

NEW RELIC, INC.
Form DEF 14A
July 01, 2016
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SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant

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

NEW RELIC, 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):

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6. Amount Previously Paid:

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9. Date Filed:

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NEW RELIC, INC.

188 Spear Street, Suite 1200

San Francisco, California 94105

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On August 16, 2016

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of New Relic, Inc., a Delaware corporation (the Company). The meeting will be held on Tuesday, August 16, 2016 at 9:00 a.m. local time at the offices of our outside counsel, Cooley LLP, at 101 California Street, 5th Floor, San Francisco, California 94111 for the following purposes:

1. To elect the two nominees for director named herein to the Board of Directors to hold office until the 2019 Annual Meeting of Stockholders.
2. To indicate, on an advisory basis, the preferred frequency of stockholder advisory votes on the compensation of the Company's named executive officers.
3. To ratify the selection by the Audit Committee of the Board of Directors of Deloitte & Touche LLP as the independent registered public accounting firm of the Company for its fiscal year ending March 31, 2017.
4. To conduct any other business properly brought before the meeting.

These items of business are more fully described in the Proxy Statement accompanying this Notice.

The record date for the upcoming Annual Meeting is June 21, 2016. Only stockholders of record at the close of business on that date may vote at the meeting or any adjournment thereof.

Important Notice Regarding the Availability of Proxy Materials for the Stockholders Meeting to Be Held on Tuesday, August 16, 2016 at 9:00 a.m. local time at the offices of Cooley LLP, 101 California Street, 5th Floor, San Francisco, California 94111.

The Annual Report on Form 10-K and the Proxy Statement for the Annual Meeting

are available at <http://www.proxyvote.com>.

By Order of the Board of Directors

/s/ Robin Schulman

Robin Schulman

Vice President, General Counsel, and Corporate Secretary

San Francisco, California

July 1, 2016

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please vote over the telephone or the Internet or, if you receive a proxy card by mail, by completing and returning the proxy card mailed to you, as promptly as possible in order to ensure your representation at the meeting. Voting instructions are provided in the Notice of Internet Availability of Proxy Materials, or, if you receive a proxy card by mail, the instructions are printed on your proxy card and included in the accompanying proxy statement. Even if you have voted by proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank, or other nominee and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.

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NEW RELIC, INC.

188 Spear Street, Suite 1200

San Francisco, California 94105

PROXY STATEMENT

FOR THE 2016 ANNUAL MEETING OF STOCKHOLDERS

August 16, 2016

QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING

Why did I receive a notice regarding the availability of proxy materials on the Internet?

Pursuant to rules adopted by the Securities and Exchange Commission (the "SEC"), we have elected to provide access to our proxy materials over the Internet. Accordingly, we have sent you a Notice of Internet Availability of Proxy Materials (the "Notice") because the Board of Directors (the "Board") of New Relic, Inc. (the "Company" or "New Relic") soliciting your proxy to vote at the 2016 Annual Meeting of Stockholders (the "Annual Meeting"), including at any adjournments or postponements of the meeting. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice 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.

We intend to mail the Notice on or about July 1, 2016 to all stockholders of record entitled to vote at the Annual Meeting.

Will I receive any other proxy materials by mail?

We may send you a proxy card, along with a second Notice, on or after July 11, 2016.

How do I attend the Annual Meeting?

The meeting will be held on Tuesday, August 16, 2016 at 9:00 a.m. local time at the offices of Cooley LLP, 101 California Street, 5th Floor, San Francisco, California 94111. For directions, please call the offices of Cooley LLP at (415) 693-2000. Information on how to vote in person at the meeting is discussed below.

Who can vote at the Annual Meeting?

Only stockholders of record at the close of business on June 21, 2016 will be entitled to vote at the meeting. On this record date, there were 50,650,853 shares of common stock outstanding and entitled to vote.

Stockholder of Record: Shares Registered in Your Name

If on June 21, 2016 your shares were registered directly in your name with our transfer agent, Computershare Trust Company, N.A., then you are a stockholder of record. As a stockholder of record, you may vote in person at the meeting or vote by proxy over the telephone, through the Internet or by using a proxy card that you may request or that we may elect to deliver at a later time. Whether or not you plan to attend the meeting, we urge you to vote by

proxy to ensure your vote is counted.

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

If on June 21, 2016 your shares were held, not in your name, but rather 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 the

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Notice is being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent.

What am I voting on?

There are three matters scheduled for a vote:

Election of two directors;

Advisory indication of the preferred frequency of stockholder advisory votes on the compensation of our named executive officers; and

Ratification of selection by the Audit Committee of Deloitte & Touche LLP as independent registered public accounting firm of the Company for its fiscal year ending March 31, 2017.

