of the Board and holds the title of executive chairman. Mr. Corr currently serves as our chief executive officer. The Board has not adopted a specific policy on whether the same person should serve as both the chief executive officer and chairman of the Board or, if the roles are separate, whether the chairman should be selected from the non-employee directors or should be an employee. The Board believes it is appropriate to retain the discretion and flexibility to make these determinations from time to time as needed to provide appropriate leadership for the Company. At this time, the Board believes that it has achieved the best Board leadership structure for the Company and our stockholders by appointing Mr. Anderman as our executive chairman and Mr. Corr as our chief executive officer.

Lead Independent Director

Mr. Davis currently serves as the lead independent director. The lead independent director presides at all meetings of the Board at which the chairman or chief executive officer are not present, including executive sessions of the Board and the independent directors, briefs the chairman of the Board on any issues arising in the executive sessions, facilitates discussions among independent directors on key issues and concerns outside of Board meetings, suggests calling Board meetings to the

chairman of the Board when appropriate, serves as a liaison between the chairman and the other directors, approves information sent to the Board, collaborates with the chairman of the Board to set meeting agendas and Board information, assists the chairs of the committees of the Board as requested, is available for consultation and direct communication with major stockholders upon request and performs such other functions and responsibilities as set forth in the our corporate governance guidelines or as requested by the Board or the independent directors from time to time. The lead independent director also has the authority to call additional executive sessions of the independent directors and to encourage direct dialogue between all directors and management, set the agenda for executive sessions of the Board and independent directors and to retain outside advisors and consultants that will report directly to the Board on board-wide issues. In performing the duties described above, the lead independent director is expected to consult with the chairs of the appropriate Board committees. The lead independent director may not also serve as the chair of the nominating and corporate governance committee.

Board Committees

The Board has the following standing committees: an audit committee; a compensation committee; a nominating and corporate governance committee; a mergers and acquisitions (“M&A”) committee and a technology and cybersecurity committee. The composition and responsibilities of each committee are described below. Members serve on these committees until their resignation or until otherwise determined by the Board. In February 2017, the Board approved certain amendments to the charters of the committees so that individuals may be appointed by the Nominating and Corporate Governance Committee as committee observers and given the opportunity to attend and observe committee meetings, although such individuals are not entitled to vote. However, the chairman of each committee may exclude from committee meetings anyone he or she deems appropriate, to the fullest extent permitted by Delaware law.

The members of each of these committees as of the Record Date are identified below.

Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee	M&A Committee	Technology and Cybersecurity Committee
Robert J. Levin (chair)	Carl Buccellato (chair)	Frank Schultz (chair)	Karen Blasing (chair)	Marina Levinson (chair)
Karen Blasing	Craig Davis	Craig Davis	Jeb S. Spencer	Rajat Taneja
A. Barr Dolan	Marina Levinson	Robert J. Levin	A. Barr Dolan	Frank Schultz

At its February 21, 2018 meeting, our Board reconstituted the committees of the Board, effective at the adjournment of the 2018 Annual Meeting, as follows:

Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee	M&A Committee	Technology and Cybersecurity Committee
Robert J. Levin (chair)	Carl Buccellato (chair)	Rajat Taneja (chair)	Karen Blasing (chair)	Marina Levinson (chair)
Karen Blasing	Craig Davis	Craig Davis	Jeb S. Spencer	Rajat Taneja
A. Barr Dolan	Marina Levinson	Robert J. Levin	A. Barr Dolan	Jeb S. Spencer

Audit Committee

The audit committee oversees our corporate accounting and financial reporting process. Among other matters, the audit committee: evaluates the independent auditors’ qualifications, independence and performance; determines the engagement of the independent auditors; reviews and approves the scope of the annual audit and the audit fee; discusses with management and the independent auditors the results of the annual audit and the review of our quarterly consolidated financial statements; approves the retention of the independent auditors to perform any proposed permissible non-audit services; monitors the rotation of partners of the independent auditors on the Ellie Mae engagement team as required by law; reviews our critical accounting policies and estimates; reviews and approves all material transactions with any related party; reviews our

corporate code of business conduct and ethics; and annually reviews the audit committee charter and the committee's performance. The audit committee consists of directors Robert J. Levin, Karen Blasing, and A. Barr Dolan, with Mr. Levin serving as the chair of the committee. The audit committee as constituted satisfies the independence requirements of the NYSE and the audit committee director independence requirements established by the SEC that apply to companies listed on the NYSE. The Board has determined that each of Mr. Levin and Ms. Blasing are audit committee financial experts as defined under the applicable rules of the SEC and has the financial literacy and accounting or related financial management expertise required under applicable NYSE rules and regulations. This designation is a disclosure requirement of the SEC and does not impose upon Mr. Levin or Ms. Blasing any duties, obligations, or liabilities greater than that which would otherwise be imposed by virtue of their membership on the Board or the audit committee. In addition, this designation does not affect the duties, obligations, or liabilities of any other director or audit committee member. The Board has determined that each audit committee member has sufficient knowledge in reading and understanding financial statements to serve on the audit committee. All of the members of the audit committee are independent directors as defined under applicable SEC and NYSE rules and regulations. The audit committee operates under a written charter that satisfies the applicable standards of the SEC and the NYSE. A copy of the audit committee charter and our code of business conduct and ethics are available on the Company's website at <http://www.elliemae.com/about/investor-relations/corporate-governance>.

Compensation Committee

The compensation committee reviews and recommends policies relating to compensation and benefits of our executive officers and employees. The compensation committee reviews and approves corporate goals and objectives relevant to the compensation of our chief executive officer and other executive officers, evaluates the performance of these officers in light of those goals and objectives, and sets the compensation of these officers based on such evaluations. The compensation committee also oversees the issuance of stock options, restricted stock units, executive performance shares and other awards under our employee stock plans. In addition, the compensation committee has authority to retain and fund compensation consultants, legal counsel and other compensation advisers and is generally responsible for considering the independence of such advisers prior to selecting them. The compensation committee will review and evaluate, at least annually, the performance of the compensation committee and its members, including compliance of the compensation committee with its charter. In fulfilling its responsibilities, the compensation committee may delegate any or all of its responsibilities to a subcommittee of the compensation committee, but only to the extent consistent with our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, Section 162(m) of the Internal Revenue Code of 1986, as amended, (to the extent applicable), NYSE rules and other applicable law. The compensation committee consists of directors Carl Buccellato, Craig Davis and Marina Levinson, with Mr. Buccellato serving as the chair of the committee. All of the members of the compensation committee are independent under the applicable rules and regulations of the SEC, the NYSE and the Internal Revenue Code. A copy of the compensation committee charter is available on the Company's website at <http://www.elliemae.com/about/investor-relations/corporate-governance>.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee is responsible for making recommendations regarding candidates for directorships and the size and composition of the Board. In addition, the nominating and corporate governance committee is responsible for overseeing our corporate governance guidelines and reporting and making recommendations concerning governance matters. The nominating and corporate governance committee will review and evaluate, at least annually, the performance of the nominating and corporate governance committee and its members, including compliance of the nominating and corporate governance committee with its charter. Until our 2018 Annual Meeting, the nominating and corporate governance committee consists of directors Craig Davis, Robert J. Levin and Frank Schultz, with Mr. Schultz serving as chair of the committee. At the adjournment of the 2018 Annual Meeting, the nominating and corporate governance committee will consist of directors Craig Davis, Robert J. Levin and Rajat Taneja, with Mr. Taneja serving as the chair of the committee. A copy of nominating and corporate governance committee charter and our corporate governance guidelines are available on the Company's website at <http://www.elliemae.com/about/investor-relations/corporate-governance>.

