

CALIX, INC
Form 10-K/A
May 10, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
Amendment No. 1

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2017

OR

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

For the transition period from _____ to _____
Commission File Number: 001-34674

Calix, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware 68-0438710
(State or Other Jurisdiction of (I.R.S. Employer
Incorporation or Organization) Identification No.)

1035 N. McDowell Blvd. 94954
Petaluma, California (Zip Code)
(Address of Principal Executive Offices)
Registrant's telephone number, including area code (707) 766-3000

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

| Title of each class | Name of each exchange on which registered |
|---------------------------------|---|
| Common Stock, \$0.025 par value | The New York Stock Exchange |

Securities registered pursuant to section 12(g) of the Act:

None
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes: No:

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes: No:

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T

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(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes: No:

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

Large Accelerated Filer Accelerated Filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller Reporting Company

Emerging Growth Company

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

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

The aggregate market value of the Common Stock held by non-affiliates of the registrant based upon the closing sale price on the New York Stock Exchange on June 30, 2017, the last business day of the Registrant's most recently completed second fiscal quarter, was approximately \$294 million. Shares held by each executive officer, director and by each other person (if any) who owns more than 10% of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of March 2, 2018, the number of shares of the registrant's common stock outstanding was 51,708,364.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for its 2018 annual meeting of stockholders are incorporated by reference in Items 10, 11, 12, 13 and 14 of Part III.

EXPLANATORY NOTE

Calix, Inc. (the “Company”) is filing this Amendment No. 1 to Annual Report on Form 10-K/A (this “Amendment No. 1”) to amend its Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as originally filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 14, 2018 (the “Original Form 10-K”). This Amendment No. 1 is being filed solely to re-file Exhibit 10.24 to the Original Form 10-K and to amend and restate the Exhibit Index in Item 15 of Part IV of the Original Form 10-K. Certain provisions of Exhibit 10.24 as filed in the Original Form 10-K were redacted in accordance with the Company’s application for confidential treatment with the SEC. In response to SEC comment, the Company is refiling Exhibit 10.24 in this Amendment No. 1 without such redactions and is no longer seeking confidential treatment for Exhibit 10.24. In addition, as required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended, new certifications by the Company’s principal executive officer and principal financial officer are filed as exhibits to this Amendment No. 1.

Except as described above, no other changes have been made to the Original Form 10-K. This Amendment No. 1 speaks as of the filing date of the Original Form 10-K and does not reflect events occurring after the filing date of the Original Form 10-K or modify or update any of the other information contained in the Original Form 10-K in any way other than as required to reflect the amendment discussed above. Accordingly, this Amendment No. 1 should be read in conjunction with the Original Form 10-K and the Company’s filings made with the SEC subsequent to the filing of the Original Form 10-K, including any amendments to such filings.

PART IV

ITEM 15. Exhibits, Financial Statement Schedules

The Exhibit Index in Part IV, Item 15(a)(3) of the Original Form 10-K is hereby amended and restated as follows:

Exhibit

Number Description

- | | |
|-------|--|
| 2.1 | <u>Agreement and Plan of Merger and Reorganization, dated as of September 16, 2010, by and among Calix, Inc., Ocean Sub I, Inc., Ocean Sub II, LLC, Occam Networks, Inc. (filed as Exhibit 2.1 to Calix’s Registration Statement on Form S-4 originally filed with the Securities and Exchange Commission on November 2, 2010 (File No. 333-170282), as amended by Amendment No. 1 filed December 14, 2010, as amended by Post-Effective Amendment No. 1, filed December 14, 2010 and as amended by Post-Effective Amendment No. 2, filed February 7, 2011 and incorporated by reference).</u> |
| 3.1 | <u>Amended and Restated Certificate of Incorporation of Calix, Inc. (filed as Exhibit 3.3 to Amendment No. 7 to Calix’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on March 23, 2010 (File No. 333-163252) and incorporated by reference).</u> |
| 3.2 | <u>Amended and Restated Bylaws of Calix, Inc. (filed as Exhibit 3.5 to Amendment No. 7 to Calix’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on March 23, 2010 (File No. 333-163252) and incorporated by reference).</u> |
| 4.1 | <u>Form of Calix, Inc.’s Common Stock Certificate (filed as Exhibit 4.1 to Amendment No. 7 to Calix’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on March 23, 2010 (File No. 333-163252) and incorporated by reference).</u> |
| 10.1* | <u>Calix Networks, Inc. Amended and Restated 2002 Stock Plan and related documents (filed as Exhibit 10.2 to Amendment No. 6 to Calix’s Registration Statement on Form S-1 filed with the SEC on March 8, 2010 (File No. 333-163252) and incorporated by reference).</u> |
| 10.2* | <u>Calix, Inc. 2010 Equity Incentive Award Plan and related documents (filed as Exhibit 10.4 to Amendment No. 6 to Calix’s Registration Statement on Form S-1 filed with the SEC on March 8, 2010 (File No. 333-163252) and incorporated by reference).</u> |
| 10.3 | <u>Form of Indemnification Agreement made by and between Calix, Inc. and each of its directors, executive officers and some employees (filed as Exhibit 10.5 to Amendment No. 6 to Calix’s Registration Statement on</u> |