What if another matter is properly brought before the meeting?

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on those matters in accordance with their best judgment.

How do I vote?

You may either vote For all the nominees to the Board or you may Withhold your vote for any nominee you specify. With regard to your advisory vote on how frequently we should solicit stockholder advisory approval on the compensation of our named executive officers, you may vote for any one of the following: One Year, Two Years, or Three Years, or you may abstain from voting. For the ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm, you may vote For or Against or abstain from voting.

The procedures for voting are as follows:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy over the telephone, through the Internet or by using a proxy card that you may request or that we may elect to deliver at a later time. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person even if you have already voted by proxy.

To vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.

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To vote over the telephone, dial toll-free 1-800-690-6903 using a touch-tone phone and follow the recorded instructions. You will be asked to provide the company number and control number from the Notice. Your telephone vote must be received by 11:59 p.m., Eastern Time on August 15, 2016 to be counted.

To vote through the Internet, go to <http://www.proxyvote.com> to complete an electronic proxy card. You will be asked to provide the company number and control number from the Notice. Your Internet vote must be received by 11:59 p.m., Eastern Time on August 15, 2016 to be counted.

To vote using the proxy card that may be delivered to you, 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 Annual Meeting, we will vote your shares as you direct.

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

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

Internet proxy voting may be provided to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers and telephone companies.

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 June 21, 2016.

Can I vote my shares by filling out and returning the Notice?

No. The Notice identifies the items to be voted on at the Annual Meeting, but you cannot vote by marking the Notice and returning it. The Notice provides instructions on how to vote by telephone or through the Internet, by requesting and returning a printed proxy card, or by submitting a ballot in person at the Annual Meeting.

What happens if I do not vote?

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record and do not vote by telephone, through the Internet, by completing the proxy card that may be delivered to you or in person at the Annual Meeting, your shares will not be voted.

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

If you are a beneficial owner and do not instruct your broker, bank, or other agent how to vote your shares, the question of whether your broker or nominee will still be able to vote your shares depends on whether the New York Stock Exchange (NYSE) deems the particular proposal to be a routine matter. Brokers and nominees can use their discretion to vote uninstructed shares with respect to matters that are considered to be routine, but not with respect to non-routine matters. Under the rules and interpretations of the NYSE, non-routine matters are matters that may substantially affect the rights or privileges of stockholders, such as mergers, stockholder proposals, elections of directors (even if not contested), executive compensation (including any advisory stockholder votes on executive compensation and on the frequency of stockholder votes on executive compensation), and certain corporate governance proposals, even if management-supported. Accordingly, your broker or nominee may not vote your shares on Proposal Nos. 1 or 2 without your instructions, but may vote your shares on Proposal No. 3 even in the absence of your instructions.

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

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If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable, For the election of both nominees for director, for One Year as the preferred frequency of advisory votes to approve the compensation of our named executive officers, and For the ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2017. If any other matter is properly presented at the meeting, your proxyholder (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

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Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. In addition to these proxy materials, our directors and employees may also solicit proxies in person, by telephone, or by other means of communication. Directors 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 Notice?

If you receive more than one Notice, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on each of the Notices to ensure that all of your shares are voted.

Can I change my vote after submitting my proxy?

Stockholder of Record: Shares Registered in Your Name

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

You may submit another properly completed proxy card with a later date.

You may grant a subsequent proxy by telephone or through the Internet.

You may send a timely written notice that you are revoking your proxy to our Corporate Secretary at 188 Spear Street, Suite 1200, San Francisco, California 94105.

You may attend the Annual Meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

Your most current proxy card or telephone or Internet proxy is the one that is counted.

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

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank.

When are stockholder proposals and director nominations due for next year's Annual Meeting?

To be considered for inclusion in next year's proxy materials, your proposal must be submitted in writing by March 3, 2017 to our Corporate Secretary at 188 Spear Street, Suite 1200, San Francisco, California 94105, and must comply with all applicable requirements of Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act); provided, however, that if our 2017 Annual Meeting of Stockholders is held before July 17, 2017 or after September 15, 2017, then the deadline is a reasonable amount of time prior to the date we begin to print and mail our proxy statement for the 2017 Annual Meeting of Stockholders.

Pursuant to our amended and restated bylaws, if you wish to bring a proposal before the stockholders or nominate a director at the 2017 Annual Meeting of Stockholders, but you are not requesting that your proposal or nomination be included in next year's proxy materials, you must notify our Corporate Secretary, in writing, not later than the close of business on May 18, 2017 nor earlier than the close of business on April 18, 2017. However, if our 2017 Annual Meeting of Stockholders is not held between July 17, 2017 and September 15, 2017, to be timely, notice by the stockholder must be received not earlier than the close of business on the 120th day prior to the 2017 Annual Meeting of Stockholders and not later than the close of business on the later of the 90th day prior to the 2017 Annual Meeting of Stockholders or the 10th day following the day on which public announcement of the date of the 2017 Annual Meeting of Stockholders is first made. You are also advised to review our amended and restated bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations.