Mergers and Acquisitions Committee

The M&A committee is responsible for reviewing the Company's acquisition strategy, as well as reviewing potential mergers, acquisitions, investments or dispositions of material assets or a material portion of any business ("Major Transactions") and reporting its conclusions and recommendations to the Board, as appropriate. Among other matters, the M&A committee: reviews with management and the Board any potential Major Transaction and how the Major Transaction fits with the Company's strategic plans and acquisition strategy; has the authority to evaluate and conduct due diligence with respect to potential acquisition and investment candidates on behalf of the Company; reviews with management the integration of any acquired businesses and whether the Major Transaction met the Company's business objectives and strategic plans; and has the ability to retain special legal, accounting or other consultants or advisors to advise the M&A committee without seeking Board approval. In addition, the M&A committee will review and evaluate, at least annually, the performance of the M&A committee and its members, including compliance of the M&A committee with its charter. The M&A committee consists of directors Karen Blasing, Jeb S. Spencer and A. Barr Dolan, with Ms. Blasing serving as chair of the committee.

Technology and Cybersecurity Committee

The technology and cybersecurity committee is responsible for overseeing the Company's information technology ("IT") strategy, operations, policies and controls, including with respect to product development, risk management, IT security, regulatory matters and internal IT controls. Among other matters, the technology and cybersecurity committee reviews monthly, quarterly, and annual reports from management or other third parties relating to the Company's IT strategy and operations, focusing on IT security, "cloud" service capacity and product reliability. The technology and cybersecurity committee also oversees the development, implementation, and maintenance of the Company's information security program, and reports to the Board on a periodic basis in order to keep the Board apprised of all matters under the scope of the committee. The technology and cybersecurity committee has the ability to retain independent counsel or outside experts and advisors that it deems necessary and without seeking Board approval. In addition, the technology and cybersecurity committee will review and evaluate, at least annually, the performance of the technology and cybersecurity committee and its members, including compliance of the technology and cybersecurity committee with its charter. Until our 2018 Annual Meeting, the technology and cybersecurity committee consists of directors Marina Levinson, Rajat Taneja and Frank Schultz, with Ms. Levinson serving as chair of the committee. At the adjournment of the 2018 Annual Meeting, the technology and cybersecurity committee will consist of directors Marina Levinson, Rajat Taneja and Jeb S. Spencer, with Ms. Levinson serving as chair of the committee.

Meetings of the Board of Directors, Board and Committee Member Attendance and Annual Meeting Attendance

The Board met six times during last year. The audit committee met 17 times, the compensation committee met nine times, the nominating and corporate governance committee met six times, the M&A committee met 11 times and the technology and cybersecurity committee met six times.

During 2017, each incumbent member of the Board attended or participated in at least 75% of the aggregate number of meetings of the Board and of all the committees on which he or she served. Directors meet their responsibilities not only by attending Board and committee meetings, but also through communication with executive management, independent accountants, advisors and consultants and others on matters affecting the Company.

We encourage all of our directors and nominees for director to attend our annual meeting of stockholders; however, attendance is not mandatory. All of our directors attended our annual meeting of stockholders in 2017.

Communications with the Board of Directors or Non-Management Directors

Interested parties who wish to communicate with the Board or with non-management directors, including our lead independent director, may send their communications in writing to the attention of the Secretary, at Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588. The Secretary will forward the communication to the Board or any specified individual directors, as appropriate.

Stockholder Recommendations and Nominations for Membership on our Board of Directors

The policy of our nominating and corporate governance committee is to consider properly submitted stockholder recommendations for candidates for membership on the Board. In evaluating such recommendations, the nominating and corporate governance committee will address the membership criteria set forth under “Director Qualifications.” Any stockholder recommendations proposed for consideration by the nominating and corporate governance committee should be provided in writing and should be addressed to our Secretary, at Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588. Stockholder recommendations must include the nominee’s name and qualifications for membership on the Board, a document signed by the candidate indicating the candidate’s willingness to serve, if elected, and evidence of the stockholder’s ownership of our common stock.

In addition to stockholder recommendations of candidates for membership on the Board, a stockholder may nominate an individual for election to our Board in the manner set forth in, and in accordance with the provisions of, our Amended and Restated Bylaws. Under Section 2.5 of our Bylaws, for a stockholder to make any nomination for election to the Board at an annual meeting, the stockholder must provide notice to the Company, which notice must be delivered to, or mailed and received at, the Company’s principal executive offices not less than 90 days and not more than 120 days prior to the one-year anniversary of the preceding year’s annual meeting; provided, that if the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, the stockholder’s notice must be delivered, or mailed and received, not later than 90 days prior to the date of the annual meeting or, if later, the 10th day following the date on which public disclosure of the date of such annual meeting is made. Further updates and supplements to such notice may be required at the times and in the forms required under our Bylaws.

Accordingly, assuming that the annual meeting of our stockholders to be held in 2019 occurs within 30 days before or 60 days after the first anniversary date of the 2018 Annual Meeting, any such notice of a nomination delivered by or on behalf of a stockholder pursuant to Section 2.5 of our Bylaws must be received no earlier than January 18, 2019 and no later than February 17, 2019.

As set forth in our Bylaws, submissions must include the name and address of the proposed nominee, information regarding the proposed nominee that is required to be disclosed in a proxy statement or other filings in a contested election pursuant to Section 14(a) under the Exchange Act, information regarding the proposed nominee’s indirect and direct interests in shares of the Company’s common stock, and a completed and signed questionnaire, representation and agreement of the proposed nominee. Our Bylaws also specify further requirements as to the form and content of a stockholder’s notice. We recommend that any stockholder wishing to make a nomination for director review a copy of our Bylaws, as amended and restated to date, which is available, without charge, from our Secretary, at Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588.

Director Qualifications

Our corporate governance guidelines contain membership identification and evaluation criteria that apply to nominees for election to our Board. In recommending candidates for election to the Board, the independent members of the nominating and corporate governance committee may consider the following criteria, among others the nominating and corporate governance committee shall deem appropriate: diversity of personal and professional background, perspective and experience; personal and professional integrity, ethics and values; experience in corporate management, operations or finance, such as serving as an officer or former officer of a publicly held company and a general understanding of marketing, finance and other elements relevant to the success of a publicly-traded company in today’s business environment; experience in the Company’s industry and with relevant social policy concerns; experience as a board member or executive officer of another publicly held company; academic expertise in an area of the Company’s operations; practical and mature business judgment, including ability to make independent analytical inquiries; diversity of business or career experience relevant to the success of the Company; and any other relevant qualifications, attributes or skills. The Board evaluates each individual in the context of the Board as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

The Board considers a number of factors in its evaluation of diversity, including gender, age, and ethnicity. As indicated above, diversity is one factor among many that the Board considers when evaluating director candidates. The nominating and corporate governance committee monitors its assessment of diversity as part of its annual

self-evaluation

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process. The nominating and corporate governance committee will reassess the qualifications of a director, including the director's attendance, involvement at Board and committee meetings and contribution to Board diversity, prior to recommending a director for re-election. Nominees will be screened to ensure each candidate has qualifications which complement the overall core competencies of the Board. The screening process for new nominees includes conducting a background investigation and an independence determination.

