NortonLifeLock™

(formerly Symantec Corporation)

2019 Annual Report

Proxy Statement and Form 10-K

FORWARD-LOOKING STATEMENT: This Annual Report contains forward-looking statements that are subject to safe harbors under the Securities Act of 1933, as amended and the Securities Exchange Act of 1934, as amended. Statements that refer to projections of our future financial performance, anticipated growth and trends in our businesses and in our industries, the actions we intend to take as part of our new strategy and the expected impact thereof, the anticipated impacts of our acquisitions and restructurings, our intent to pay quarterly cash dividends in the future, and other characterizations of future events or circumstances are forward-looking statements. These statements are only predictions, based on our current expectations about future events and may not prove to be accurate. We do not undertake any obligation to update these forward-looking statements to reflect events occurring or circumstances arising after the date of this report. These forward-looking statements involve risks and uncertainties, and our actual results, performance, or achievements could differ materially from those expressed or implied by the forward-looking statements on the basis of several factors, including those that we discuss in the ''Risk Factors'' section and throughout our 2019 Form 10-K, which is included in this Annual Report. We encourage you to read that section carefully.

NortonLifeLock™

(formerly Symantec Corporation)
60 E. Rio Salado Parkway, Suite 1000
Tempe, Arizona 85281

NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS
to be held on:
December 19, 2019
9:00 a.m. Pacific Time

Dear Stockholder:

You are cordially invited to attend our 2019 Annual Meeting of Stockholders (the ''Annual Meeting''), which will be held at 9:00 a.m. (Pacific Time) on Thursday, December 19, 2019. On November 4, 2019 we changed our name from Symantec Corporation to NortonLifeLock Inc. This year's meeting will again be completely virtual and conducted via live webcast. You will be able to attend the Annual Meeting online and submit your questions prior to or during the meeting by visiting www.virtualshareholdermeeting.com/NLOK2019. You will also be able to vote your shares electronically at the Annual Meeting.

We are excited to embrace the latest technology to provide expanded access, improved communication and cost savings for our stockholders. Hosting a virtual meeting enables increased stockholder attendance and participation since stockholders can participate from any location around the world. In addition, the online format will allow us to communicate more effectively with you via a pre-meeting forum that you can enter by visiting www.virtualshareholdermeeting.com/NLOK2019 and submit questions in advance of the Annual Meeting.

For your convenience, we are also pleased to offer a re-playable webcast of the Annual Meeting at *investor.nortonlifelock.com*.

We are holding the Annual Meeting for the following purposes, which are more fully described in the proxy statement:

1. To elect the eight nominees named in the proxy statement to NortonLifeLock's Board of Directors;
2. To ratify the appointment of KPMG LLP as NortonLifeLock's independent registered public accounting firm for the 2020 fiscal year;
3. To hold an advisory vote to approve executive compensation;
4. To consider and vote upon a stockholder proposal, if properly presented at the meeting; and
5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

We are furnishing proxy materials to our stockholders primarily via the Internet to expedite stockholders' receipt of proxy materials, lower the cost of the Annual Meeting and help conserve natural resources. On or about November 7, 2019, we expect to send to our stockholders (other than those who previously requested electronic or paper delivery) a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy materials, including our proxy statement and our annual report, and how to vote through the Internet or by telephone.

Only stockholders of record as of the close of business on November 1, 2019 are entitled to notice of, and vote at, the Annual Meeting or any postponement or adjournment thereof. A list of stockholders entitled to vote will be available for inspection at our offices for ten days prior to the Annual Meeting. If you would like to view this stockholder list, please contact Investor Relations at (650) 527-8020.

Your vote is very important. Whether or not you plan to virtually attend the Annual Meeting, please vote at your earliest convenience by following the instructions in the Notice of Internet Availability of Proxy Materials or in the proxy card you received in the mail. You may revoke your proxy at any time before it is voted. Please refer to the ''2019 Annual Meeting of Stockholders Meeting Information'' section of the proxy statement for additional information.

BY ORDER OF THE BOARD OF DIRECTORS

SCOTT C. TAYLOR
Executive Vice President, General Counsel and Secretary

Tempe, Arizona
November 7, 2019

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON DECEMBER 19, 2019. The proxy statement and NortonLifeLock's Form 10-K for the 2019 fiscal year are available at http://investor.NortonLifeLock.com/About/Investors/financial-information/Annual-Reports/default.aspx.

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PROXY SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting.

2019 Annual Meeting of Stockholders Information

Date and Time: Thursday, December 19, 2019 at 9:00 a.m. Pacific Time

Location: Meeting live via the Internet by visiting www.virtualshareholdermeeting.com/NLOK2019

Record Date: November 1, 2019

Admission: To participate in the Annual Meeting, visit www.virtualshareholdermeeting.com/NLOK2019. You will need the 16-digit control number included on your Notice of Internet Availability of Proxy Materials, on your proxy card or on the instructions that accompanied your proxy materials.

Voting Matters

Proposals	Board Recommendation	Page Number for Additional Information
1. Election of Directors	FOR	17
2. Ratification of Independent Registered Public Accounting Firm	FOR	28
3. Advisory Vote to Approve Executive Compensation	FOR	29
4. Stockholder Proposal regarding Independent Chairman	AGAINST	31

Our Director Nominees

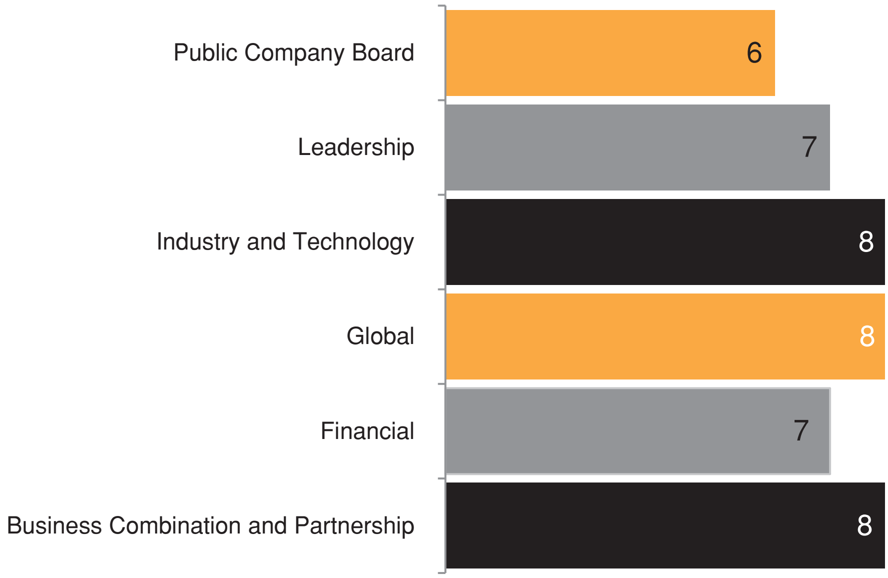
Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships AC	CC	NGC	Other Current Public Boards
Sue Barsamian	60	2019	Director	Yes		■	C	1
Frank E. Dangeard	61	2007	Managing Partner, Harcourt	Yes	■			1
Nora M. Denzel	57	n/a*	Nominee	Yes	■			3
Peter A. Feld	40	2018	Managing Member and Head of Research, Starboard Value LP	Yes		C	■	1
Kenneth Y. Hao	51	2016	Managing Partner and Managing Director, Silver Lake Partners	Yes				2
David W. Humphrey	42	2016	Managing Director, Bain Capital	Yes				1
Vincent Pilette	47	n/a*	Chief Executive Officer	No				0
V. Paul Unruh	71	2005	Director	Yes	C			0

AC = Audit Committee CC = Compensation and Leadership Development Committee NGC = Nominating & Corporate Governance Committee

■ = Member C = Chair

* Reflects our Board and committee composition following the Annual Meeting, assuming Ms. Denzel and Mr. Pilette are elected. Neither Ms. Denzel nor Mr. Pilette currently serve on the Board of Directors or on any committees of the Board. Also gives effect to the appointment of Mr. Pilette as our CEO as of November 8, 2019.

Overview of Director Nominee Qualifications and Experience



8 *Director Nominees*	**88%** *Independent (all but CEO)*	**38%** *Diverse*	**7** *New Directors/Nominees Since 2016*	**4.9 Years** *Average Tenure*

Sound Corporate Governance Practices

- ✓ Separate Independent Chairman and CEO
- ✓ Board Committees Consist Entirely of Independent Directors
- ✓ All Current Directors Attended at least 75% of Meetings Held
- ✓ Independent Directors Meet Regularly in Executive Session
- ✓ Annual Board and Committee Self-Evaluations
- ✓ Risk Oversight by Full Board and Committees
- ✓ Annual Election of All Directors
- ✓ Majority Voting for Directors
- ✓ Stockholder Ability to Call Special Meetings (15% threshold)
- ✓ Stockholder Ability to Act by Written Consent
- ✓ Proxy Access Subject to Standard Eligibility Requirements
- ✓ Insider Trading Policy Prohibits Short-selling, Hedging and Pledging NortonLifeLock Securities
- ✓ Stock Ownership Requirements for Directors and Executive Officers

Executive Compensation Philosophy and Practices

The overriding principle driving our compensation programs continues to be our belief that it benefits our employees, customers, partners and stockholders to have management's compensation tied to our near- and long-term performance. Our pay programs reward achievement of challenging performance goals that align with our business strategy.

Drive Business Success

Our executive compensation program is designed to drive our success as a market leader in cybersecurity.

Pay for Performance

We believe that executive compensation should be tied to our short and long-term performance. It is important to reward outstanding individual performance, team success, and Company-wide results.