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The chair of the 2017 Annual Meeting of Stockholders may determine, if the facts warrant, that a matter has not been properly brought before the meeting and, therefore, may not be considered at the meeting. In addition, the proxy solicited by the Board for the 2017 Annual Meeting of Stockholders will confer discretionary voting authority with respect to (i) any proposal presented by a stockholder at that meeting for which we have not been provided with timely notice and (ii) any proposal made in accordance with our amended and restated bylaws, if the 2017 proxy statement briefly describes the matter and how management's proxy holders intend to vote on it, and if the stockholder does not comply with the requirements of Rule 14a-4(c)(2) promulgated under the Exchange Act.

How are votes counted?

Votes will be counted by the inspector of election appointed for the meeting, who will separately count, for the proposal to elect directors, votes For, Withhold, and broker non-votes; with respect to the proposal regarding the frequency of stockholder advisory votes on the compensation of our named executive officers, votes for frequencies of every One Year, Two Years, and Three Years, abstentions and broker non-votes; and, with respect to the proposal to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm, votes For, Against, and abstentions.

What are broker non-votes ?

As discussed above, when a beneficial owner of shares held in street name does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed by the NYSE to be non-routine, the broker or nominee cannot vote the shares. These unvoted shares are counted as broker non-votes.

How many votes are needed to approve each proposal?

For the election of directors, the two nominees to serve until the 2019 Annual Meeting of Stockholders receiving the most For votes from the holders of shares present in person or represented by proxy and entitled to vote on the election of directors will be elected. Only votes For or Withheld will affect the outcome.

For the advisory vote regarding 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 present in person or represented by proxy and entitled to vote thereon will be considered the frequency preferred by the stockholders. If you select to Abstain from voting on this proposal, it will have no effect on the outcome. Broker non-votes also will have no effect on the outcome. However, because this proposal is an advisory vote, the result will not be binding on our Board or the Company. Our Board and our Compensation Committee will consider the outcome of the vote when determining how often we should submit to stockholders an advisory vote to approve the compensation of our named executive officers.

To be approved, the ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for fiscal year ending March 31, 2017 must receive For votes from the holders of a majority of the shares present in person or represented by proxy and entitled to vote on the matter. If you select to Abstain from voting on this proposal, it will have the same effect as an Against vote. Broker non-votes will have no effect; however, this proposal is considered a routine matter, and therefore no broker non-votes are expected to exist in connection with this proposal.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if shares representing a majority of the common stock entitled to vote are present at the Annual Meeting in person or represented by proxy. On the record date, there were 50,650,853 shares of common stock outstanding and entitled to vote. Thus, the holders of 25,325,427 shares must be present in person or represented by proxy at the Annual Meeting to have a quorum.

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Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank, or other nominee) or if you vote in person at the meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, the holders of a majority of the shares present at the Annual Meeting in person or represented by proxy may adjourn the Annual Meeting to another date.

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

Preliminary voting results will be announced at the meeting. In addition, final voting results will be published in a current report on Form 8-K that we expect to file within four business days after the meeting. If final voting results are not available to us in time to file a Form 8-K within four business days after the meeting, we intend to file a Form 8-K to publish preliminary results and, within four business days after the final results are known to us, file an amended Form 8-K to publish the final results.

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Our Board is divided into three classes. Each class consists, as nearly as possible, of one-third of the total number of directors, and each class has a three-year term. Vacancies on the Board may be filled only by persons elected by a majority of the remaining directors. A director elected by the Board to fill a vacancy in a class, including vacancies created by an increase in the number of directors, will serve for the remainder of the full term of that class and until the director's successor is duly elected and qualified.

The Board presently has eight members. There are three directors in the class whose term of office expires in 2016, but there are only two nominees for director this year because Peter L.S. Currie, a current member of our Board, will not be standing for re-election at the Annual Meeting. If elected at the Annual Meeting, each of the other two directors in the class whose term of office expires in 2016, Dan Scholnick and James Tolonen, would serve until the 2019 Annual Meeting of Stockholders and until his successor has been duly elected and qualified, or, if sooner, until his death, resignation, or removal. Following the Annual Meeting, the authorized number of members of our Board will automatically be reduced to eliminate the vacancy left by Mr. Currie's departure.