Compensation Committee Interlocks and Insider Participation

During 2017, each of Carl Buccellato, Craig Davis, Marina Levinson and A. Barr Dolan served on the compensation committee. Mr. Buccellato has served as the chair of the committee since June 2015. None of the members of the compensation committee is or has at any time during last year been an officer or employee of ours or was formerly an officer of ours. None of our executive officers currently serves or in the last year has served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on the Board or compensation committee.

Risk Assessment and Compensation Practices

Our management assesses and discusses with the compensation committee our compensation policies and practices for our employees as they relate to our risk management and, based upon this assessment, we believe that any risks arising from such policies and practices are not reasonably likely to have a material adverse effect on us in the future. Our employees' base salaries are fixed in amount and thus we do not believe that they encourage excessive risk-taking. While performance-based cash bonuses and sales commissions focus on achievement of short-term or annual goals, which may encourage the taking of short-term risks at the expense of long-term results, we believe that our compensation policies help mitigate this risk and our performance-based cash bonuses and sales commissions are limited, representing a small portion of the total compensation opportunities available to most non-executive employees. We also believe that our performance-based cash bonuses and sales commissions appropriately balance risk and the desire to focus our employees on specific short-term goals important to our success, and do not encourage unnecessary or excessive risk-taking.

A significant proportion of the compensation provided to most of our employees is in the form of long-term equity-based incentives that we believe are important to help further align our employees' interests with those of our stockholders. We do not believe that these equity-based incentives encourage unnecessary or excessive risk taking because vesting schedules are staggered and their ultimate value is tied to our stock price.

This Proxy Statement, including the preceding paragraphs, contains forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events. Forward-looking statements contained in this Proxy Statement should be considered in light of the many uncertainties that affect our business and specifically those factors discussed from time to time in our public reports filed with the SEC, such as those discussed under the heading, "Risk Factors," in our most recent Annual Report on Form 10-K, and as may be updated in subsequent SEC filings.

PROPOSAL NO. 2

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The audit committee of the Board has engaged Grant Thornton LLP as our independent registered public accounting firm for the year ending December 31, 2018, and is seeking ratification of such selection by our stockholders at the 2018 Annual Meeting. Grant Thornton LLP was appointed the Company's auditor in 2005 and has audited our financial statements since the year ended December 31, 2002. Representatives of Grant Thornton LLP are expected to be present at the 2018 Annual Meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither our Bylaws nor other governing documents or applicable law require stockholder ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm. However, the audit committee is submitting the selection of Grant Thornton LLP to our stockholders for ratification as a matter of good corporate practice. If our stockholders fail to ratify the selection, the audit committee will reconsider whether or not to retain Grant Thornton LLP. Even if the selection is ratified, the audit committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if they determine that such a change would be in the best interests of the Company and our stockholders.

To be approved, the ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm must receive a "FOR" vote from the holders of a majority in voting power of the shares of common stock which are present in person or represented by proxy and entitled to vote on the proposal. Abstentions and broker non-votes will be counted towards a quorum. Abstentions will have the same effect as an "AGAINST" vote for purposes of determining whether this matter has been approved. Broker non-votes will have no effect on the outcome of this proposal.

Principal Accountant Fees and Services

The following table provides information regarding the fees accrued or paid to Grant Thornton LLP for the years ended December 31, 2017 and 2016. All fees described below were approved by the audit committee.

	Year Ended December	
	31,	
	2017	2016
Audit Fees	\$1,801,229	\$1,233,698
Audit-Related Fees	162,137	93,090
Tax Fees	27,000	—
All Other Fees	—	4,900
Total Fees	\$1,990,336	\$1,331,688

Audit Fees

Audit fees of Grant Thornton LLP during 2017 and 2016 include fees for the audits of the Company's annual consolidated financial statements included in the Company's Annual Report on Form 10-K, the reviews of the quarterly condensed consolidated financial statements included in the Company's Quarterly Reports on Form 10-Q, services rendered in connection with our registration statements on (i) Form S-8 related to our incentive plans and (ii) Form S-3 related to the follow-on offering of our common stock completed in August 2016, and other matters related to our SEC filings. In addition, audit fees during 2017 include fees related to the Company's adoption of a new revenue recognition standard as well as audit services related to the Company's acquisition of Velocify, Inc.

Audit-Related Fees

Audit-related fees consist of fees billed for services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees." In 2017 and 2016 audit-related fees consisted of fees paid in connection with Service Organization Control (SOC) reports. In addition, audit-related fees during 2017 include fees related to information systems reviews not performed in connection with the fiscal year audit.

Tax Fees

Tax fees paid to Grant Thornton LLP during 2017 consisted tax consulting services and there were no tax fees paid to Grant Thornton LLP during 2016. The Company engages a different third-party service provider for its primary tax services.

All Other Fees

There were no all other fees paid to Grant Thornton LLP during 2017 and all other fees of Grant Thornton LLP during 2016 consisted of fees for accounting library software.

Pre-Approval Policies and Procedures

The audit committee pre-approves all audit and non-audit services provided by its independent registered public accounting firm. This policy is set forth in the charter of the audit committee and available at <http://www.elliemae.com/about/investor-relations/corporate-governance>.

The audit committee approved all audit services provided by Grant Thornton LLP for 2017 and 2016 and the estimated costs of those services. Actual amounts billed, to the extent in excess of the estimated amounts, were periodically reviewed and approved by the audit committee.

The audit committee considered whether the non-audit services rendered by Grant Thornton LLP were compatible with maintaining Grant Thornton LLP's independence and concluded that they were so compatible.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF THE SELECTION OF GRANT THORNTON LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING DECEMBER 31, 2018.

PROPOSAL NO. 3

ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Exchange Act, the Company is providing stockholders with a non-binding advisory vote to approve the compensation of our named executive officers (sometimes referred to as “say on pay” vote).

Accordingly, you may vote on the following resolution at the 2018 Annual Meeting:

“Resolved, that the stockholders approve, on a non-binding advisory basis, the compensation of the named executive officers, as disclosed in this Proxy Statement, pursuant to the compensation disclosure rules of the Securities and Exchange Commission including the Compensation Discussion and Analysis, the accompanying compensation tables and the related narrative disclosure that accompany the compensation tables.”