Attract and Retain

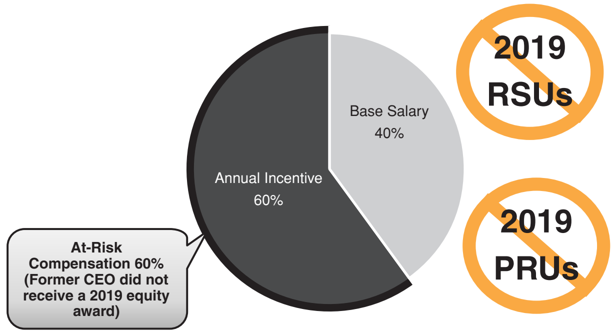
We focus on corporate and individual performance objectives and aim to attract and retain highly-qualified executive officers while maximizing long-term stockholder value.

Balancing and Aligning Interests with Stockholders

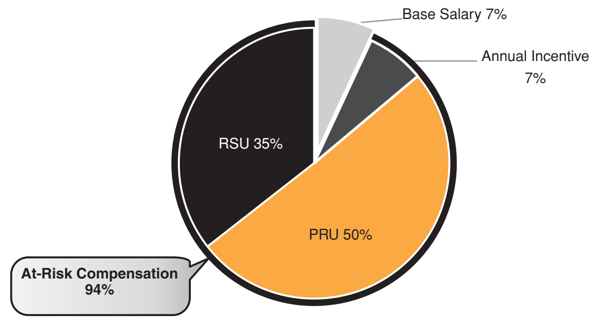
We are sensitive to our need to balance and align the interests of our executive officers with those of our stockholders, especially when compensation decisions might increase our cost structure or stockholder dilution.

Consistent with our pay-for-performance philosophy, our executive officers' compensation is structured so that a large portion of their total direct compensation is paid based on Company performance (modified by individual achievement). The total mix of our NEO compensation, including the portion at risk, is reflected in the graphs below. The major components of target compensation for our NEOs during fiscal 2019 (''FY19'') were: (i) base salary, (ii) target annual incentive awards and (iii) grant date fair value of long-term equity incentive awards, with the exception of our CEO who did not receive any equity awards for FY19 (please see ''Executive Compensation and Related Information — Compensation Discussion & Analysis (CD&A)'' beginning on page 37 for more discussion of executive officer pay mix).

Fiscal 2019 Total Direct Compensation Mix
Former CEO



Fiscal 2019 Total Direct Compensation Mix
NEOs except CEO



The following factors demonstrate our continued and heightened commitment to pay-for-performance and to corporate governance best practices:

Sound Compensation Policies and Practices

What We Do:	What We Do Not Do:
The majority of pay for our CEO and other NEOs is at risk.	We do not pay performance-based cash or equity awards for unsatisfied performance goals.
We provide that short-term incentive compensation is linked directly to our financial results and also takes into account individual performance.	Our compensation plans do not have minimum guaranteed payout levels.
We reward performance that meets our predetermined goals.	We do not provide for automatic salary increases or equity awards grants in offer letters or employment agreements.
We cap payouts under our plans to discourage excessive or inappropriate risk taking by our NEOs.	We generally do not permit short-sales, hedging or pledging of our stock.
We have a relevant peer group and reevaluate the peer group annually.	We do not provide ‘‘golden parachute’’ excise tax gross-ups.
We have robust stock ownership guidelines for our executive officers and directors.	We do not provide excessive severance.
We have adopted a comprehensive ‘‘clawback’’ policy, applicable to all performance-based compensation granted to our executive officers.	We do not provide executive pension plans or SERPs.
We only provide for double-trigger change in control benefits.	We do not provide excessive perquisites.
We limit any potential cash severance payments to not more than 1x our executive officers' total target cash compensation and 2x our CEO's total base salary.	We do not permit the repricing or cash-out of stock options or stock appreciation rights without stockholder approval.
Our Compensation Committee retains an independent compensation consultant.	We do not permit the payment of dividend or dividend equivalents on unvested equity awards.
We hold an annual advisory vote on executive compensation.	We do not provide single-trigger change of control benefits to executive officers.
We seek feedback on executive compensation through stockholder engagement.	
We generally require one-year minimum vesting on stock options and stock appreciation rights.	

Effectively Aligning Pay For Performance

FY19 Executive Compensation

Component	Metric(1)	Achievement (as a percent of target)	Funding
FY19 Executive Annual Incentive Plan (''EAIP'')	FY19 Non-GAAP operating income	87.5%	0%
	FY19 Non-GAAP revenue	97.2%	71.2%
FY19 EAIP Total			**35.6%**
FY19 Performance-based Restricted Stock Units	FY19 earnings per share (''EPS'')	88.3%	**50.6%**
	FY19 free cash flow	90.7%	**91.2%**
FY18 Performance-based Restricted Stock Units	2-year total shareholder return (''TSR'') relative to Nasdaq 100	-21.32%	**0%**
Fiscal 2017 ('FY17') Performance-based Restricted Stock Units	FY18 Non-GAAP Operating Income	109.29%	**268.2%** (of which 250% vested and settled at the end of FY18, and the remaining 18.2% vested for eligible participants at the end of FY19).

(1) Please see discussion below in Compensation Discussion and Analysis for more detail regarding how these metrics are calculated.

Meeting Information

We provide information about NortonLifeLock's 2019 Annual Meeting of Stockholders (the ''Annual Meeting''), voting and additional information starting on page 73.

CORPORATE GOVERNANCE

NortonLifeLock is strongly committed to good corporate governance practices. These practices provide an important framework within which our Board of Directors (the ''Board'') and management can pursue our strategic objectives for the benefit of our stockholders.

Corporate Governance Guidelines

Our Corporate Governance Guidelines generally specify the distribution of rights and responsibilities of NortonLifeLock's Board, management and stockholders, and detail the rules and procedures for making decisions on corporate affairs. In general, the stockholders elect the Board and vote on certain extraordinary matters; the Board is responsible for the general governance of our Company, including selection and oversight of key management; and management is responsible for running our day-to-day operations.

Our Corporate Governance Guidelines are available on the Investor Relations section of our website, which is located at *investor.NortonLifeLock.com*, by clicking on ''Company Charters,'' under ''Corporate Governance.'' The Corporate Governance Guidelines are reviewed at least annually by our Nominating and Governance Committee, and changes are recommended to our Board for approval as appropriate. Our Board represents the interests of the stockholders in perpetuating a successful business and optimizing long term stockholder value. The Board is responsible for ensuring that the Company is managed in a manner that is designed to serve those interests.

Code of Conduct and Code of Ethics

We have adopted a code of conduct that applies to all of our Board members, officers and employees. We have also adopted a code of ethics for our Chief Executive Officer and senior financial officers, including our principal financial officer and principal accounting officer. Our *Code of Conduct* and *Financial Code of Ethics* are posted on the Investor Relations section of our website located at *investor.NortonLifeLock.com*, by clicking on ''Company Charters,'' under ''Corporate Governance.'' Any amendments or waivers of our *Code of Conduct* and *Code of Ethics for Chief Executive Officer and Senior Financial Officers* pertaining to a member of our Board or one of our executive officers will be disclosed on our website at the above-referenced address.

Insider Trading, Hedging and Pledging Policies

Our Insider Trading Policy prohibits all directors and employees from short-selling NortonLifeLock stock or engaging in transactions involving NortonLifeLock-based derivative securities, including, but not limited to, trading in NortonLifeLock-based option contracts (for example, buying and/or writing puts and calls). It also prohibits pledging NortonLifeLock stock as collateral for a loan. In connection with our settlement with Starboard Value LP in September 2018, we agreed to waive these requirements with respect to certain forward contracts held by Starboard and have since granted Starboard waivers for other forward contracts on a limited basis.

In addition, our Insider Trading Policy prohibits our directors, officers, employees and contractors from purchasing or selling NortonLifeLock securities while in possession of material, non-public information. It also requires that each of our directors, our Chief Executive Officer, our President, and our Chief Financial Officer conduct any open market sales of our securities only through the use of stock trading plans adopted pursuant to Rule 10b5-1 of the Exchange Act. Rule 10b5-1 allows insiders to sell and diversify their holdings in our stock over a designated period by adopting pre-arranged stock trading plans at a time when they are not aware of material nonpublic information about us, and thereafter sell shares of our common stock in accordance with the terms of their stock trading plans without regard to whether or not they are in possession of material nonpublic information about the Company at the time of the sale. All other executives are strongly encouraged to trade using Exchange Act Rule 10b5-1 plans.

Stock Ownership Guidelines

Our Board adopted stock ownership guidelines to better align our directors' and officers' interests with those of our stockholders. Details of our directors' stock ownership guidelines are disclosed under ''Summary of Director Qualifications and Experience'' on page 26, and details of our executive officers' stock ownership guidelines are disclosed under ''Stock Ownership Requirements'' in the ''Compensation Discussion & Analysis'' section on page 57. The Compensation Committee determines the stock ownership guidelines and the Nominating and Governance Committee monitors compliance under such guidelines.

Stockholder Engagement

We are committed to ongoing engagement with our stockholders to gain valuable insight into the issues that matter most to them and to enable our Company to address them effectively. During fiscal 2019 we engaged in discussions with stockholders representing approximately 55% of our outstanding shares to discuss among other things, our strategy, and focus on delivering financial results that create significant stockholder value, as well as corporate governance and executive compensation. Our stockholders were generally supportive of the direction of the Company and provided valuable insights and feedback, which was shared with the full Board for review and consideration.

Majority Vote Standard and Director Resignation Policy

Our Bylaws and Corporate Governance Guidelines provide for a majority voting standard for the election of directors. Under the majority vote standard, each nominee must be elected by a majority of the votes cast with respect to such nominee at any meeting for the election of directors at which a quorum is present. A ''majority of the votes cast'' means the votes cast ''for'' a nominee's election must exceed the votes cast ''against'' that nominee's election. A plurality voting standard will apply instead of the majority voting standard if: (i) a stockholder has provided us with notice of a nominee for director in accordance with our Bylaws; and (ii) that nomination has not been withdrawn as of 10 days before we first deliver proxy materials to stockholders.