- 10.4 Form S-1 filed with the SEC on March 8, 2010 (File No. 333-163252) and incorporated by reference).
Lease between RNM Lakeville, LLC and Calix, Inc. dated February 13, 2009 (filed as Exhibit 10.6 to Calix's
Registration Statement on Form S-1 filed with the SEC on November 20, 2009 (File No. 333-163252) and
incorporated by reference).
- 10.5 First Amendment to Lease by and between 1031, 1035, 1039 North McDowell, LLC and Calix, Inc. effective
January 28, 2013 (filed as Exhibit 10.25 to Calix's Form 10-K filed with the SEC on February 22, 2013 (File
No. 001-34674) and incorporated by reference).

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| Exhibit Number | Description |
|----------------|--|
| 10.6 | <u>Credit Agreement among Calix, Inc., certain of its subsidiaries, Bank of America, N.A. and the other lenders party thereto dated July 29, 2013 (filed as Exhibit 10.1 to Calix's Form 10-Q filed with the SEC on August 6, 2013 (File No. 001-34674) and incorporated by reference).</u> |
| 10.7 | <u>First Amendment to Credit Agreement dated as of December 23, 2015 by and among Calix, Inc. and Bank of America, N.A. as administrative agent and lender (filed as Exhibit 10.1 to Calix's Form 8-K filed with the SEC on December 28, 2015 (File No. 001-34674) and incorporated by reference).</u> |
| 10.8* | <u>Offer Letter between Calix, Inc. and Carl Russo dated November 1, 2006 (filed as Exhibit 10.8 to Amendment No. 1 to Calix's Registration Statement on Form S-1 filed with the SEC on December 31, 2009 (File No. 333-163252) and incorporated by reference).</u> |
| 10.9* | <u>Offer Letter between Calix, Inc. and William Atkins dated December 21, 2013 (filed as Exhibit 10.15 to Calix's Form 10-K filed with the SEC on February 20, 2014 (File No. 001-34674) and incorporated by reference).</u> |
| 10.10† | <u>Asset Purchase Agreement between Ericsson Inc. and Calix, Inc. dated August 20, 2012 (filed as Exhibit 10.1 to Calix's Form 10-Q/A filed with the SEC on December 18, 2012 (File No. 001-34674) and incorporated by reference).</u> |
| 10.11* | <u>Calix, Inc. Non-Employee Director Restricted Stock Unit Deferred Compensation Plan, effective January 1, 2013 (filed as Exhibit 10.22 to Calix's Form 10-K filed with the SEC on February 22, 2013 (File No. 001-34674) and incorporated by reference).</u> |
| 10.12* | <u>Calix, Inc. Management Bonus Program Under the 2010 Equity Incentive Award Plan (filed as Exhibit 10.1 to Calix's Form 8-K filed with the SEC on February 28, 2012 (File No. 001-34674) and incorporated by reference).</u> |
| 10.13* | <u>Calix, Inc. Long Term Incentive Program Under the 2010 Equity Incentive Award Plan (filed as Exhibit 10.2 to Calix's Form 8-K filed with the SEC on February 28, 2012 (File No. 001-34674) and incorporated by reference).</u> |
| 10.14* | <u>Calix, Inc. Non-Employee Director Equity Compensation Policy, as amended October 18, 2011, July 25, 2012, April 22, 2014 and April 26, 2016 (filed as Exhibit 10.18 to Calix's Form 10-K filed with the SEC on February 28, 2017 (File No. 001-34674) and incorporated by reference).</u> |
| 10.15* | <u>Offer Letter by and between Calix, Inc. and Michael Weening dated May 20, 2016 (filed as Exhibit 10.1 to Calix's Form 10-Q filed with the SEC on August 3, 2016 (File No. 001-34674) and incorporated by reference).</u> |
| 10.16* | <u>Offer Letter by and between Calix, Inc. and Greg Billings dated December 8, 2016 (filed as Exhibit 10.24 to Calix's Form 10-K filed with the SEC on February 28, 2016 (File No. 001-34674) and incorporated by reference).</u> |
| 10.17* | <u>Amendment to Offer Letter by and between Calix, Inc. and Greg Billings dated August 1, 2017 (filed as Exhibit 10.17 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 10.18* | <u>Separation Agreement and General Release of All Claims by and between Calix, Inc. and William Atkins dated March 31, 2017 (filed as Exhibit 10.1 to Calix's Form 10-Q filed with the SEC on May 10, 2017 (File No. 001-34674) and incorporated by reference).</u> |
| 10.19* | <u>Consulting Agreement by and between Calix, Inc. and Cory Sindelar dated May 31, 2017 (filed as Exhibit 10.1 to Calix's Form 10-Q filed with the SEC on August 10, 2017 (File No. 001-34674) and incorporated by reference).</u> |
| 10.20* | <u>Calix, Inc. Non-Employee Director Cash Compensation Policy, as amended June 1, 2017 (filed as Exhibit 10.2 to Calix's Form 10-Q filed with the SEC on August 10, 2017 (File No. 001-34674) and incorporated by reference).</u> |
| 10.21* | <u>Calix, Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Appendix A to the Registrant's definitive proxy statement on Schedule 14A, filed with the SEC on April 4, 2017 (File No.</u> |