To be approved, this proposal must receive a “FOR” vote from the holders of a majority in voting power of the shares of common stock which are present in person or represented by proxy and entitled to vote on the proposal. Abstentions and broker non-votes will be counted towards a quorum. Abstentions will have the same effect as an “AGAINST” vote for purposes of determining whether this matter has been approved. Broker non-votes will have no effect on the outcome of this proposal.

This vote is nonbinding. The Board and the compensation committee, which is composed of independent directors, expect to take into account the outcome of the vote when considering future executive compensation decisions to the extent they can determine the cause or causes of any significant negative voting results. Currently, based on the 2012 advisory vote of our stockholders, the Board and the compensation committee determined that a say on pay vote will be held every year. Unless the Board and the compensation committee modify their policy on the frequency of future say on pay votes based on this year’s advisory vote on the frequency of future say on pay votes, the next say on pay vote will be held at the 2019 annual meeting of stockholders.

As described in detail in the “Compensation Discussion and Analysis,” our executive compensation program is designed to motivate our executive officers to create a successful company. Our philosophy is to link a significant percentage of our executive officers’ compensation to stockholder returns and to keep cash compensation to a competitive level while providing the opportunity to be well-rewarded through equity if we perform well over time. We believe that our executive compensation program, with its balance of short-term incentives (including performance bonuses) and long-term incentives (including equity awards), rewards sustained performance that is aligned with long-term stockholder interests. Stockholders are encouraged to read the Compensation Discussion and Analysis, the accompanying compensation tables and the related narrative disclosure.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THE COMPENSATION DISCUSSION AND ANALYSIS, THE ACCOMPANYING COMPENSATION TABLES AND THE RELATED NARRATIVE DISCLOSURE INCLUDED IN THIS PROXY STATEMENT.

PROPOSAL NO. 4

ADVISORY VOTE ON THE FREQUENCY OF FUTURE STOCKHOLDER ADVISORY VOTES ON EXECUTIVE COMPENSATION

The Dodd-Frank Act and Section 14A of the Exchange Act enable our stockholders to indicate their preference at least once every six years regarding how frequently we should solicit a non-binding advisory vote on the compensation of our named executive officers as disclosed in our proxy statement. Accordingly, we are asking our stockholders to indicate whether they would prefer an advisory vote every one year, two years or three years. Alternatively, stockholders may abstain from casting a vote.

The Board has determined that an advisory “say on pay” vote to approve the compensation of our named executive officers that occurs on an annual basis is the most appropriate option for the Company. Accordingly, the Board recommends that the advisory vote to approve the compensation of our named executive officers occur on a frequency of every “ONE YEAR.” The Board believes that a frequency of every one year for an advisory “say on pay” vote will allow our stockholders to provide timely, direct input on our executive compensation philosophy, policies and practices as disclosed in the Proxy Statement each year.

The proxy card provides stockholders with the opportunity to choose among four options (holding the vote every one, two, or three years, or abstaining) and, therefore, stockholders will not be voting to approve or disapprove the Board’s recommendation. To constitute the recommendation of the stockholders, the applicable “ONE YEAR,” “TWO YEARS,” or “THREE YEARS” option must receive highest number of votes from the holders of shares of common stock present or by proxy at the 2018 Annual Meeting and entitled to vote. Abstentions and broker non-votes will be counted towards a quorum but will otherwise have no effect on the outcome of this proposal.

Although this advisory vote on the frequency of the “say on pay” vote is nonbinding, the Board and the compensation committee value the opinions of our stockholders in this matter and will take into account the outcome of the vote when considering the frequency of future advisory votes on executive compensation.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE OPTION OF EVERY “ONE YEAR” FOR FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION.

PROPOSAL NO. 5

VOTE TO APPROVE AMENDMENT TO CERTIFICATE OF INCORPORATION AND BYLAWS TO PROVIDE FOR THE ANNUAL ELECTION OF DIRECTORS

Currently, the Company's Amended and Restated Certificate of Incorporation, as amended (our "Certificate of Incorporation"), and the Company's Amended and Restated Bylaws (our "Bylaws"), provide for a classified Board divided into three classes of directors, with each class elected for a three-year term. The classification of the Board results in staggered elections, with each class of directors standing for election every third year. One class consists of four members whose terms expire upon the election and qualification of their successors at the 2018 Annual Meeting ("Class I"), one class consists of three members whose terms expire at the 2019 annual meeting of stockholders ("Class II"), and one class consists of four members whose terms expire at the 2020 annual meeting of stockholders ("Class III"). After careful consideration and review of the results of the 2017 stockholder vote, the Board has determined that it is advisable and in the best interests of the Company and its stockholders to amend our Certificate of Incorporation and our Bylaws to declassify the Board to allow the Company's stockholders to vote on the election of the entire Board on an annual basis, rather than on a staggered basis.

The general description of the proposed amendments to our Certificate of Incorporation and our Bylaws set forth in this Proposal 5 is qualified in its entirety by reference to the text thereof, which is attached as Appendix B to this proxy statement. Additions to our Certificate of Incorporation and our Bylaws are indicated by bolded underlined text and deletions are indicated by strikethroughs.

Declassification of the Board

If this Proposal 5 is approved by the Company's stockholders at the Meeting, the declassification of the Board will be phased in as follows:

- at the 2019 annual meeting of stockholders, the Class II directors will stand for election for a one-year term;
- at the 2020 annual meeting of stockholders, the Class II directors and the Class III directors will stand for election for a one-year term; and
- at the 2021 annual meeting of stockholders, and at each annual meeting of stockholders thereafter, all directors will stand for election for one-year terms.

Under the proposed amendments, the annual election of directors will be phased in gradually to assure a smooth transition. If this Proposal 5 is approved by the requisite vote of the Company's stockholders, any director elected to fill a vacancy that did not arise from an increase in the size of the Board will hold office for the term that remains for the applicable vacating director, and any director elected to fill a vacancy that resulted from an increase in the size of the Board will be elected to serve until the next annual meeting of stockholders.

If this Proposal 5 is not approved by the requisite vote of the Company's stockholders, the Board will remain classified, with each class of directors serving a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

If this Proposal 5 is passed by the requisite vote of the Company's stockholders, it will become effective when the Company files the amendment to the Certificate of Incorporation with the Secretary of State of the State of Delaware, which the Company intends to do promptly following the 2018 Annual Meeting.

Considerations of the Board

The Company has historically had a classified board structure in which directors have been divided into three classes and one class is elected each year to serve a three-year term. The Board has historically believed that this classified board structure promotes continuity and stability of strategy, ensures that a potential acquirer in a takeover situation negotiates with the Board, and facilitates the ability of the Board to focus on creating long-term stockholder value. The Board also is aware that the current trend in corporate governance is leading away from classified boards in favor of electing all directors annually and also recognizes that a classified board structure may reduce directors' accountability to stockholders because such a structure

does not enable stockholders to express a view on each director's performance by means of an annual vote. Moreover, many institutional investors believe that the election of directors is the primary means for stockholders to influence corporate governance policies and to hold management accountable for implementing those policies.

In determining whether to support declassification of the Board, the Board carefully considered the results of the 2017 stockholder vote and the advantages and disadvantages of the current classified board structure and has determined that it is advisable and in the best interests of the Company and its stockholders to declassify the Board.