To effectuate this policy with regard to incumbent directors, the Board will not nominate an incumbent director for re-election unless prior to such nomination the director has agreed to promptly tender a resignation if such director fails to receive a sufficient number of votes for re-election at the stockholder meeting with respect to which such nomination is made. Such resignation will be effective upon the earlier of (i) the Board's acceptance of such resignation or (ii) the 90th day after certification of the election results of the meeting; provided, however, that prior to the effectiveness of such resignation, the Board may reject such resignation and permit the director to withdraw such resignation.

If an incumbent director fails to receive the required vote for re-election, the Nominating and Governance Committee shall act on an expedited basis to determine whether to recommend acceptance or rejection of the director's resignation and will submit such recommendation for prompt consideration by the Board. The Board intends to act promptly on the Committee's recommendation and will decide to accept or reject such resignation and publicly disclose its decision within 90 days from the date of certification of the election results. The Nominating and Governance Committee and the Board may consider such factors they deem relevant in deciding whether to accept or reject a resignation tendered in accordance with this policy. The Board expects a director whose resignation is under consideration to abstain from participating in any decision regarding the resignation.

Proxy Access

Our Bylaws contain ''proxy access'' provisions which permit a stockholder, or a group of up to 50 stockholders, owning continuously for at least three years a number of shares of our common stock that constitutes at least 3% of our outstanding shares of common stock, to nominate and include in our proxy materials director nominees constituting up to the greater of two individuals or 20% of the Board, provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in the Bylaws. Our Bylaws specifically allow funds under common management to be treated as a single stockholder, and permit share lending with a five-day recall. They do not contain any post-meeting holding requirements, do not have any limits on resubmission of failed nominees, and do not contain restrictions on third-party compensation.

Board Leadership Structure

Our Board does not have a policy on whether the roles of Chief Executive Officer and Chairman should be separate. Instead, it retains the flexibility to determine on a case-by-case basis whether the Chief Executive Officer, or an independent director, should serve as Chairman. During those periods in which the positions of Chairman and Chief Executive Officer are combined, the independent directors appoint an independent director as a Lead Independent Director. Currently, the roles of Chief Executive Officer and Chairman are separate. Daniel Schulman, one of our independent directors not standing for re-election at this meeting, was appointed as non-executive Chairman of the Board in January 2013. Accordingly, the Board expects to appoint one of our current independent directors to serve as our non-executive Chairman of the Board, effective as of the Annual Meeting.

The Board believes that separating the roles of Chief Executive Officer and Chairman is the appropriate leadership structure for our Company at this time because it results in an effective balancing of responsibilities, experience and perspectives that meets the current corporate governance needs and oversight responsibilities of the Board. The Board also believes that this structure allows our Chief Executive Officer to focus on executing our Company's strategic plan and managing our Company's operations and performance, while allowing the Chairman of the Board to focus on the effectiveness of the Board and independent oversight of our senior management team.

The duties of the Chairman of the Board and Chief Executive Officer are set forth in the table below:

Chairman of the Board	CEO
• Sets the agenda of Board meetings	• Sets strategic direction for the Company
• Presides over meetings of the full Board	• Creates and implements the Company's vision and mission
• Contributes to Board governance and Board processes	• Leads the affairs of the Company, subject to the overall direction and supervision of the Board and its committees and subject to such powers as reserved by the Board and its committees
• Communicates with all directors on key issues and concerns outside of Board meetings	
• Presides over meetings of stockholders	

Board Independence

It is the policy of the Board and The Nasdaq Stock Market LLC's (''Nasdaq'') rules require that listed companies have a board of directors with at least a majority of independent directors, as defined under Nasdaq's Marketplace Rules. Currently, each member of our Board, other than any person serving on our Board who also serves as our CEO, is an independent director, and all standing committees of the Board are composed entirely of independent directors. The Nasdaq independence definition includes a series of objective tests, such as that the director is not an employee of the company and has not engaged in various types of business dealings with the company. In addition, the Board has made a subjective determination as to each independent director that no relationship exists which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the directors reviewed and discussed information provided by the directors and our Company with regard to each director's business and other activities as they may relate to NortonLifeLock and our management. Based on this review and consistent with our independence criteria, the Board has affirmatively determined that the following current directors and director nominees are independent: Sue Barsamian, Frank E. Dangeard, Nora M. Denzel, Peter A. Feld, Dale L. Fuller, Kenneth Y. Hao, David W. Humphrey, David L. Mahoney, Anita M. Sands, Daniel H. Schulman, V. Paul Unruh and Suzanne M. Vautrinot.

Change in Director Occupation

Our Corporate Governance Guidelines include a policy that our Board should consider whether a change in any director's professional responsibilities directly or indirectly impacts that person's ability to fulfill his or her directorship obligations. To facilitate the Board's consideration, all directors shall submit a resignation as a matter of course upon retirement, a change in employer, or other significant change in their professional roles and responsibilities. Such resignation may be accepted or rejected in the discretion of the Board.

Board and Committee Effectiveness

It is important to NortonLifeLock that our Board and its committees are performing effectively and in the best interests of our Company and its stockholders. The Nominating and Governance Committee reviews the size, composition and needs of the Board with established criteria to ensure the Board has the appropriate skills and expertise to effectively carry out its duties and responsibilities. In addition, an evaluation of the Board's and its committees' operations and performance is conducted annually by the Nominating and Governance Committee. Changes are recommended by the Nominating and Governance Committee for approval by the full Board as appropriate.

Board's Role in Risk Oversight

The Board executes its risk management responsibility directly and through its committees.

Board of Directors	
Audit Committee	• Primarily responsible for overseeing our Company's enterprise risk management. • Receives updates and discusses individual and overall risk areas durin its meetings, including our Company's financial risk assessments, risk management policies and major financial risk exposures and the steps management has taken to monitor and control such exposures, which exposures span a variety of areas, including litigation, reputational and policy matters, financial reporting, data privacy and cybersecurity.
Compensation Committee	• Oversees risks associated with our compensation policies and practice with respect to both executive compensation and employee compensation generally. • Receives reports and reviews whether Norton Life Lock's compensation policies and practices to confirm that they are not reasonably likely to have a material adverse effect on our Company or encourage unnecessary risk-taking.
Nominating and Governance Committee	• Oversees the management of risks that may arise in connection with our Company's governance structures and processes.

The Board is kept abreast of its committees' risk oversight and other activities via reports of the committee chairmen to the full Board during the Board meetings. In addition, the Board participates in regular discussions with our senior management on many core subjects, including strategy, operations and finance, in which risk oversight is an inherent element. The Board believes that its leadership structure, as described above under ''Board Leadership Structure,'' facilitates the Board's oversight of risk management because it allows the Board, with leadership from the independent, non-executive Chairman and each independent committee chair, to participate actively in the oversight of management's actions.

Board's Role in Oversight of Company Strategy

One of the Board's most important responsibilities is collaborating with management to establish the Company's long-term strategy and then overseeing and providing guidance to management in the execution of the articulated strategy. Various elements of our strategy are discussed in depth at every quarterly Board meeting, with management providing the Board with an update on performance with an update on execution against short and longer-term elements of strategy. The Board also meets annually for a multi-day session where long-term strategy is the primary topic. While the full Board, with leadership of the Chairman, has responsibility for overseeing overall Company strategy, each of our key Committees provides input to the full Board on strategic and execution-oriented issues related to their respective areas of focus. The Board receives regular updates from the management team (including those below the executive level) regarding the Company's strategy and performance to inform its perspective on progress and ensure that it is able to effectively perform its oversight responsibilities.

Board's Role in Oversight of Human Capital Management

The Board has long recognized that our employees are one of our most important assets and is engaged with management on ensuring that our Company is an employer of choice for the most talented employees in our industry. While the full Board discusses human capital management with regards to its role in overseeing our overall long-term strategy, our

Compensation Committee has responsibility for overseeing human capital management. The Compensation Committee, together with our Nominating and Governance Committee, are tasked with overseeing specific initiatives on a regular basis.

Our Compensation Committee is responsible for, among other tasks:

- Monitoring employee turnover on a quarterly basis; and
- Overseeing compensation philosophies and incentive plans across our workforce.

Our Nominating and Governance Committee has regular touchpoints with management on the following topics:

- Employee engagement and work-life integration initiatives;
- Monitoring our workforce planning, including required capabilities and skills development;
- Understanding our workforce demographics and diversity, equity and inclusion strategies; and
- Monitoring our corporate culture.

Outside Advisors

The Board and its committees are free to engage independent outside financial, legal and other advisors as they deem necessary to provide advice and counsel on various topics or issues, at NortonLifeLock's expense, and are provided full access to our officers and employees.

Board Structure and Meetings

The Board and its committees meet throughout the year on a set schedule, and also hold special meetings and act by written consent from time to time. The Board held a total of 24 meetings during fiscal 2019. During this time, no directors attended fewer than 75% of the aggregate of the total number of meetings held by the Board and the total number of meetings held by all committees of the Board on which such director served (during the period which such director served).

Agendas and topics for board and committee meetings are developed through discussions between management and members of the Board and its committees. Information and data that are important to the issues to be considered are distributed in advance of each meeting. Board meetings and background materials focus on key strategic, operational, financial, governance and compliance matters applicable to us, including the following:

- Reviewing annual and longer-term strategic and business plans;
- Reviewing key product, industry and competitive issues;
- Reviewing and determining the independence of our directors;
- Reviewing and determining the qualifications of directors to serve as members of committees, including the financial expertise of members of the Audit Committee;
- Selecting and approving director nominees;
- Selecting, evaluating and compensating the Chief Executive Officer;
- Reviewing and discussing succession planning for the senior management team, and for lower management levels to the extent appropriate;
- Reviewing and approving material investments or divestitures, strategic transactions and other significant transactions that are not in the ordinary course of business;
- Evaluating the performance of the Board;
- Overseeing our compliance with legal requirements and ethical standards; and
- Overseeing our financial results.