The following table sets forth information with respect to our directors, including the two nominees for election at the Annual Meeting, as of June 1, 2016:

	DIRECTOR			PRINCIPAL OCCUPATION/ POSITION HELD WITH THE COMPANY
NAME	AGE	SINCE		
<i>Class II Directors Nominees for Election at the Annual Meeting</i>				
Dan Scholnick	38	Oct. 2008	General Partner of Trinity Ventures	
James Tolonen	67	May 2016	Director of New Relic	
<i>Class III Directors Continuing in Office until the 2017 Annual Meeting of Stockholders</i>				
Lewis Cirne	46	Feb. 2008	Founder, Chief Executive Officer, and Director of New Relic	
Peter Fenton	43	Feb. 2008	General Partner of Benchmark Capital Partners and Chairman of the Board of Directors of New Relic	
<i>Class I Directors Continuing in Office until the 2018 Annual Meeting of Stockholders</i>				
Sohaib Abbasi	59	May 2016	Director of New Relic	
Sarah Friar	43	Dec. 2013	Chief Financial Officer of Square, Inc.	
Adam Messinger	44	Apr. 2014	Chief Technology Officer of Twitter, Inc.	

Each of the nominees for election at the Annual Meeting was recommended for election by the Nominating and Corporate Governance Committee. Messrs. Cirne, Fenton, and Scholnick were initially appointed to the Board pursuant to the provisions of a voting agreement entered into by certain of our stockholders including Mr. Cirne and entities affiliated with Benchmark Capital Partners and Trinity Ventures which terminated upon the completion of our initial public offering. Each of the other members of the Board were initially appointed to the Board by the then-current members of the Board.

Directors are elected by a plurality of the votes of the holders of shares present in person or represented by proxy and entitled to vote on the election of directors. Accordingly, the two nominees receiving the highest number of affirmative votes will be elected. Shares represented by executed proxies will be voted, if authority to do so is not

withheld, for the election of the two nominees named in this proxy statement. If any nominee becomes unavailable for election as a result of an unexpected occurrence, shares that would have been voted for that nominee will instead be voted for the election of a substitute nominee proposed by the Board. Each person nominated for election has agreed to serve if elected. The Company's management has no reason to believe that any nominee will be unable to serve.

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The following is a brief biography of each nominee and each director whose term will continue after the Annual Meeting. The biographies below also include information regarding the specific experience, qualifications, attributes, or skills of each nominee or director that led the Nominating and Corporate Governance Committee to determine that such individual should serve as a member of the Board.

NOMINEES FOR ELECTION FOR A THREE-YEAR TERM EXPIRING AT THE 2019 ANNUAL MEETING

Dan Scholnick has served as a member of our Board since October 2008. Mr. Scholnick served as an Associate at Trinity Ventures, a venture capital firm, since September 2007, and has served as General Partner since 2010. Prior to that, he worked at SVB Capital, the venture capital investment arm of SVB Financial Group, from 2004 to 2005, and founded Flurry, Inc., a mobile analytics software company, in 2005. Mr. Scholnick holds an A.B. in Computer Science from Dartmouth College and an M.B.A. from Harvard Business School. We believe Mr. Scholnick is qualified to serve as a member of our Board because of his extensive experience in the venture capital industry and his knowledge of technology companies.

James Tolonen has served as a member of our Board since May 2016. Mr. Tolonen served as the Senior Group Vice President and Chief Financial Officer of Business Objects, S.A., an enterprise software solutions provider, where he was responsible for its finance and administration commencing in January 2003 until its acquisition by SAP AG in January 2008. He remained with SAP AG until September 2008. Mr. Tolonen served as the Chief Financial Officer and Chief Operating Officer and a member of the board of directors of IGN Entertainment Inc., an Internet media and service provider, from October 1999 to December 2002. He served as President and Chief Financial Officer of Cybermedia, a PC user security and performance software provider, from April 1998 to September 1998, where he also served as a member of the board of directors from August 1996 to September 1998. Mr. Tolonen served as Chief Financial Officer of Novell, Inc., an enterprise software provider, from June 1989 to April 1998. Mr. Tolonen currently serves on the boards of directors of Imperva, Inc. and MobileIron, Inc. Mr. Tolonen previously served on the boards of directors of Blue Coat Systems, Inc. and Taleo Corporation. Mr. Tolonen holds a B.S. in Mechanical Engineering and an M.B.A. from University of Michigan. We believe Mr. Tolonen is qualified to serve as a member of our Board because of his background in accounting, his extensive experience as chief financial officer for a number of publicly-held companies, including at several software companies, as well as his involvement on numerous audit committees.

THE BOARD OF DIRECTORS RECOMMENDS

A VOTE IN FAVOR OF EACH NAMED NOMINEE.