Vote Required

The affirmative vote of at least a majority of the outstanding shares of our stock that are present in person or by proxy and entitled to vote at the 2018 Annual Meeting.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE ADOPTION OF THE PROPOSED AMENDMENTS TO OUR CERTIFICATE OF INCORPORATION AND OUR BYLAWS TO PROVIDE FOR THE ANNUAL ELECTION OF DIRECTORS.

PROPOSAL NO. 6

STOCKHOLDER PROPOSAL REQUESTING THE COMPANY TO AMEND GOVERNING DOCUMENTS TO ALLOW STOCKHOLDERS TO CALL A SPECIAL MEETING

Myra K. Young, 9295 Yorkship Court, Elk Grove, CA 95758, has notified us that her designee, John Chevedden, intends to introduce the following resolution at the 2018 Annual Meeting. Ms. Young has notified us that she has been a stockholder for over a year and intends to continue to be a stockholder until after the date of the 2018 Annual Meeting. Ms. Young has informed us that, as of December 1, 2017, she beneficially owned 100 shares of our common stock. In accordance with the proxy regulations, the following is the complete text of the proposal, which is reproduced as submitted to us other than minor formatting changes. All statements contained in a stockholder proposal and supporting statement are the sole responsibility of the proponent of that stockholder proposal. The Board does not support the adoption of this proposal and asks stockholders to consider the response following the proponent's statement. The Board recommends you vote AGAINST this proposal.

Proposal No. 6 - Special Shareholder Meetings

RESOLVED: The shareholders of Ellie Mae Inc. (“ELLI” or “Company”) hereby request the Board of Directors take the steps necessary to amend our bylaws and each appropriate governing document to give holders with an aggregate of 15% net long of our outstanding common stock the power to call a special shareowner meeting. This proposal does not impact our Board's current power to call a special meeting.

SUPPORTING STATEMENT: Delaware law allows 10% of company shares to call a special meeting. A shareholder right to call a special meeting is a way to bring an important matter to the attention of both management and shareholders outside the annual meeting cycle. This is important because there could be 15-months between annual meetings.

Shareholder rights to act by written consent and to call special meetings are two complimentary ways to bring an important matter to the attention of both management and shareholders outside the annual meeting cycle. Both are associated with increased governance quality and shareholder value. Our Company provides no right for shareholders to act by written consent or to call a special meeting.

Currently, 64% of S&P 500 companies have adopted company bylaws, articles of incorporation, or charter provisions to allow shareholders to call a special meeting. More than half of all S&P 1500 companies allow shareholders this right.

This proposal topic won majority votes last year at CVS Health, Salesforce.com, NETGEAR, and United Rentals. It may be possible to adopt this proposal by simply incorporating this text into our governing documents:

“Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Chairman of the Board or the President, and shall be called by the Chairman of the Board or President or Secretary upon the order in writing of a majority of or by resolution of the Board of Directors, or at the request in writing of stockholders owning 15% net long of the entire capital stock of the Corporation issued and outstanding and entitled to vote.”

A right to call a special meeting is especially important at our Company, since 87% of shares voted in favor of annual election of all directors but, as of this writing, the Board has yet to implement that request. We urge the Board to join the mainstream of major U.S. companies and establish a right for shareholders owning 15% of our outstanding common stock to call a special meeting.

Please vote for: Special Shareowner Meetings - Proposal No. 6

The Board has carefully considered the above proposal and believes that it is not in the best interests of the Company and our stockholders. Consequently, the Board recommends a vote AGAINST the proposal.

Ellie Mae is supportive of a properly defined special meeting mechanism and has already implemented a special meeting right for its stockholders on terms that we believe serve the best interests of the Company and its stockholders. We amended our Bylaws on February 21, 2018, to permit stockholders owning 25% of the Company's outstanding stock to call a special stockholder meeting upon written request to the Board. The Board adopted the stockholder special meeting after careful consideration, and we believe that our existing special meeting right is most appropriate for the Company and its stockholders

at this time. Specific procedural requirements and provisions for a stockholder-called special meeting are set forth in the Bylaws, which have been publicly filed.

Special meetings, by their nature, are extraordinary and should occur rarely. Holding a special meeting is very costly and time-consuming to the Company due to the legal costs associated with preparing required proxy materials, the substantial printing and mailing costs, the diversion of the Board and senior management's time and attention and the expenditure of other Company resources required to prepare for and conduct the meeting.

Recognizing the substantial administrative and financial burdens that a special meeting imposes on the Company and its stockholders, the Board believes that the Company's existing 25% ownership threshold strikes the appropriate balance between allowing stockholders to vote on important matters that arise between annual meetings and protecting against the risk that a single stockholder or small group of stockholders could call a meeting that serves only a narrow agenda not favored by the majority of stockholders. Ellie Mae's 25% ownership threshold is also the most common threshold among large public companies who offer stockholders the right to call a special meeting.

The Board believes this proposal should be evaluated in the context of Ellie Mae's overall corporate governance, including other stockholder rights available under Ellie Mae's Bylaws and applicable law and the demonstrated accessibility and accountability of the Board. For example, stockholder approval is required for many key corporate actions. Under Delaware law and NYSE rules, Ellie Mae must submit certain significant matters to a stockholder vote, including mergers and consolidations, large share issuances, the adoption of equity compensation plans and amendments to its certificate of incorporation. In addition, eligible stockholders may nominate directors for inclusion in Ellie Mae's proxy statement if they satisfy the requirements specified in our Bylaws.

Furthermore, Ellie Mae's governance policies promote open communication between stockholders and the Board. The Company encourages stockholders to communicate with the Board by sending in letters to the attention of the Secretary, at Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588. Also, stockholders may raise matters during the question and answer portion of the Annual Meeting, which is generally attended by all directors. Finally, all of Ellie Mae's directors are elected annually, helping to ensure accountability to stockholders. In light of the existing right of Ellie Mae stockholders to call a special meeting, as well as Ellie Mae's governance policies and statutory and Bylaws provisions that facilitate stockholder action and communication with the Board, we believe this proposal is unnecessary. Ellie Mae's existing 25% ownership threshold for stockholders to call a special meeting strikes the right balance between the ability of stockholders to call a special meeting and the interests of the Company and its stockholders in promoting the appropriate use of Ellie Mae's resources.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE AGAINST PROPOSAL NO. 6 TO ALLOW STOCKHOLDERS TO CALL A SPECIAL MEETING.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table presents information regarding the beneficial ownership of our common stock as of December 31, 2017 by:

- each person known by us to beneficially own more than 5% of our outstanding shares of common stock;
- each named executive officer as set forth in the summary compensation table below;
- each of our directors; and
- all current executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Unless otherwise indicated below, to our knowledge, the persons named in the table have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable. Shares of our common stock (i) subject to options that are currently exercisable or exercisable within 60 days of December 31, 2017 and (ii) subject to restricted stock units that vest within 60 days of December 31, 2017, are deemed to be outstanding and to be beneficially owned by the person holding the options or restricted stock units, as applicable, for the purpose of computing the percentage ownership of that person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

Percentage ownership of our common stock in the table below is based on 34,227,684 shares of our common stock issued and outstanding on December 31, 2017. Except as set forth below, the address of each of the individuals and entities named below is c/o Ellie Mae, Inc., 4420 Rosewood Drive, Suite 500, Pleasanton, California 94588.