Executive Sessions

After each regularly scheduled Board meeting, the independent members of our Board hold a separate closed meeting, referred to as an "executive session." These executive sessions are used to discuss such topics as the independent directors deem necessary or appropriate. At least annually, the independent directors hold an executive session to evaluate the Chief Executive Officer's performance and compensation. Executive sessions of the Board are led by the independent, non-executive Chairman.

Succession Planning

Our Board recognizes the importance of effective executive leadership to NortonLifeLock's success, and meets to discuss executive succession planning at least annually. Our Board develops and reviews emergency and long-term succession plans and evaluates succession candidates for the CEO and other senior leadership positions under both. The Board also oversees management's senior executive talent development plans, including ensuring that our succession candidates have regular interactions with the Board.

Attendance of Board Members at Annual Meetings

We encourage our directors to attend our annual meetings of stockholders. All directors who were elected to the Board at our 2018 Annual Meeting attended that meeting.

THE BOARD AND ITS COMMITTEES

There are three primary committees of the Board: the Audit Committee, Compensation and Leadership Development Committee and Nominating and Governance Committee. The Board has delegated various responsibilities and authorities to these different committees, as described below and in the committee charters. The Board committees regularly report on their activities and actions to the full Board. Each member of the Audit Committee, Compensation Committee and Nominating and Governance Committee was appointed by the Board. Each of the Board committees has a written charter approved by the Board and available on our website at *investor.NortonLifeLock.com*, by clicking on ''Company Charters,'' under ''Corporate Governance.''

The following table shows the proposed composition of the Board of Directors and its committees, and other information, following the Annual Meeting. Current committee composition is provided in the text below the table.

Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships AC	CC	NGC	Other Current Public Boards
Sue Barsamian	60	2019	Director	Yes		●	C	1
Frank E. Dangeard	61	2007	Managing Partner, Harcourt	Yes	●	●	●	1
Nora M. Denzel	57	n/a*	Nominee	Yes	●			3
Peter A. Feld	40	2018	Managing Member and Head of Research, Starboard Value LP	Yes		C	●	1
Kenneth Y. Hao	51	2016	Managing Partner and Managing Director, Silver Lake Partners	Yes				2
David W. Humphrey	42	2016	Managing Director, Bain Capital	Yes				1
Vincent Pilette	47	n/a*	CEO	No				0
V. Paul Unruh	71	2005	Director	Yes	C			0

AC = Audit Committee CC = Compensation and Leadership Development Committee NGC = Nominating & Corporate Governance Committee

● = Member C = Chair

* Reflects our Board and committee composition following the Annual Meeting. Neither Ms. Denzel nor Mr. Pilette is currently serving on the Board of Directors or on any committees of the Board. Also gives effect to the appointment of Mr. Pilette as our CEO as of November 8, 2019.

During fiscal 2019, our Board of Directors held 24 meetings, the Audit Committee held 32 meetings, the Compensation Committee held 15 meetings and the Nominating Committee held 4 meetings.

Audit Committee

Our Audit Committee is currently comprised of Mr. Unruh, who is the chair of the Audit Committee, Mmes. Sands and Vautrinot, and Messrs. Dangeard and Fuller. Our Audit Committee oversees our Company's accounting and financial reporting processes and the audits of our financial statements, including oversight of our systems of internal control over financial reporting and disclosure controls and procedures, compliance with legal and regulatory requirements, internal audit function and the appointment, retention and compensation of our independent auditors. Its duties and responsibilities include, among other things:

- Reviewing and discussing with management our Company's quarterly and annual financial statements.
- Reviewing the adequacy and effectiveness of our Company's accounting and financial reporting processes.
- Appointing and, if necessary, terminating any registered public accounting firm engaged to render an audit report or to perform other audit, review or attest services for our Company.

- Reviewing and approving processes and procedures to ensure the continuing independence of our Company's independent auditors.
- Reviewing the internal audit function of our Company, including the independence and authority of its reporting obligations and the coordination of our Company's internal audit function with the independent auditors.
- Reviewing our Company's practices with respect to risk assessment and risk management and meet with management and members of internal audit to discuss our Company's significant risk exposures and the steps management has taken to monitor, control and mitigate such exposures.
- Reviewing our Company's ethics compliance program, including policies and procedures for monitoring compliance, and the implementation and effectiveness of our Company's ethics and compliance program.
- Directing and supervising investigations into any matters within the scope of its duties, and authority and funding to retain such outside counsel, experts and other advisors as it determines to be necessary to carry out its responsibilities.

Our Board has unanimously determined that all Audit Committee members are independent as defined by current Nasdaq listing standards for Audit Committee membership and financially literate under current Nasdaq listing standards, and at least one member has financial sophistication as required pursuant to the Nasdaq listing standards. In addition, our Board has unanimously determined that Mr. Unruh qualifies as an ''audit committee financial expert'' under the SEC rules and regulations. Designation as an ''audit committee financial expert'' is an SEC disclosure requirement and does not impose any additional duties, obligations or liability on any person so designated.

Compensation and Leadership Development Committee

Our Compensation Committee is currently comprised of Mr. Feld, who is the chair of the Compensation Committee, and Ms. Barsamian and Messrs. Dangeard and Mahoney. Our Compensation Committee oversees our compensation policies and practices so that they align with the interests of our stockholders; encourage a focus on our Company's long-term success and performance; and incorporate sound corporate governance principles. It also oversees our programs to attract, retain and develop our executive officers. Its duties and responsibilities include, among other things:

- Reviewing executive and leadership development practices that support our Company's ability to retain and develop the executive and leadership talent required to deliver against our Company's short term and long term business strategies, including succession planning for the executive officers.
- Reviewing our Company's compensation policies, plans and programs to confirm they: (i) are designed to attract, motivate and retain talented executive officers; (ii) compensate the executive officers effectively in a manner consistent with the strategy of our Company and the interests of stockholders; (iii) are consistent with a competitive framework; and (iv) support the achievement of our Company's overall financial results and individual contributions.
- Reviewing and recommending to the independent directors of our Board all compensation arrangements for our Chief Executive Officer.
- Determining stock ownership guidelines for our Board and executive officers.
- Reviewing our Company's overall compensation and benefits programs.
- Administering our equity incentive and stock purchase plans.
- Reviewing and recommending to the Board compensation for non-employee members of the Board.
- Reviewing and approving policies and procedures relating to perquisites of our executive officers.
- Reviewing our Company's compensation policies and practices to confirm that such policies and practices are not likely to have a material /adverse effect on our Company and do not encourage excessive or inappropriate risk-taking by our executives.
- Reviewing and making recommendations regarding Company policies on recoupment of incentive-based compensation.
- Reviewing and making recommendations to the Board with respect to stockholder proposals and stockholder advisory votes related to executive compensation matters.

Each member of the Compensation Committee is a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the ''Exchange Act''), and an outside director, as defined under Section 162(m) of the Internal Revenue Code of 1986, as amended (the ''Code'').

Nominating and Governance Committee

Our Nominating and Governance Committee is currently comprised of Mr. Mahoney, who is the chair of the Nominating and Governance Committee, and Messrs. Dangeard, Feld, Fuller and Schulman. Our Nominating and Governance Committee oversees our Company's corporate governance procedures and policies, and ensures that they represent best practices and are in the best interests of our Company and its stockholders, which includes establishing appropriate criteria for nominating qualified candidates to the Board. Its duties and responsibilities include, among other things:

- Establishing the criteria and determining the desired qualifications, expertise and characteristics of the Board, with the goal of developing a diversity of perspectives, backgrounds, experiences, knowledge and skills on the Board.
- Considering the size, composition and needs of the Board and evaluate and recommending qualified candidates for election to the Board consistent with the established criteria to ensure the Board has the appropriate skills and expertise.
- Advising the Board on corporate governance matters and recommend to the Board appropriate or necessary actions to be taken by our Company, the Board and the Board's committees.
- Identifying best corporate governance practices and develop and recommend to the Board a set of corporate governance guidelines applicable to our Company.
- Reviewing and assessing the adequacy of our Company's corporate governance policies, including our Company's Corporate Governance Guidelines and Code of Conduct, and recommend modifications to the Board as appropriate.
- Overseeing and reviewing our Company's policies and programs concerning: (i) corporate social responsibility; (ii) public policy; (iii) philanthropy; (iv) political activities and expenditures; (v) our Company's participation and visibility as a global corporate citizen; and (vi) our Company's sustainability performance, including impacts to our business of environmental, social and governance issues.
- Monitoring compliance under the stock ownership guidelines as set by the Compensation Committee for the Board and executive officers.
- Implementing and overseeing the processes for evaluating the Board, its committees and the CEO on an annual basis.
- Overseeing the management of risks that may arise in connection with our Company's governance structures and processes.

DIRECTOR NOMINATIONS AND COMMUNICATION WITH DIRECTORS

Criteria for Nomination to the Board

The Nominating and Governance Committee will consider candidates submitted by NortonLifeLock stockholders, as well as candidates recommended by directors and management, for nomination to the Board. The Nominating and Governance Committee has generally identified nominees based upon recommendations by outside directors, management and executive recruiting firms. The goal of the Nominating and Governance Committee is to assemble a Board that offers a diverse portfolio of perspectives, backgrounds, experiences, knowledge and skills derived from high-quality business and professional experience. The Nominating and Governance Committee annually reviews the appropriate skills and characteristics required of directors in the context of the current composition of the Board, our operating requirements and the long-term interests of our stockholders.