DIRECTORS CONTINUING IN OFFICE UNTIL THE 2017 ANNUAL MEETING

Lewis Cirne founded our company and has served as our Chief Executive Officer since February 2008 and as a member of our Board since February 2008. From 1998 to 2001, Mr. Cirne was founder and Chief Executive Officer, and from 2001 to 2006, he was Chief Technology Officer, of Wily Technology, Inc. Prior to Wily Technology, Inc., Mr. Cirne held engineering positions at Apple Inc. and Hummingbird Ltd. Mr. Cirne holds an A.B. in Computer Science from Dartmouth College. We believe that Mr. Cirne is qualified to serve as a member of our Board because of his operational and historical expertise gained from serving as our Chief Executive Officer. As our founder and the longest serving member of our Board, we also value his deep understanding of our business as it has evolved over time.

Peter Fenton has served as a member of our Board since February 2008 and has served as our Chairman since November 2008. Since September 2006, Mr. Fenton has served as a General Partner of Benchmark Capital Partners, a

venture capital firm. From October 1999 to May 2006, Mr. Fenton served as a Managing Partner at Accel Partners, a venture capital firm. Mr. Fenton currently serves on the boards of directors of Yelp Inc., Twitter, Inc., Zendesk, Inc., Hortonworks Inc., and a number of privately-held companies. Mr. Fenton holds a B.A. in Philosophy and an M.B.A. from Stanford University. We believe Mr. Fenton is qualified to serve as a member of our Board because of his extensive experience in the venture capital industry and his knowledge of technology companies.

Table of Contents**DIRECTORS CONTINUING IN OFFICE UNTIL THE 2018 ANNUAL MEETING**

Sohaib Abbasi has served as a member of our Board since May 2016. From 2004 to August 2015, Mr. Abbasi served as the Chief Executive Officer of Informatica Corporation, a data integration company, where he also served as Chairman and a member of the board of directors from 2004 to December 2015. From 1982 to 2003, Mr. Abbasi served in various roles at Oracle Corporation, most recently as a member of Oracle's executive committee and as senior vice president of two divisions, Oracle Tools/Middleware/BI Products and Oracle Education Services. Mr. Abbasi currently serves on the board of directors of Red Hat, Inc. Mr. Abbasi holds both a B.S. and M.S. in Computer Science from the University of Illinois at Urbana-Champaign. We believe Mr. Abbasi is qualified to serve as a member of our Board because of his extensive experience as an executive in the software industry.

Sarah Friar has served as a member of our Board since December 2013. Since July 2012, Ms. Friar has served as the Chief Financial Officer of Square, Inc., a provider of commerce solutions, including payment processing and point-of-sale systems for businesses and mobile payment offerings for consumers. From April 2011 to July 2012, she served as the Senior Vice President of Finance & Strategy at salesforce.com, inc. From July 2000 to April 2011, Ms. Friar served in various positions at The Goldman Sachs Group, Inc., an investment banking company, including as a Managing Director in the Equity Research Division. Ms. Friar also served as a member of the board of directors of Model N, Inc. from September 2012 until May 2015. Ms. Friar holds a M.Eng. in Metallurgy, Economics, and Management from the University of Oxford and an M.B.A. from the Stanford Graduate School of Business. We believe Ms. Friar is qualified to serve as a member of our Board because of her strong financial and operational expertise and her knowledge of technology companies.

Adam Messinger has served as a member of our Board since April 2014. Since March 2013, Mr. Messinger has served as the Chief Technology Officer of Twitter, Inc., an online social media company, where he previously served as Vice President of Application Development from April 2012 to March 2013, and Vice President of Platform Development from November 2011 to April 2012. Prior to that, Mr. Messinger was Vice President of Development at Oracle Corporation, a computer technology company, from January 2008 to November 2011. Mr. Messinger holds a B.S. in Physics and Computer Science from Willamette University and an M.S. in Management from Stanford University. We believe Mr. Messinger is qualified to serve as a member of our Board because of his extensive experience in the software development industry, both as a developer of tools for other developers and of large online services and as an executive at a variety of software development organizations.

INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**Director Independence**

Our Board has undertaken a review of its composition, the composition of its committees, and the independence of each director. Our Board has determined that, other than Messrs. Cirne and Abbasi, none of our directors has a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each is independent as that term is defined under the applicable rules and regulations of the SEC and the listing requirements and rules of the NYSE. Accordingly, a majority of our directors are independent, as required under applicable NYSE rules. In making this determination, our Board considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our Board deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director.