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned (1)			Percent of Class (%)
	Common Stock	Options Exercisable Within 60 Days	Shares Beneficially Owned	
<i>5% Stockholders:</i>				
T. Rowe Price Associates, Inc. (2)	4,815,239	—	4,815,239	14.07%
PRIMECAP Management Company (3)	3,106,345	—	3,106,345	9.08
The Vanguard Group (4)	2,781,156	—	2,781,156	8.13
Brown Capital Management, LLC (5)	2,775,314	—	2,775,314	8.11
Eminence Capital, LP (6)	2,558,531	—	2,558,531	7.48
BlackRock Inc. (7)	2,244,720	—	2,244,720	6.56

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned (1)			
	Common Stock	Options Exercisable Within 60 Days	Shares Beneficially Owned	Percent of Class (%)
Named Executive Officers and Directors:				
Sigmund Anderman (8)	210,751	245,725	456,476	1.32%
Jonathan Corr (9)	158,981	2,637	161,618	*
Matthew LaVay	3,787	19,816	23,603	*
Edgar Luce (10)	32,203	10,909	43,112	*
Peter Hirsch (11)	13,527	11,265	24,792	*
Cathleen Schreiner Gates (12)	19,897	13,987	33,884	*
Joseph Tyrrell (13)	19,897	4,992	24,889	*
Karen Blasing	2,827	3,455	6,282	*
Carl Buccellato (14)	22,953	76,787	99,740	*
Craig Davis (15)	80,586	61,121	141,707	*
A. Barr Dolan	3,160	45,455	48,615	*
Robert J. Levin (16)	8,742	76,121	84,863	*
Marina Levinson	1,465	3,455	4,920	*
Frank Schultz	4,003	7,455	11,458	*
Jeb S. Spencer	5,008	36,972	41,980	*
Rajat Taneja	5,648	3,455	9,103	*
All 17 directors and executive officers as a group (17)	598,071	625,629	1,223,700	3.51%

*Represents beneficial ownership of less than one percent of the outstanding shares of common stock.

(1) Represents shares of common stock held, common stock held in escrow for 2014 Performance Shares, 2015 Performance Awards, 2016 Performance Shares, 2017 Performance Shares and options that are exercisable within 60 days of December 31, 2017, and restricted stock units that vest within 60 days of December 31, 2017, by such individuals. Includes shares held in the beneficial owner's name or jointly with others, or in the name of a bank, nominee or trustee for the beneficial owner's account. Reported numbers do not include options that vest more than 60 days after December 31, 2017.

(2) Based on information set forth in the Amendment No. 2 to Schedule 13G filed with the SEC on February 14, 2018. The address of T. Rowe Price Associates, Inc. is 100 E. Pratt Street, Baltimore, MD 21202.

(3) Based on information set forth in an Amendment No. 6 to Schedule 13G filed with the SEC on February 27, 2018. The address of PRIMECAP Management Company is 177 E. Colorado Blvd., 11th Floor, Pasadena, CA 91105.

(4) Based on information set forth in an Amendment No. 4 to Schedule 13G filed with the SEC on February 9, 2018.

As a result of serving as investment managers, (i) Vanguard Fiduciary Trust Company ("VFTC"), a wholly-owned subsidiary of The Vanguard Group, Inc. ("The Vanguard Group"), is the beneficial owner of 63,187 shares and (ii) Vanguard Investments Australia, Ltd. ("VIA"), a wholly-owned subsidiary of The Vanguard Group, is the beneficial owner of 9,488 shares. The address of The Vanguard Group is 100 Vanguard Blvd., Malvern, PA 19355.

(5) Based on information set forth in the Amendment No. 2 to Schedule 13G filed with the SEC on February 14, 2018.

The address of Brown Capital Management, LLC is 1201 N. Calvert Street, Baltimore, MD 21202.

Based on information set forth in Amendment No. 1 to Schedule 13G filed with the SEC on February 14, 2018.

(6) Eminence Capital, LP has shared voting and shared dispositive power with respect to 2,558,531 shares. Eminence

(6) GP, LLC has shared voting and shared dispositive power with respect to 1,922,769 shares. Ricky C. Sandler has shared voting and shared dispositive power with respect to 2,558,531 shares. Mr. Sandler is the Chief Executive Officer of

Eminence Capital, LP and the Managing Member of Eminence GP, LLC. The address of Eminence Capital, LP is 65 E. 55th Street, 25th Floor, New York, NY 10022.

Based on information set forth in an Amendment No. 4 to Schedule 13G filed with the SEC on January 29, 2018.

BlackRock Inc., BlackRock Advisors, LLC, BlackRock Asset Management Canada Limited, BlackRock Asset Management Ireland Limited, Blackrock Asset Management Schweiz AG, BlackRock Financial Management, Inc., (7)BlackRock Fund Advisors, BlackRock Institutional Trust Company, N.A., BlackRock Investment Management (Australia) Limited, BlackRock Investment Management (UK) Ltd, BlackRock Investment Management, LLC, BlackRock (Netherlands) B.V. and FutureAdvisor, Inc. have shared voting or dispositive power over these shares. The address of BlackRock Inc. is 55 East 52nd Street, New York, New York 10055.

Includes 143,906 shares held by The Sigmund and Susan Anderman Family Trust, 10,000 shares held by Sigmund (8)Anderman, 11,875 shares held in escrow for 2014 Performance Shares and 44,970 performance-vesting RSU and RSU shares vesting within 60 days.

Includes 79,347 shares held by Jonathan & Rae Corr 2006 Family Trust DTD 11/09/2006, 6,175 shares held in (9)escrow for 2014 Performance Shares, 13,944 shares held in escrow for 2015 Performance Shares, 40,146 shares held in escrow for the 2016 Performance Shares and 19,369 RSU shares vesting within 60 days.

Includes 4,750 shares held in escrow for 2014 Performance Shares, 5,848 shares held in escrow for 2015 (10)Performance Shares, 10,350 shares held in escrow for the 2016 Performance Shares, 5,568 ESPP shares and 5,687 RSU shares vesting within 60 days.

Includes 10,350 shares held in escrow for 2016 Performance Shares and 3,177 RSU shares vesting within 60 (11) days.

Includes 5,164 shares held in escrow for 2015 Performance Shares, 10,350 shares held in escrow for 2016 (12) Performance Shares, and 4,383 RSU shares vesting within 60 days.

Includes 5,164 shares held in escrow for 2015 Performance Shares, 10,350 shares held in escrow for 2016 (13) Performance Shares and 4,383 RSU shares vesting within 60 days.

(14)Includes 22,953 shares held jointly by Carl Buccellato and Mary Ellen Buccellato.

(15)Includes 80,586 shares held by Craig S Davis Trustee & Lecia A Davis Trustee of the Davis Family Trust Dated 12/8/1995.