The key attributes, experience and skills we consider important for our directors in light of our current business and structure are:

- *Industry and Technology Expertise.* As a security and technology company, understanding new technologies and emerging industry trends or having experience in security and related technologies is useful in understanding our business and the market segments in which we compete, our research and development efforts, competing technologies, the various products and processes that we develop, and evolving customer requirements.
- *Global Expertise.* We are a global organization with employees, offices, customers and partners in many countries. Directors with global operating expertise and an understanding of global economic and regulatory frameworks, can provide a useful business and cultural perspective regarding many significant aspects of our business.
- *Leadership Experience.* Directors who have served in a senior leadership position, as a general manager of a business, or as the functional leader of a global sales, marketing or product development organization, are important to us, because they bring experience and perspective in analyzing, shaping, and overseeing the execution of important strategic, operational and policy issues at a senior level.
- *Public Company Board Experience.* Directors who have served on other public company boards can offer advice and insights with regard to the dynamics and operation of a board of directors, the relations of a board to the company's chief executive officer and other senior management personnel, the importance of public-company corporate governance, including oversight matters, strategic decisions and operational and compliance-related matters.
- *Business Combinations and Partnerships Experience.* Directors who have a background in mergers and acquisitions and strategic partnership transactions can provide insight into developing and implementing strategies for growing our business through combining and/or partnering with other organizations and helping to evaluate operational integration plans.
- *Financial Expertise.* Knowledge of financial markets, financing operations, complex financial management and accounting and financial reporting processes is important because it assists our directors in understanding, advising, and overseeing NortonLifeLock's capital structure, financing and investing activities, financial reporting, and internal control of such activities.
- *Diversity.* In addition to a diverse portfolio of professional background, experiences, knowledge and skills, the composition of the Board should reflect the benefits of diversity as to gender, race, ethnic, cultural and geographic backgrounds that reflect the composition of our global investors, customers, employees and partners.

The information provided under ''Director Qualifications'' below each of the brief biographical descriptions set forth under Proposal No. 1, ''Election of Directors — Nominees for Director'' below includes the key individual attributes, experience and skills of each of our directors that led to the conclusion that each director should serve as a member of the Board of Directors at this time.

Process for Identifying and Evaluating Nominees

The Nominating and Governance Committee typically considers candidates by first evaluating the current members of the Board who intend to continue in service, balancing the value of continuity of service with that of obtaining new perspectives, skills and experience. If the Nominating and Governance Committee determines that an opening exists, it identifies the desired skills and experience of a new nominee, including the need to satisfy rules of the SEC and Nasdaq.

The Nominating and Governance Committee generally will evaluate each candidate based on the extent to which the candidate contributes to the range of talent, skill and expertise appropriate for the Board generally, as well as the candidate's integrity, business acumen, diversity, availability, independence of thought, and overall ability to represent the interests of NortonLifeLock's stockholders. The Nominating and Governance Committee does not assign specific weights to particular criteria, and no particular criterion is necessarily applicable to all prospective nominees. Although the Nominating and Governance Committee uses these and other criteria as appropriate to evaluate potential nominees, it has no stated minimum criteria for nominees. In addition, we do not have a formal written policy with regard to the consideration of diversity in identifying candidates; however, as discussed above, diversity is one of the numerous criteria the Nominating and Governance Committee reviews before recommending a candidate. We have from time to time engaged, for a fee, a third-party independent search firm to identify and assist the Nominating and Governance Committee with identifying, evaluating and screening Board candidates for NortonLifeLock and may do so in the future.

Stockholder Proposals for Nominees

The Nominating and Governance Committee will consider potential nominees properly submitted by stockholders. Stockholders seeking to do so should provide the information set forth in our corporate Bylaws regarding director nominations. The Nominating and Governance Committee will apply the same criteria for candidates proposed by stockholders as it does for candidates proposed by management or other directors.

To be considered for nomination by the Nominating and Governance Committee at next year's annual meeting of stockholders, submissions by stockholders must be submitted by mail and must be received by the Corporate Secretary no later than July 10, 2020 to ensure adequate time for meaningful consideration by the Nominating and Governance Committee. Each submission must include the following information:

- the full name and address of the candidate;
- the number of shares of NortonLifeLock common stock beneficially owned by the candidate;
- a certification that the candidate consents to being named in the proxy statement and intends to serve on the Board if elected; and
- biographical information, including work experience during the past five years, other board positions, and educational background, such as is provided with respect to nominees in this proxy statement.

Information regarding requirements that must be followed by a stockholder who wishes to make a stockholder nomination for election to the Board for next year's annual meeting is described in this proxy statement under ''Additional Information — Stockholder Proposals for the 2020 Annual Meeting.''

Pursuant to the proxy access provisions of our Bylaws, an eligible stockholder or group of stockholders may nominate one or more director candidates to be included in our proxy materials. The nomination notice and other materials required by these provisions must be delivered or mailed to and received by our Corporate Secretary in writing between June 10, 2020 and July 10, 2020 (or, if the 2020 annual meeting is called for a date that is not within 30 calendar days of the anniversary of the date of the 2019 Annual Meeting, by the later of the close of business on the date that is 180 days prior to the date of the 2019 annual meeting or within 10 calendar days after our public announcement of the date of the 2020 annual meeting) to the Corporate Secretary at the address listed below. When submitting nominees for inclusion in our proxy materials pursuant to the proxy access provisions of our Bylaws, stockholders must follow the notice procedures and provide the information required therein.

Contacting the Board of Directors

Any stockholder who wishes to contact members of our Board may do so by mailing written communications to:

NortonLifeLock Inc.
60 E. Rio Salado Parkway, Suite 1000
Tempe, Arizona 85281
Attn: Corporate Secretary

The Corporate Secretary will review all such correspondence and provide regular summaries to the Board or to individual directors, as relevant, will retain copies of such correspondence for at least six months, and make copies of such correspondence available to the Board or individual directors upon request. Any correspondence relating to accounting, internal controls or auditing matters will be handled in accordance with our policy regarding accounting complaints and concerns.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

At the recommendation of the Nominating and Governance Committee, the Board has nominated the following eight persons to serve as directors for the term beginning at the Annual Meeting on December 19, 2019: Sue Barsamian, Frank E. Dangeard, Nora M. Denzel, Peter A. Feld, Kenneth Y. Hao, David W. Humphrey, Vincent Pilette and V. Paul Unruh. Each director will be elected on an annual basis.

In September 2018, we entered into an agreement with Starboard Value LP and certain of its affiliates, regarding, among other things, the membership and composition of the Company's Board of Directors (the ''Board'') and committees thereof. Pursuant to this agreement, among other things, we appointed Sue Barsamian to the Board in January 2019.

Nora M. Denzel, a director nominee, was recommended by the Nominating and Governance Committee after an extensive and careful search was conducted by a global search firm, and numerous candidates were considered. Vincent Pilette, who has served as our CFO since May 2019 and as our CEO since November 2019, was recommended by the Nominating and Governance Committee in connection with his appointment as our new CEO.

In addition, on November 4, 2019, the Company completed the sale of certain assets of its enterprise security business to Broadcom Inc. (the ''Broadcom Sale''). In connection with this sale, the Board determined that it was the proper time to reduce the size of the Board, effective as of the Annual Meeting. Accordingly, Dale L. Fuller, a member of our Board of Directors since 2018, Richard S. Hill, a member of our Board since January 2019, David L. Mahoney, a member of our Board of Directors since 2003, Anita M. Sands, a member of our Board of Directors since 2013, Daniel H. Schulman, a member of our Board of Directors since 2000 and Suzanne M. Vautrinot, a member of our Board of Directors since 2013 are not standing for re-election at the Annual Meeting. The Board thanks Messrs. Fuller, Hill, Mahoney and Schulman and Mmes. Sands and Vautrinot for their leadership and years of service to NortonLifeLock.

Unless proxy cards are otherwise marked, the persons named as proxies will vote all proxies **FOR** the election of each nominee named in this section. Proxies submitted to NortonLifeLock cannot be voted at the Annual Meeting for nominees other than those nominees named in this proxy statement. However, if any director nominee is unable or unwilling to serve at the time of the Annual Meeting, the persons named as proxies may vote for a substitute nominee designated by the Board. Alternatively, the Board may reduce the size of the Board. Each nominee has consented to serve as a director if elected, and the Board does not believe that any nominee will be unwilling or unable to serve if elected as a director. Each director will hold office until the next annual meeting of stockholders and until his or her successor has been duly elected and qualified or until his or her earlier resignation or removal.

Nominees for Director

The names of each nominee for director, their ages as of October 25, 2019, after giving effect to the appointment of Mr. Pilette as our CEO as of November 8, 2019, and other information about each nominee is shown below.

Name	Age	Principal Occupation	Director Since
Sue Barsamian	60	Director	2019
Frank E. Dangeard	61	Managing Partner, Harcourt	2007
Nora M. Denzel	57	Nominee	n/a*
Peter A. Feld	40	Managing Member and Head of Research, Starboard Value LP	2018
Kenneth Y. Hao	51	Managing Partner and Managing Director, Silver Lake Partners	2016
David W. Humphrey	42	Managing Director, Bain Capital	2016
Vincent Pilette	47	CEO	n/a*
V. Paul Unruh	71	Director	2005

* Director nominee.