Board Leadership Structure

The Board has an independent Chairman, Mr. Fenton, who has authority, among other things, to call and preside over Board meetings, including meetings of the independent directors, to set meeting agendas, and to determine materials to be distributed to the Board. Accordingly, the Chairman has substantial ability to shape the work of

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the Board. The Company believes that separation of the positions of Chairman and Chief Executive Officer reinforces the independence of the Board in its oversight of the business and affairs of the Company. In addition, the Company believes that having an independent Chairman creates an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability, and improving the ability of the Board to monitor whether management's actions are in the best interests of the Company and its stockholders. As a result, the Company believes that having an independent Chairman can enhance the effectiveness of the Board as a whole.

Role of the Board in Risk Oversight

One of the Board's key functions is informed oversight of the Company's risk management process. The Board does not have a standing risk management committee, but rather administers this oversight function directly through the Board as a whole, as well as through various Board standing committees that address risks inherent in their respective areas of oversight. In particular, our Board is responsible for monitoring and assessing strategic risk exposure, including a determination of the nature and level of risk appropriate for the Company. Our Audit Committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. The Audit Committee also monitors compliance with legal and regulatory requirements, in addition to oversight of the performance of our internal audit function. Our Nominating and Corporate Governance Committee monitors the effectiveness of our Corporate Governance Guidelines, including whether they are successful in preventing illegal or improper liability-creating conduct. Our Compensation Committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. Typically, the entire Board meets periodically with senior management responsible for the Company's risk management, and the applicable Board committees meet periodically with the employees responsible for risk management in the committees' respective areas of oversight. The Board as a whole and the various standing committees receive periodic reports from the head of the Company's legal and operations groups, as well as incidental reports as matters may arise. It is the responsibility of the committee chairs to report findings regarding material risk exposures to the Board as quickly as possible.

Meetings of the Board of Directors

The Board met four times during the last fiscal year. Each Board member attended 75% or more of the aggregate number of meetings of the Board and of the committees on which he or she served, held during the portion of the last fiscal year for which he or she was a director or committee member at the time of such meetings. In addition, as required under applicable NYSE listing standards, in the fiscal year ended March 31, 2016, the Company's independent, non-management directors met three times in regularly scheduled executive sessions at which only independent, non-management directors were present. Mr. Fenton, the Chairman of our Board, presided over the executive sessions.

Under our Corporate Governance Guidelines, directors are expected to attend each Annual Meeting of Stockholders. Three directors attended the 2015 Annual Meeting of Stockholders.

Stockholder Communications with the Board of Directors

Our Board has adopted a formal process by which stockholders may communicate with the Board or any of its directors. This information is available on the Company's website at <http://ir.newrelic.com>. In addition, any interested person may communicate directly with the presiding director or the independent or non-management directors. Persons interested in communicating directly with the independent or non-management directors regarding their

concerns or issues are referred to the procedures for such communications on the Company's website at <http://ir.newrelic.com>.

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Code of Conduct

Our Board has adopted a Code of Conduct, which applies to all officers, directors, and employees, in order to maintain the highest standards of business conduct and ethics. The Code of Conduct is available on the Company's website at <http://ir.newrelic.com>. We intend to disclose any amendments to this code, or any waivers of its requirements, on our website to the extent required by the applicable rules and exchange requirements.

Corporate Governance Guidelines

In June 2014, the Board documented the governance practices followed by the Company by adopting Corporate Governance Guidelines to assure that the Board will have the necessary authority and practices in place to review and evaluate the Company's business operations as needed and to make decisions that are independent of the Company's management. The guidelines are also intended to align the interests of directors and management with those of the Company's stockholders. The Corporate Governance Guidelines set forth the practices the Board intends to follow with respect to board composition and selection, board meetings and involvement of senior management, Chief Executive Officer performance evaluation and succession planning, and board committees and compensation. The Corporate Governance Guidelines are available on the Company's website at <http://ir.newrelic.com>.

Insider Trading Policies; Hedging and Pledging Prohibitions

Our insider trading policy prohibits our employees and directors from engaging in transactions in publicly-traded options, such as puts and calls, and other derivative securities with respect to the Company's securities. This prohibition extends to any hedging, inherently speculative transaction, or similar transaction designed to decrease the risks associated with holding Company securities. In addition, our directors and executive officers and any person required to comply with the blackout periods or pre-clearance requirements under our insider trading policy are prohibited from pledging Company securities as collateral for loans, and may not hold Company securities in margin accounts.

Table of Contents**INFORMATION REGARDING COMMITTEES OF THE BOARD OF DIRECTORS**

The Board has three committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The following table provides membership and meeting information for the fiscal year ended March 31, 2016 for each of the Board committees:

Name	Audit	Compensation	Nominating and Corporate Governance
Sohaib Abbasi			
Lewis Cirne			
Peter L.S. Currie	X*(1)	X	
Peter Fenton		X*	
Sarah Friar	X		
Adam Messinger			X
Dan Scholnick	X		X*
James Tolonen	X(2)		
Total meetings in fiscal year:	7	4	2

* Committee Chairperson

(1) Mr. Currie's term as a director will expire at the conclusion of the Annual Meeting.