- 001-34674).
- 10.22* Calix, Inc. 2017 Nonqualified Employee Stock Purchase Plan (incorporated by reference to Appendix B to the Registrant's definitive proxy statement on Schedule 14A, filed with the SEC on April 4, 2017 (File No. 001-34674)).
- 10.23† Loan and Security Agreement dated August 7, 2017 between Silicon Valley Bank and Calix, Inc. (filed as Exhibit 10.1 to Calix's Form 10-Q filed with the SEC on August 11, 2017 (File No. 001-34674) and incorporated by reference).
- 10.24 First Amendment to Loan and Security Agreement dated February 13, 2018 between Silicon Valley Bank and Calix, Inc.
- 10.25* Offer Letter between Calix, Inc. and Cory Sindelar dated September 28, 2017 (filed as Exhibit 10.2 to Calix's Form 10-Q filed with the SEC on August 11, 2017 (File No. 001-34674) and incorporated by reference).
- 10.26* Nonstatutory Inducement Stock Option Grant Notice between Calix, Inc. and Cory Sindelar dated October 1, 2017 (filed as Exhibit 10.3 to Calix's Form 10-Q filed with the SEC on August 11, 2017 (File No. 001-34674) and incorporated by reference).
- 10.27* Amended and Restated Executive Change in Control and Severance Plan effective September 6, 2017 (filed as Exhibit 10.1 to Calix's Form 8-K filed with the SEC on September 11, 2017 (File No. 001-34674) and incorporated by reference).
- 10.28* Amendment to Amended and Restated Executive Change in Control and Severance Plan effective October 1, 2017 (filed as Exhibit 10.5 to Calix's Form 10-Q filed with the SEC on August 11, 2017 (File No. 001-34674) and incorporated by reference).

| Exhibit Number | Description |
|----------------|--|
| 21.1 | <u>Subsidiaries of the Registrant (filed as Exhibit 21.1 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 23.1 | <u>Consent of KPMG LLP, independent registered public accounting firm (filed as Exhibit 23.1 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 23.2 | <u>Consent of Ernst & Young LLP, independent registered public accounting firm (filed as Exhibit 23.2 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 24.1 | <u>Power of Attorney (filed as Exhibit 24.1 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 31.1 | <u>Certification of Principal Executive Officer of Calix, Inc. Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 (filed as Exhibit 31.1 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 31.2 | <u>Certification of Principal Financial Officer of Calix, Inc. Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 (filed as Exhibit 31.2 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 31.3 | <u>Certification of Principal Executive Officer of Calix, Inc. Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.</u> |
| 31.4 | <u>Certification of Principal Financial Officer of Calix, Inc. Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.</u> |
| 32.1 | <u>Certification of Principal Executive Officer and Principle Financial Officer of Calix, Inc. Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed as Exhibit 32.1 to Calix's Annual Report on Form 10-K filed with the SEC on March 14, 2018 (File No. 001-34674) and incorporated by reference).</u> |
| 101.INS | XBRL Instance Document. |
| 101.SCH | XBRL Taxonomy Extension Schema Document. |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document. |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document. |
| | * Indicates management contract or compensatory plan or arrangement. |
| | † Confidential treatment has been granted as to certain portions of this agreement. |

Table of Contents

SIGNATURES

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

CALIX, INC.
(Registrant)

Dated: May 10, 2018 By: /s/ Carl Russo
Carl Russo
Chief Executive Officer
(Principal Executive Officer)

Dated: May 10, 2018 By: /s/ Cory Sindelar
Cory Sindelar
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)