

February 21, 2017

Kenneth A. Bertsch
Executive Director
Council of Institutional Investors
1717 Pennsylvania Avenue, NW, Suite 350
Washington, D.C. 20006

Dear Mr. Bertsch:

Thank you for your letter of February 3, 2017 concerning Snap Inc., our proposed initial public offering, and our capital structure. Your letter raises important points that our Board carefully considered when it approved our capital structure. As much as I would like to explain why we believe this structure maximizes stockholder value, you will appreciate that we are in a “quiet period” that makes it difficult to say much about the company without violating SEC rules.

But what I can do is point to what we have said in our S-1 Registration Statement. So let me summarize a few facts and observations that you will find there. As you note in your letter, our founders, Messrs. Spiegel and Murphy, are substantial holders of our capital stock, who even before the IPO have almost 90% of the voting control of the Company. Our Board concluded that it would benefit our stockholders to extend this control beyond the IPO because, as we explain on page 162 of the Registration Statement that we filed on February 16, 2017:

We believe that the voting structure described above, which prolongs our ability to remain a founder-led company, will maximize our ability to create stockholder value. We believe that a significant portion of our success thus far has been attributable to our founders’ leadership, creative vision, and management abilities. We also believe that our founders’ continued leadership in our company will provide substantial future benefits to us and our stockholders.

It’s worth noting that, although we could have opted to be a “controlled company” under the NYSE rules thanks to our founders’ voting control, our Board elected to forgo that option (a point we also make in the Registration Statement). That is important because it means that our Board must have a majority of independent directors and both our Compensation and Nominating and Corporate Governance committees must be fully independent. I will also add that I serve as the independent Chair of the Board.

Although I am unable to say more today, once the SEC-mandated quiet period lapses, I would be happy to meet with you to discuss Snap, our corporate governance, and our plans to work with our stockholders as a public company.

Sincerely,



Michael Lynton
Chair of the Board
Snap Inc.