(2) Mr. Tolonen was appointed as a member of our Audit Committee effective May 3, 2016 and as the chair of our Audit Committee effective upon Mr. Currie's departure following the Annual Meeting.

Our Board may establish other committees to facilitate the management of our business. The composition and functions of each committee are described below. Members serve on these committees until their resignation or until otherwise determined by our Board. The Board has adopted a written charter for each of the committees below that is available to stockholders on the Company's website at <http://ir.newrelic.com>.

Audit Committee

Our Audit Committee consists of Peter L.S. Currie, Dan Scholnick, Sarah Friar, and James Tolonen, each of whom satisfies the independence requirements under the NYSE listing standards and Rule 10A-3(b)(1) of the Exchange Act. The current chair of our Audit Committee is Mr. Currie; however, the Board has appointed Mr. Tolonen as the chair of our Audit Committee effective upon Mr. Currie's departure following the Annual Meeting. Our Board has determined that each member of the Audit Committee is an audit committee financial expert within the meaning of SEC regulations and has the requisite financial expertise required under the applicable requirements of the NYSE. In arriving at this determination, our Board has examined each Audit Committee member's scope of experience and the nature of their employment in the corporate finance sector.

The primary functions of this committee include:

reviewing and pre-approving the engagement of our independent registered public accounting firm to

perform audit services and any permissible non-audit services;

evaluating the performance of our independent registered public accounting firm and deciding whether to retain their services;

monitoring the rotation of partners on our engagement team of our independent registered public accounting firm;

reviewing our annual and quarterly financial statements and reports and discussing the statements and reports with our independent registered public accounting firm and management, including a review of disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations ;

considering and approving or disapproving of all related party transactions;

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reviewing, with our independent registered public accounting firm and management, significant issues that may arise regarding accounting principles and financial statement presentation, as well as matters concerning the scope, adequacy and effectiveness of our financial controls;

conducting a periodic assessment of the performance of the Audit Committee and its members, and the adequacy of its charter; and

establishing procedures for the receipt, retention, and treatment of complaints received by us regarding financial controls, accounting, or auditing matters.

Compensation Committee

Our Compensation Committee consists of Peter Fenton and Peter Currie, each of whom our Board has determined to be independent under the NYSE listing standards and the rules and regulations of the SEC, a non-employee director as defined in Rule 16b-3 promulgated under the Exchange Act, and an outside director as that term is defined in Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code). The chair of our Compensation Committee is Mr. Fenton. The primary functions of this committee include:

determining the compensation and other terms of employment of our Chief Executive Officer and our other executive officers and reviewing and approving corporate performance goals and objectives relevant to such compensation;

evaluating and administering the equity incentive plans, compensation plans and similar programs advisable for us, as well as recommending to our Board the adoption, modification, or termination of such plans and programs;

establishing policies with respect to equity compensation arrangements;

reviewing with management our disclosures under the caption Compensation Discussion and Analysis and recommending to our Board its inclusion in our periodic reports to be filed with the SEC; and

reviewing and evaluating, periodically, the performance of the Compensation Committee and the adequacy of its charter.

Compensation Committee Processes and Procedures

The Compensation Committee meets periodically during each fiscal year, with such frequency as it determines to be appropriate under the circumstances. The agenda for each meeting is usually developed by the chair of the Compensation Committee, in consultation with management. The charter of the Compensation Committee grants the Compensation Committee full access to all books, records, facilities, and personnel of the Company. In addition, under its charter, the Compensation Committee has the authority to obtain, at the expense of the Company, advice and assistance from internal and external legal, accounting or other advisors and other external resources that the Compensation Committee considers necessary or appropriate in the performance of its duties. The Compensation

Committee has direct responsibility for the oversight of the work of any advisors engaged for the purpose of advising the Committee. In particular, the Compensation Committee has the sole authority to retain compensation consultants to assist in its evaluation of executive and director compensation, including the authority to approve the consultant's reasonable fees and other retention terms. Under its charter, the Compensation Committee may select, or receive advice from, a compensation consultant, legal counsel, or other advisor to the Compensation Committee, other than in-house legal counsel and certain other types of advisors, only after taking into consideration the various factors prescribed by the SEC and NYSE that bear upon the advisor's independence; however, there is no requirement that any advisor be independent.