(16)Includes 6,340 shares held by Robert J. Levin and Abby H. Levin Trustees of the Robert J. Levin Living Trust DTD 11/12/2001.

(17)Includes shares held by Brian Brown, EVP, general counsel & corporate secretary.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors and executive officers and persons who own more than 10% of a registered class of the Company's equity securities to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Company. Officers, directors and greater than 10% stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on a review of the copies of such reports furnished to the Company and written representations that no other reports were required, during the fiscal year ended December 31, 2017, all Section 16(a) filing requirements applicable to our officers, directors and greater than 10% stockholders were complied, except that one Form 4 was unintentionally filed late on behalf of Mr. LaVay for a reporting event that occurred on November 15, 2017.

DIRECTOR COMPENSATION

Until December 31, 2017, our non-employee director compensation policy provided that each non-employee director would receive an annual cash retainer of \$32,000. Our lead independent director received an additional annual cash retainer of \$20,000. In addition, all non-employee directors who served on one or more committees were eligible to receive the following annual committee fees (which are also payable in cash):

Committee	Chair (\$)	Other Member (\$)
Audit committee	\$20,000	\$12,000
Compensation committee	12,000	7,200
Nominating and corporate governance committee	7,500	4,500
Mergers and acquisitions committee	9,000	5,400
Technology and cybersecurity committee	12,000	7,200

In August 2017, our Compensation Committee, with the assistance of Compensia, our compensation consultant, undertook a review of our director compensation based on market data prepared by Compensia. Based on this review, the Compensation Committee recommended to the Board, and the Board approved, certain changes to our non-employee director compensation policy to better align our director compensation practices with peer company and broader market practices. Effective January 1, 2018, our non-employee director compensation policy provides that each non-employee director receives an annual cash retainer of \$35,000. Our lead independent director continues to receive an additional annual cash retainer of \$20,000. In addition, all non-employee directors who serve on one or more committees are eligible to receive the following annual committee fees (which are also payable in cash):

Committee	Chair (\$)	Other Member (\$)
Audit committee	\$20,000	\$12,000
Compensation committee	15,000	9,000
Nominating and corporate governance committee	9,000	5,400
Mergers and acquisitions committee	9,000	5,400
Technology and cybersecurity committee	12,000	7,200

Other than the annual retainers and committee fees described above, non-employee directors are not entitled to receive any additional cash fees in connection with their service on our Board. However, any newly elected or appointed non-employee directors, upon initial election or appointment to the Board, is entitled to receive an award of restricted stock units with a value equal to \$150,000, plus a pro-rata portion of restricted stock units described below based on when he or she joins our Board relative to the date of the previous year's annual meeting. In addition, our non-employee directors are entitled to automatically receive a restricted stock unit award with a value of \$200,000 immediately after each annual meeting of stockholders. The initial restricted stock unit award for newly elected or appointed non-employee directors will vest 1/3rd on each anniversary of the date of grant over three years from the date of grant. The initial pro-rata portion of the annual restricted stock unit award for newly elected or appointed non-employee directors will vest in full on the date of the next annual meeting of stockholders. Subsequent annual restricted stock unit awards will vest 100% on the first anniversary of the date of grant. Our directors who are employees are compensated for their service as employees and do not receive any additional compensation for their service on the Board.

The following table sets forth information concerning the compensation paid or accrued for services rendered to us in all capacities by our directors other than Jonathan Corr, our Chief Executive Officer during the fiscal year ended December 31, 2017. The compensation of Mr. Corr as a named executive officer is set forth below under "2017 Summary Compensation Table." The table below also includes information on the compensation earned or paid to Sigmund Anderman, our Executive

Chairman, who is an employee and also a member of our board of directors. Mr. Anderman did not receive any additional compensation for service as a director.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (1)(\$)	Total (\$)
Sigmund Anderman (2)	\$1,011,836	\$600,014	\$1,611,850
Karen Blasing	49,588	201,794	251,382
Carl Buccellato	46,047	201,794	247,841
Craig Davis	63,700	201,794	265,494
A. Barr Dolan	47,580	201,794	249,374
Robert J. Levin	59,230	201,794	261,024
Marina Levinson	53,020	201,794	254,814
Frank Schultz	43,970	201,794	245,764
Jeb S. Spencer	38,765	201,794	240,559
Rajat Taneja	39,200	201,794	240,994

Amounts do not reflect compensation actually received by the director. Instead, the amounts included in the “Stock Awards” column represent the grant date fair value of awards granted, calculated in accordance with ASC Topic (1)718. For a discussion of the assumptions made in the valuations reflected in this column, see Notes 2 and 11 of the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2017.

Reflects compensation paid to Mr. Anderman pursuant to his amended and employment agreement entered into in January 2015, which sets forth the terms and conditions of his employment as our executive chairman of the Board. Under the agreement, Mr. Anderman received an annual base salary of \$328,000 in 2017, was paid a bonus amount equal to 165% of his target bonus amount based on corporate performance in 2016. In addition, pursuant to the agreement, Mr. Anderman was granted a stock option award plus a performance-vesting restricted stock unit award in 2017, each having grant date fair values of \$300,000. The option has a four-year, employment-based vesting schedule, and the shares of our common stock subject to the restricted stock unit award are earned based upon the achievement of the corporate goals established for the senior executive bonus program. Under the agreement, Mr. Anderman is also entitled to participate in the same benefit plans as the other senior executive officers of the Company, and the Company will continue to maintain a \$2 million life insurance policy for his benefit as well as continue to provide premium payments for any other life insurance policies maintained by the Company for his benefit.

The following table shows the number of shares of our common stock subject to outstanding and unexercised stock options and the number of shares of our common stock subject to outstanding stock awards held by each of our non-employee directors as of December 31, 2017. The table below also includes information relating to Sigmund Anderman, our Executive Chairman, who is an employee and also a member of our Board.

Name	Number of Shares Subject to Outstanding Options as of 12/31/17	Number of Shares Subject to Outstanding Stock Awards as of 12/31/17
Sigmund Anderman	290,319	98,321
Karen Blasing	3,455	2,720
Carl Buccellato	76,787	1,893
Craig Davis	61,121	1,893
A. Barr Dolan	45,455	1,893
Robert J. Levin	76,121	1,893
Marina Levinson	3,455	1,893
Frank Schultz	7,455	1,893
Jeb S. Spencer	36,972	1,893
Rajat Taneja	3,455	2,715

Non-Employee Director Stock Ownership Policy

Our Board believes that our non-employee directors should hold a meaningful financial stake in the Company in order to further align their interests with those of our stockholders. Therefore, our Board has adopted a non-employee director stock ownership policy. Under the current policy as adopted in February 2018, each non-employee director must own Company stock with a value of four times the annual cash retainer for Board service. Our non-employee directors are required to achieve this ownership level by December 31, 2019. Any non-employee director appointed or elected after February 2018 will be required to achieve this ownership level within three years of his or her appointment or election date.