Sue Barsamian

Director

Age: *60*

Director Since: *2019*

Proposed Committee Memberships:

- *Compensation*
- *Nominating &* Governance (Chair)

Other Current Public Boards:

- *Box, Inc.*

Ms. Barsamian has served as a member of our Board since January 2019. Ms. Barsamian previously served as Executive Vice President, Chief Sales and Marketing Officer of Micro Focus International plc, an infrastructure software company, from September 2017 through April 2018 and as Executive Vice President, Chief Sales and Marketing Officer of HPE Software at Hewlett Packard Enterprise from November 2016 until it was acquired by Micro Focus in September 2017. From 2006 to November 2016, Ms. Barsamian served in various executive roles at Hewlett-Packard, including Senior Vice President and General Manager of Enterprise Security Products and Senior Vice President of Worldwide Indirect Sales. Prior to joining Hewlett-Packard, Ms. Barsamian was Vice President, Global Go-to-Market at Mercury Interactive Corporation and held leadership positions at Critical Path, Inc. and Verity, Inc. Ms. Barsamian serves on the board of directors of Box, Inc. Ms. Barsamian served on the Board of the National Action Council for Minorities in Engineering (NACME), and she served as Chairman of the Board of NACME from 2016 to 2017. She received a Bachelor of Science degree in electrical engineering from Kansas State University and completed her post-graduate studies at the Swiss Federal Institute of Technology.

Director Qualifications:

- *Industry and Technology Experience* — Executive Vice President, Chief Sales and Marketing Officer of Micro Focus International plc and Executive Vice President, Chief Sales and Marketing Officer, HPE Software.
- *Global Experience* — Executive Vice President, Chief Sales and Marketing Officer of Micro Focus International plc.
- *Leadership Experience* — Executive Vice President, Chief Sales and Marketing Officer of Micro Focus International plc and Executive Vice President, Chief Sales and Marketing Officer, HPE Software.
- *Public Company Board Experience* — member of the board of directors of Box, Inc.

Frank E. Dangeard

Managing Partner, Harcourt

Age: *61*

Director Since: *2007*

Proposed Committee Memberships:

- *Audit*
- *Compensation*
- *Nominating & Governance*

Other Current Public Boards:

- *RBS Group*

Mr. Dangeard has served as a member of our Board since 2007. He has been the Managing Partner of Harcourt, an advisory firm, since 2008. Mr. Dangeard was Chairman and Chief Executive Officer of Thomson, a provider of digital video technologies, solutions and services, from 2004 to 2008. From 2002 to 2004, he was Deputy Chief Executive Officer of France Telecom, a global telecommunications operator. From 1997 to 2002, Mr. Dangeard was Senior Executive Vice President of Thomson and served as its Vice Chairman in 2000. Prior to joining Thomson, he was Managing Director of SG Warburg & Co. Ltd. from 1989 to 1997 in London, Paris and Madrid and Chairman of SG Warburg France from 1995 to 1997. Prior to that, Mr. Dangeard was a lawyer with Sullivan & Cromwell, in New York and London. He serves on the board of directors of Arqiva PLC (''Arqiva''), The Royal Bank of Scotland Group plc (''RBS Group'') and as chairman of the board of directors of Nat West Markets plc, the investment bank of the RBS Group (''NatWest Markets''), and on a number of advisory boards. Mr. Dangeard has previously served as a director of a variety of companies, including Crédit Agricole CIB, Eutelsat, Home Credit, SonaeCom, Thomson, Electricité de France and Telenor. He graduated from the École des Hautes Études Commerciales, the Paris Institut d'Études Politiques and holds an LLM degree from Harvard Law School.

Director Qualifications:

- *Industry and Technology Experience* — former Chairman and Chief Executive Officer of Thomson; former Deputy Chief Executive Officer of France Telecom; former Deputy Chairman of Telenor; and former member of the boards of directors of Eutelsat, SonaeCom and RPX Corporation.
- *Global Experience* — member of the board of directors of RBS Group (UK) and Arqiva (UK) and chairman of NatWest Markets (UK); former Chairman and Chief Executive Officer of Thomson (France); former Deputy Chief Executive Officer of France Telecom (France); former Deputy Chairman of Telenor (Norway); and former member of the boards of directors of Crédit Agricole CIB (France), Eutelsat (France), Home Credit (Czech Republic), Electricité de France (France) and SonaeCom (Portugal).
- *Leadership Experience* — managing partner of Harcourt; former Chairman and Chief Executive Officer of Thomson; former Deputy Chief Executive Officer of France Telecom; former Deputy Chairman of Telenor and former Chairman of SG Warburg France and Managing Director of SG Warburg & Co. Ltd; and chairman of the board of directors of NatWest Markets.
- *Public Company Board Experience* — member of the board of directors of RBS Group; former Deputy Chairman of Telenor; and former member of the boards of directors of Eutelsat, Electricité de France, Thomson, and SonaeCom.
- *Business Combinations and Partnerships Experience* — former Chairman and Chief Executive Officer of Thomson; former Deputy Chief Executive Officer of France Telecom; former Deputy Chairman of Telenor; former Chairman of SG Warburg France; and former lawyer at Sullivan & Cromwell LLP.
- *Financial Experience* — former Chairman and Chief Executive Officer of Thomson; former Deputy Chief Executive Officer of France Telecom; former Chairman of the Audit Committee of Electricité de France and former Deputy Chairman of Telenor; member of the board of RBS Group; and Chairman of NatWest Markets.

Nora M. Denzel

Director

Age: *57*

Director Since:
*N/A**

Proposed Committee Memberships:

- *Audit*

Other Current Public Boards:

- *Advanced Micro Devices, Inc.*
- *Ericsson*
- *Talend S.A.*

**Director nominee.*

Ms. Denzel, a director nominee, previously served as interim Chief Executive Officer of Outerwall Inc, an automated retail solutions provider, from January to August 2015. Prior to Outerwall, Ms. Denzel held various executive management positions from February 2008 through August 2012 at Intuit Inc., a cloud financial management software company, including Senior Vice President of Big Data, Social Design and Marketing and Senior Vice President and General Manager of the QuickBooks Employee Management business unit. From 2000 to 2006, Ms. Denzel held several executive level positions at HP Enterprise (formerly Hewlett-Packard Company), including Senior Vice President and General Manager, Software Global Business Unit from May 2002 to February 2006 and Vice President of Storage Organization from August 2000 to May 2002. Prior to that, Ms. Denzel held executive positions at Legato Systems Inc. and IBM Corporation. Ms. Denzel serves on the board of directors of Advanced Micro Devices, Inc., Ericsson and Talend S.A. She holds a Master of Business Administration degree from Santa Clara University and a Bachelor of Science degree in Computer Science from the State University of New York.

Director Qualifications:

- *Industry and Technology Experience* — Interim Chief Executive Officer of Outerwall Inc., executive positions at Intuit, Inc. and HP Enterprise.
- *Global Experience* — Interim Chief Executive Officer of Outerwall Inc., executive positions at Intuit, Inc. and HP Enterprise; member of the board of directors of Advanced Micro Devices, Inc., Ericsson and Talend S.A.
- *Leadership Experience* — Interim Chief Executive Officer of Outerwall Inc., executive positions at Intuit, Inc. and HP Enterprise.
- *Public Company Board Experience* — member of the board of directors of Advanced Micro Devices, Inc., Ericsson and Talend S.A.
- *Business Combinations and Partnerships Experience* — Interim Chief Executive Officer of Outerwall Inc., executive positions at Intuit, Inc. and HP Enterprise; member of the board of directors of Advanced Micro Devices, Inc., Ericsson and Talend S.A.

Peter A. Feld

Managing Member and Head of Research, Starboard Value LP

Age: *40*

Director Since: *2018*

Proposed Committee Memberships:

- *Compensation (Chair)*
- *Nominating & Governance*

Other Current Public Boards:

- *Magellan Health, Inc.*

Mr. Feld has served as a member of our Board since September 2018. Mr. Feld has served as a Managing Member and Head of Research of Starboard Value LP since 2011. Mr. Feld has served on the board of directors of Magellan Health, Inc. since April 2019. Mr. Feld previously served on the boards of directors of several companies, including Marvell Technology Group Ltd. from May 2016 to June 2018, The Brink's Company from January 2016 to November 2017, Insperity, Inc. from March 2015 to June 2017, Darden Restaurants, Inc. from October 2014 to September 2015, Xperi Corporation from 2013 to April 2014, Integrated Device Technology, Inc. from 2012 to February 2014 and Unwired Planet, Inc. (n/k/a Great Elm Capital Group, Inc.) from 2011 to March 2014 and as Chairman from 2011 to 2013. Mr. Feld received a Bachelor of Arts degree in economics from Tufts University.

Director Qualifications:

- *Industry and Technology Experience* — current or former member of the boards of directors of many public and private technology companies.
- *Global Expertise* — Managing Member and the Head of Research of Starboard Value LP; former member of the boards of directors of Marvell Technology Group, Insperity, Inc., and Darden Restaurants, Inc.
- *Leadership Experience* — Managing Member and the Head of Research of Starboard Value LP.
- *Public Company Board Experience* — member of the board of directors of Magellan Health Inc.; and former member of the boards of directors of Marvell Technology Group, Insperity, Inc., and Darden Restaurants, Inc.
- *Business Combinations and Partnerships Experience* — Managing Member and the Head of Research of Starboard Value LP.
- *Financial Experience* — over 10 years of capital markets and corporate governance experience.

Kenneth Y. Hao

Managing Partner and Managing Director, Silver Lake Partners

Age: *51*

Director Since: *2016*

Proposed Committee Memberships:

- *None*

Other Current Public Boards:

- *Smart Global Holdings, Inc.*
- *SolarWinds Corporation*

Mr. Hao has served as a member of our Board since 2016. Mr. Hao joined Silver Lake Partners in 2000 and currently serves Silver Lake as a Managing Partner and Managing Director. Mr. Hao also serves on the boards of directors of SMART Global Holdings, Inc. and SolarWinds Corporation, as well as on the boards of directors of a number of private companies in Silver Lake's portfolio. Prior to joining Silver Lake, he was an investment banker with Hambrecht & Quist, where he served as a Managing Director in the Technology Investment Banking group. He also serves on the Executive Council for UCSF Health. Mr. Hao graduated from Harvard University with a Bachelor's degree in economics.