In January 2014, the Board engaged Compensia, Inc. (Compensia) as its compensation consultant to serve the Compensation Committee once it was formed. In June 2016, the Compensation Committee, taking into account

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the various factors prescribed by the SEC and NYSE described above, reaffirmed the independence of Compensia as a compensation advisor. A description of the services provided by Compensia is included in Executive Compensation Compensation Discussion and Analysis Governance of Executive Management Program below.

Historically, the Compensation Committee has determined bonus awards and established new performance objectives for our compensation plans and arrangements at one or more meetings held during the first quarter of the fiscal year and has made significant adjustments to the design of our annual compensation and equity awards periodically, as events warrant. The Compensation Committee also considers matters related to individual compensation, high-level strategic issues, such as the efficacy of the Company's compensation strategy, potential modifications to that strategy and new trends, plans, or approaches to compensation, periodically throughout the year. Our executive officers may attend meetings of the Compensation Committee to present information and answer questions or make recommendations to the Compensation Committee regarding compensation for officers other than for themselves. No executive officer participates directly in the final deliberations or determinations regarding his or her own compensation.

Under its charter, the Compensation Committee may form and delegate authority to subcommittees as appropriate. The Compensation Committee does not currently delegate any of its functions to others in determining or recommending executive or director compensation.

For additional information regarding our processes and procedures for the consideration and determination of executive compensation, including the role of Compensia in determining and recommending executive compensation, see Executive Compensation Compensation Discussion and Analysis Governance of Executive Compensation Program below.

Compensation Committee Interlocks and Insider Participation

As noted above, the Compensation Committee consists of Messrs. Fenton and Currie. None of the members of the Compensation Committee is currently or has been at any time one of our officers or employees. None of our executive officers currently serves, or has served during the last year, as a member of the Board or Compensation Committee of any entity that has one or more executive officers serving as a member of our Compensation Committee.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee consists of Adam Messinger and Dan Scholnick, each of whom our Board has determined to be independent under the NYSE listing standards. The chair of our Nominating and Corporate Governance Committee is Mr. Scholnick. The primary functions of this committee include:

reviewing periodically and evaluating director performance on our Board and its applicable committees, and recommending to our Board and management areas for improvement;

reviewing and recommending to our Board the compensation of our directors;

reviewing and recommending to our Board any amendments to our corporate governance principles; and

reviewing and assessing, periodically, the performance of the Nominating and Corporate Governance Committee and the adequacy of its charter.

The Nominating and Corporate Governance Committee believes that candidates for director should have certain minimum qualifications, including the ability to read and understand basic financial statements, being over 21 years of age, and having the highest personal integrity and ethics. The Nominating and Corporate Governance Committee also intends to consider such factors as possessing relevant expertise upon which to be able to offer

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advice and guidance to management, having sufficient time to devote to the affairs of the Company, demonstrated excellence in his or her field, having the ability to exercise sound business judgment, and having the commitment to rigorously represent the long-term interests of the Company's stockholders. However, the Nominating and Corporate Governance Committee retains the right to modify these qualifications from time to time. Candidates for director nominees are reviewed in the context of the current composition of the Board, the operating requirements of the Company, and the long-term interests of stockholders. In conducting this assessment, the Nominating and Corporate Governance Committee typically considers diversity, age, skills, and such other factors as it deems appropriate, given the current needs of the Board and the Company, to maintain a balance of knowledge, experience, and capability.

In the case of incumbent directors whose terms of office are set to expire, the Nominating and Corporate Governance Committee reviews these directors' overall service to the Company during their terms, including the number of meetings attended, level of participation, quality of performance, and any other relationships and transactions that might impair the directors' independence. The Nominating and Corporate Governance Committee will also take into account the results of the Board's self-evaluation, which will be conducted annually on a group and individual basis. In the case of new director candidates, the Nominating and Corporate Governance Committee also determines whether the nominee is independent for NYSE purposes, which determination is based upon applicable NYSE listing standards, applicable SEC rules and regulations, and the advice of counsel, if necessary. The Nominating and Corporate Governance Committee may use its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm. The Nominating and Corporate Governance Committee conducts any appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of the Board. The Nominating and Corporate Governance Committee meets to discuss and consider the candidates' qualifications and then selects a nominee for recommendation to the Board.

At this time, the Nominating and Corporate Governance Committee does not have a policy with regard to the consideration of director candidates recommended by stockholders. The Nominating and Corporate Governance Committee believes that it is in the best position to identify, review, evaluate, and select qualified candidates for Board membership, based on the comprehensive criteria for Board membership approved by the Board.

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PROPOSAL NO. 2

**ADVISORY VOTE ON THE FREQUENCY OF SOLICITATION OF
ADVISORY STOCKHOLDER APPROVAL OF COMPENSATION OF
THE**