COMPENSATION DISCUSSION AND ANALYSIS

This section discusses the principles underlying our policies and decisions with respect to the compensation of our executive officers who are named in the “2017 Summary Compensation Table” and the material factors relevant to an analysis of these policies and decisions. Our named executive officers for 2017 were as follows:

Jonathan Corr, our president and chief executive officer (our “CEO”);

Matthew LaVay, our executive vice president and chief financial officer beginning April 1, 2017, and formerly our senior vice president of finance and accounting;

Cathleen Schreiner Gates, our executive vice president of sales and marketing;

Joseph Tyrrell, our executive vice president of corporate strategy;

Peter Hirsch, our executive vice president of technology and operations; and

Edgar Luce, our executive vice president and chief financial officer until March 31, 2017.

On October 27, 2016, Mr. Luce resigned as our executive vice president and chief financial officer effective March 31, 2017 and provided transition services until March 31, 2018.

Executive Summary

Overview

We are a leading cloud-based platform provider for the mortgage finance industry. Our technology solutions are used by lenders to originate and close residential mortgage loans. Our Encompass digital mortgage software is a comprehensive, end-to-end enterprise solution that handles most of the functions involved in running the business of originating mortgages.

Our mission is to be the industry standard technology platform for residential mortgage origination in the United States. Key elements of our strategy include: (i) increasing the number of lenders using Encompass and the number of loans originated on our platform; (ii) increasing the adoption and utilization of our solutions and services by the users of Encompass; (iii) creating a true digital mortgage platform that enables lenders to originate more loans, lowers the cost to originate loans and reduces the time to close loans; (iv) investing in new product and platform development such as the next generation of our Encompass platform, which we call “Encompass NG”, and the Encompass Connect solutions, each of which is built on the Encompass Lending Platform; (v) increasing our customers’ use of, and the services integrated into, the Ellie Mae Network, which provides originators electronic access to many of the third parties they need to interact with in order to process and fund loans; (vi) investing aggressively in initiatives across our company that we believe will help us continue to grow our business, improve our products and services and strengthen our competitive advantage; and (vii) acquiring technology-based companies that complement and increase the attractiveness of our solutions to our customers.

2017 Business Highlights

We believe the compensation program for our named executive officers in 2017 and prior years was instrumental in helping us achieve strong financial and operational performance in 2017. In fiscal 2017¹:

Revenue was \$417.0 million, an increase of 16% from 2016.

Adjusted EBITDA was \$122.6 million, an increase of 8% from 2016.

Net income was \$52.9 million, or \$1.48 per diluted share, compared to \$37.8 million, or \$1.15 per diluted share, in 2016².

We had 242,505 contracted Encompass users as of December 31, 2017, up 12% from 2016.

¹ See Appendix A for a reconciliation of the non-GAAP financial measures set forth below to U.S. GAAP.

² Our net income for 2017 reflects the impact of changes to the GAAP tax treatment of stock compensation benefits and a benefit resulting from the Tax Cuts and Jobs Act of 2017.

We completed significant milestones in the delivery of our Encompass NG Platform, including the release of a number of next generation solutions such as Encompass Developer Connect, Encompass Consumer Connect, Encompass TPO Connect and Encompass Loan Officer Connect.

We acquired Velocify, Inc., a leading cloud-based sales engagement platform that provides customers the ability to manage leads and customer relationships. The acquisition of Velocify accelerates our vision of offering a fully digital mortgage.

2017 Executive Compensation Highlights

The following key compensation actions were taken with respect to the named executive officers for 2017:

Increases to Base Salaries and Corresponding Cash Bonus Targets – Other than for Mr. Luce, who resigned as our CFO effective March 31, 2017, and Mr. LaVay, whose cash compensation as an executive officer was first established in 2017, we increased the base salaries of our named executive officers from between 16% and 20% for 2017 to make their cash compensation more competitive with the cash compensation provided to similarly situated executives of our compensation peer group and to reflect their strong performance in 2016. Other than Mr. Hirsch, whose cash bonus target was increased from 50% to 60% of his base salary, the cash bonus targets for our named executive officers during 2017 remained at the same percentages of their base salaries as in 2016. Mr. Luce was not eligible for a cash bonus in 2017 and Mr. LaVay's initial cash bonus target as an executive officer was established at 60% of his base salary.

Cash Bonuses – The compensation committee of our Board established aggressive goals for our executive officers' annual cash bonus incentives for 2017, including target revenue growth of 23%. While we achieved strong growth during 2017, we fell short of the target goals established by our compensation committee, in part due to a decline in the residential mortgage market. Accordingly, our named executive officers received cash bonuses equal to 60% of their target cash bonus opportunities.

Long-Term Incentive Compensation – Each of our named executive officers who were granted equity awards in 2017 received awards split equally in value between performance shares and restricted stock unit ("RSU") awards.

Peer Companies – We updated our compensation peer group to ensure the peer group continued to be appropriate and aligned with best practice.

Pay-for-Performance Discussion

We believe our executive compensation program is reasonable, competitive, and appropriately balances the goals of attracting, motivating, rewarding, and retaining our executive officers. To ensure our executive officers' interests are aligned with those of our stockholders and to motivate and reward individual initiative and effort, a substantial portion of their target annual total direct compensation opportunity is "at-risk" and will vary above or below target levels commensurate with our performance.

We emphasize performance-based compensation that appropriately rewards our executive officers for delivering financial, operational, and strategic results that meet or exceed pre-established goals through our cash bonus plan, as well as through the equity awards that we use to deliver long-term incentive compensation opportunities.

The target total direct compensation opportunities for our CEO and, on average, the other named executive officers during 2017 reflects this philosophy, as reflected in the following graphics:

The charts above reflect target compensation for each executive, so the non-equity incentive plan compensation is shown at target and the equity compensation is shown at its grant date value with the performance shares shown at target payout. Other NEOs consist of Messrs. LaVay, Tyrrell and Hirsch and Ms. Schreiner Gates. Mr. Luce is excluded because he resigned during the year.

As reflected in the above graphics, we believe that the performance shares and RSU awards that we have granted to our executive officers are key incentives to drive long-term growth.

Good Governance and Best Practices

We endeavor to maintain sound governance standards consistent with our executive compensation policies and practices. The compensation committee evaluates our executive compensation program on a regular basis to ensure that it is consistent with our short-term and long-term goals given the dynamic nature of our business and the market in which we compete for executive talent. The following policies and practices were in effect during 2017 with respect to the compensation of our named-executive officers:

Independent Compensation Committee. The compensation committee is comprised solely of independent directors.

Independent Compensation Committee Advisors. The compensation committee engaged its own compensation consultant, Compensia, Inc. (“Compensia”), to assist with its 2017 compensation responsibilities. Compensia performed no other consulting or other services for us in 2017.

Annual Executive Compensation Review. The compensation committee conducts an annual review and approval of our compensation strategy, including a review of our compensation peer group used for comparative purposes and a review of our compensation-related risk profile to ensure that our compensation-related risks are not reasonably likely to have a material adverse effect on our Company.

Stockholder Engagement. Our management team meets frequently with our major stockholders to discuss corporate governance matters, including executive compensation practices.

Executive Compensation Policies and Practices. Our compensation philosophy and related corporate governance policies and pract