Director Qualifications:

- *Industry and Technology Experience* — over 25 years of technology investment experience; member of the boards of directors of many public and private technology companies.
- *Global Experience* — extensive experience investing in large global businesses and established Silver Lake's Asia business.
- *Leadership Experience* — Managing Partner and Managing Director of Silver Lake and member of the boards of directors of numerous major technology companies.
- *Public Company Board Experience* — members of the board of directors of SMART Global Holdings, Inc. and SolarWinds Corporation; former board member of Broadcom Inc. and Netscout Systems, Inc.
- *Business Combinations and Partnerships Experience* — Managing Partner and Managing Director of Silver Lake Partners and former investment banker with Hambrecht & Quist.
- *Financial Experience* — over 25 years of investment experience in complex transactions.

David W. Humphrey

Managing Director, Bain Capital

Age: *42*

Director Since: *2016*

Proposed Committee Memberships:

- *None*

Other Current Public Boards:

- *Genpact Limited*

Mr. Humphrey has served as a member of our Board since August 2016 when he joined in connection with Bain Capital's investment in NortonLifeLock, prior to which he served on Blue Coat's board of directors since May 2015. He is a Managing Director of Bain Capital, a private equity firm, where he co-leads the firm's investing efforts in technology, media and telecom investments and where he has worked since 2001. Prior to joining Bain Capital, Mr. Humphrey was an investment banker in the mergers and acquisitions group at Lehman Brothers from 1999 to 2001. He serves on the board of directors of Genpact Limited and on the board of directors of a number of private companies in Bain Capital's portfolio. Mr. Humphrey previously served on the boards of directors of Bright Horizons Family Solutions, Inc. Burlington Coat Factory Warehouse Corporation, Skillsoft PLC and Bloomin' Brands, Inc. He received a Master of Business Administration degree from Harvard Business School and a Bachelor's degree from Harvard University.

Director Qualifications:

- *Industry and Technology Experience* — former member of the board of directors of Blue Coat; Managing Director of Bain Capital; and member of the boards of directors of BMC Software, Inc., Viewpoint Construction Software, Waystar and Genpact Limited.
- *Global Experience* — extensive experience investing in large global businesses.
- *Leadership Experience* — Managing Director of Bain Capital and leader of its technology, media and telecom vertical; and member of the boards of directors of BMC Software, Inc., Viewpoint Construction Software, Waystar and Genpact Limited.
- *Public Company Board Experience* — member of the board of directors of BMC Software and Genpact Limited. and former member of the boards of directors of Bright Horizons Family Solutions, Inc. Burlington Coat Factory Warehouse Corporation, Skillsoft PLC and Bloomin' Brands, Inc.
- *Business Combinations and Partnerships Experience* — Managing Director of Bain Capital and former investment banker with Lehman Brothers.
- *Financial Experience* — Managing Director of Bain Capital and former investment banker with Lehman Brothers.

Vincent Pilette

Chief Executive Officer

Age: *47*

Director Since: *N/A**

Proposed Committee Memberships:

- *None*

Other Current Public Boards:

- *None*

**Director nominee.*

Mr. Pilette has been appointed to serve as our Chief Executive Officer, effective November 8, 2019. From May 2019 to November 2019, he served as our Chief Financial Officer. Prior to joining us, he served as Chief Financial Officer of Logitech International S.A. from September 2013 to May 2019 and from January 2011 through August 2013, he was Chief Financial Officer of Electronics for Imaging, Inc. Prior to that, he served in a variety of capacities at Hewlett-Packard Company from 1997 to December 2010, including Vice President of Finance for the Enterprise Server, Storage and Networking and vice president of finance for the HP Software Group. Mr. Pilette received a Master of Business Administration degree from Kellogg School of Management at Northwestern University and Master's degree in engineering and business from Université Catholique de Louvain.

Director Qualifications:

- *Industry and Technology Experience* — former Chief Financial Officer of Logitech International S.A.; former Chief Financial Officer of Electronics for Imaging, Inc; served in a variety of capacities at Hewlett-Packard Company, including Vice President of Finance for the Enterprise Server.
- *Global Experience* — former Chief Financial Officer of Logitech International S.A.; former Chief Financial Officer of Electronics for Imaging, Inc; served in a variety of capacities at Hewlett-Packard Company, including Vice President of Finance for the Enterprise Server.
- *Leadership Experience* — former Chief Financial Officer of Logitech International S.A.; former Chief Financial Officer of Electronics for Imaging, Inc; former Vice President of Finance for the Enterprise Server at Hewlett-Packard Company.
- *Business Combinations and Partnerships Experience* — former Chief Financial Officer of Logitech International S.A.; former Chief Financial Officer of Electronics for Imaging, Inc; former Vice President of Finance for the Enterprise Server at Hewlett-Packard Company.
- *Financial Experience* — former Chief Financial Officer of Logitech International S.A.; former Chief Financial Officer of Electronics for Imaging, Inc; former Vice President of Finance for the Enterprise Server at Hewlett-Packard Company.

V. Paul Unruh

Director

Age: *71*

Director Since:
2005

Proposed Committee Memberships:

- *Audit (chair)*

Other Current Public Boards:

- *None*

Mr. Unruh has served as a member of our Board since 2005 following the acquisition of Veritas, where he had served on the board of directors since 2003. Mr. Unruh retired as Vice Chairman of Bechtel Group, Inc., a global engineering and construction services company, in 2003. During his 25-year tenure at Bechtel Group, he held a number of management positions including Treasurer, Controller and Chief Financial Officer. Mr. Unruh also served as President of Bechtel Enterprises, the finance, development and ownership arm from 1997 to 2001. He is a member of the board of directors of Aconex Ltd., which is traded on the Australian Stock Exchange, and a private company. Mr. Unruh is a Certified Public Accountant.

Director Qualifications:

- *Global Experience* — former Vice Chairman of and held various executive positions at Bechtel Group, Inc.; former President of Bechtel Enterprises and member of the board of directors of Aconex Ltd. (Australia).
- *Leadership Experience* — former Vice Chairman of and held various executive positions at Bechtel Group, Inc. and former President of Bechtel Enterprises.
- *Public Company Board Experience* — former member of the boards of directors of Heidrick & Struggles International Inc., Move, Inc., URS Corporation and Aconex Ltd. (Australia).
- *Business Combinations and Partnerships Experience* — former member of the board of directors of Veritas Corporation, Move, Inc., and URS Corporation.
- *Financial Experience* — certified public accountant; former Chief Financial Officer, Treasurer and Controller of Bechtel Group, Inc.; former President of Bechtel Enterprises; served on the Audit Committees of Heidrick & Struggles International, Inc. and Move, Inc.

Summary of Director Qualifications and Experience

Our Board is comprised of directors with complementary skills and qualifications needed to effectively oversee our business strategy. The Nominating and Governance Committee annually reviews the skills and characteristics required of members of the Board in the context of the composition of the Board and the stage of the business of the Company.

Director Compensation

The policy of the Board is that compensation for independent directors should be a mix of cash and equity-based compensation. NortonLifeLock does not pay employee directors for Board service in addition to their regular employee compensation. Independent directors may not receive consulting, advisory or other compensatory fees from the Company. The Compensation Committee, which consists solely of independent directors, has the primary responsibility to review and consider any revisions to director compensation.

Director Stock Ownership Guidelines: The Compensation Committee adopted the following stock ownership guidelines for our non-employee directors to better align our directors' interests with those of our stockholders:

- Directors must maintain a minimum holding of Company stock with a fair market value equal to ten times (10x) such director's total annual cash retainer;
- In the event the annual retainer (or any portion thereof) is paid to a non-employee director in equity instead of cash, the value of such annual retainer for purposes of calculating the minimum holding requirement means the grant date fair value of the annual equity award (or applicable portion thereof);
- New directors will have three years to reach the minimum holding level; and
- Notwithstanding the foregoing, directors may sell enough shares to cover their income tax liability on vested grants.

NortonLifeLock stock ownership information for each of our directors is shown under the heading ''Security Ownership of Certain Beneficial Owners and Management'' on page 35 of this proxy statement. As of October 25, 2019, our all our directors had either met their stock ownership requirement or had remaining time to do so.

Annual Fees: In accordance with the recommendation of the Compensation Committee, the Board determined the non-employee directors' compensation for fiscal 2019 as follows. In connection with its annual review of non-employee director fees, the Compensation Committee reduced the annual fee for Lead Independent Director/Independent Chairman from $100,000 in fiscal 2019 to $75,000 effective fiscal 2020.

- $50,000 annual cash retainer;
- $15,000 annual fee for committee membership ($20,000 for Audit Committee membership);
- $25,000 annual fee for chairing a committee of the Board ($15,000 for chairing the Nominating and Governance Committee); and
- $100,000 (reduced to $75,000 effective fiscal 2020) annual fee for the Lead Independent Director/Independent Chairman.

The payment of the annual cash retainer is subject to the terms of the 2000 Director Equity Incentive Plan, as amended, which allows directors to choose to receive common stock in lieu of cash for all or a portion of the retainer payable to each director for serving as a member. We pay the annual retainer fee and any additional annual fees to each director at the beginning of the fiscal year. Directors who join the Company after the beginning of the fiscal year receive a prorated cash payment in respect of their annual retainer fee and fees. These payments are considered earned when paid. Accordingly, we do not require them to be repaid in the event a director ceases serving in the capacity for which he or she was compensated.

Annual Equity Awards. Pursuant to a Non-Employee Director Grant Policy adopted by our Board, each non-employee member of the Board receives an annual award of fully-vested restricted stock units (''RSUs'') under the 2013 Plan, having a fair market value on the grant date equal to a pre-determined dollar value, which was $275,000 for fiscal 2019.

The following table provides information for fiscal year 2019 compensation for all of our current and former non-employee directors:

Fiscal 2019 Director Compensation

Name	Fees Earned or Paid in Cash ($)[(1)(2)]	Stock Awards ($)[(3)(4)]	Total ($)
Susan P. Barsamian[(5)]	3,383	73,210[(6)]	76,593
Frank E. Dangeard	85,018	274,982	360,000
Peter A. Feld[(7)]	16,071	174,108[(8)]	190,179
Dale L. Fuller[(7)]	34,821	147,321	182,142
Kenneth Y. Hao	21	324,979[(9)]	325,000
Richard S. Hill[(5)]	15,772	61,948	77,720
David W. Humphrey	21	324,979[(9)]	325,000
Geraldine B. Laybourne[(10)]	80,018	274,982	355,000
David L. Mahoney	105,024	274,976	380,000
Robert S. Miller[(10)(11)]	120,639	124,635	245,274
Anita M. Sands	70,018	274,982	345,000
Daniel H. Schulman	195,018	274,982	470,000
V. Paul Unruh	95,018	274,982	370,000
Suzanne M. Vautrinot	70,018	274,982	345,000

(1) Non-employee directors receive an annual retainer fee of $50,000 plus an additional annual fee of $15,000 (Compensation Committee and Nominating and Governance Committee) or $20,000 (Audit Committee) for membership on each committee. The chair of each committee receives an additional annual fee of $15,000 (Nominating and Governance Committee) or $25,000 (Audit Committee and Compensation Committee). The Lead Independent Director/Independent Chairman receives an annual fee of $100,000 (reduced to $75,000 for 2020).

(2) Includes payments for fractional share(s) from stock awards granted to each non-employee director.

(3) Amounts shown in this column reflect the aggregate full grant date fair value calculated in accordance with Financial Accounting Standards Board (''FASB'') Accounting Standards Codification (''ASC'') Topic 718 for awards granted during FY19.

(4) Each non-employee director, other than Ms. Barsamian and Messrs. Feld, Fuller, Hill and Miller, was granted 12,320 RSUs on May 17, 2018, with a per-share fair value of $22.32 and an aggregate grant date fair value of $274,982.40. Each such director's fees were paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above. No non-employee director had any outstanding stock awards as of March 29, 2019.

(5) Ms. Barsamian and Mr. Hill were appointed to our Board on January 7, 2019 and received a pro-rated portion of non-employee director fees from the date of such director's appointment on January 7, 2019 through the end of FY19. Ms. Barsamian and Mr. Hill were each granted 2,717 RSUs on February 5, 2019, with a per-share fair value of $22.80 and an aggregate grant date fair value of $61,947.60. The balance of each such director's fees was paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above.

(6) In lieu of cash, Ms. Barsamian elected to receive 100% of the pro-rated portion of her annual retainer fee of $50,000 in the form of our common stock. Accordingly, pursuant to the terms of the 2000 Director Equity Incentive Plan, Ms. Barsamian was granted 494 shares at a per share fair value of $22.80 and an aggregate grant date fair value of $11,263. The balance of Ms. Barsamian's fee was paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above.

(7) Messrs. Feld and Fuller were appointed to our Board on September 16, 2018 and each received pro-rated portions of such director's non-employee director fees from the date of his appointment on September 16, 2018 through the end of FY19. Messrs. Feld and Fuller were granted 6,764 RSUs on December 7, 2018, with a per-share fair value of $21.78 and an aggregate grant date fair value of $147,320. The balance of each such director's fees was paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above.

(8) In lieu of cash, Mr. Feld elected to receive 100% of the pro-rated portion of his annual retainer fee of $50,000 in the form of our common stock. Accordingly, pursuant to the terms of the 2000 Director Equity Incentive Plan, Mr. Feld was granted 1,229 shares at a per share fair value of $21.78 and an aggregate grant date fair value of $26,767. The balance of Mr. Feld's fee was paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above.

(9) In lieu of cash, Messrs. Hao and Humphrey each received 100% of his respective annual retainer fee of $50,000 in the form of our common stock. Accordingly, pursuant to the terms of the 2000 Director Equity Incentive Plan, each was granted 2,240 shares at a per share fair value of $22.32 and an aggregate grant date fair value of $49,997. The balance of each such director's fee was paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above.

(10) Ms. Laybourne and Mr. Miller served on the Board through December 3, 2018, the date of the Company's 2019 Annual Meeting of Stockholders.

(11) Mr. Miller's non-employee director fees were prorated through December 3, 2018, the date of the Company's 2019 Annual Meeting of Stockholders. Mr. Miller was granted 5,584 RSUs on May 17, 2018, with a per-share fair value of $22.32 and an aggregate grant date fair value of $124,635. The balance in director's fees was paid in cash as reported in the ''Fees Earned or Paid in Cash'' column in the table above.

THE BOARD RECOMMENDS A VOTE ''*FOR*'' ELECTION OF EACH OF THE EIGHT NOMINATED DIRECTORS.

PROPOSAL NO. 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has appointed KPMG LLP (''KPMG'') as our principal independent registered public accounting firm to perform the audit of our consolidated financial statements for fiscal 2020. As a matter of good corporate governance, the Audit Committee has decided to submit its selection of independent audit firm to stockholders for ratification. In the event that this appointment of KPMG is not ratified by a majority of the shares of common stock present or represented at the Annual Meeting and entitled to vote on the matter, the Audit Committee will review its future selection of KPMG as our independent registered public accounting firm.

The Audit Committee first approved KPMG as our independent auditors in September 2002, and KPMG audited our financial statements for fiscal 2019. Representatives of KPMG are expected to attend the meeting with the opportunity to make a statement and respond to appropriate questions from stockholders present at the meeting with respect to this proposal.

Principal Accountant Fees and Services

We regularly review the services and fees from our independent registered public accounting firm, KPMG. These services and fees are also reviewed with the Audit Committee annually. In accordance with standard policy, KPMG periodically rotates the individuals who are responsible for our audit. Our Audit Committee has determined that the providing of certain non-audit services, as described below, is compatible with maintaining the independence of KPMG.

In addition to performing the audit of our consolidated financial statements, KPMG provided various other services during fiscal years 2019 and 2018. Our Audit Committee has determined that KPMG's provisioning of these services, which are described below, does not impair KPMG's independence from NortonLifeLock. The aggregate fees billed for fiscal years 2019 and 2018 for each of the following categories of services are as follows:

Fees Billed to NortonLifeLock	FY19	FY18
Audit fees(1)	$12,464,329	$11,370,525
Audit related fees(2)	1,142,383	753,689
Tax fees(3)	161,685	469,449
All other fees(4)	0	311,000
Total fees	$13,768,398	$12,904,663

The categories in the above table have the definitions assigned under Item 9 of Schedule 14A promulgated under the Exchange Act, and these categories include in particular the following components:

(1) *''Audit fees''* include fees for audit services principally related to the year-end examination and the quarterly reviews of our consolidated financial statements, consultation on matters that arise during a review or audit, review of SEC filings, audit services performed in connection with our acquisitions and divestitures and statutory audit fees.

(2) *''Audit related fees''* include fees which are for assurance and related services other than those included in Audit fees.

(3) *''Tax fees''* include fees for tax compliance and advice.

(4) *''All other fees''* include fees for all other non-audit services, principally for services in relation to certain information technology audits.

An accounting firm other than KPMG performs supplemental internal audit services for NortonLifeLock. Another accounting firm provides the majority of NortonLifeLock's outside tax services.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent registered public accounting firm and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval, and the fees for the services performed to date. The Audit Committee may also pre-approve particular services on a case-by-case basis.

All of the services relating to the fees described in the table above were approved by the Audit Committee.

THE BOARD RECOMMENDS A VOTE *''FOR''* APPROVAL OF PROPOSAL NO. 2

PROPOSAL NO. 3

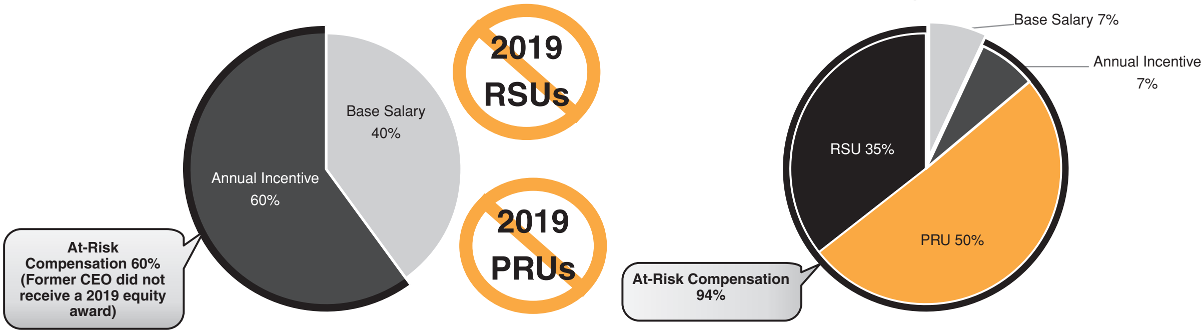
ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

In accordance with Section 14A of the Exchange Act, stockholders are entitled to cast an advisory vote to approve the compensation of our named executive officers, as disclosed in this proxy statement. Accordingly, you are being asked to vote on the following resolution at the Annual Meeting:

''RESOLVED, that the compensation paid to NortonLifeLock Inc.'s named executive officers, as disclosed in this proxy statement pursuant to the SEC's compensation disclosure rules, including the Compensation Discussion & Analysis, compensation tables and narrative discussion, is hereby approved.''

As described more fully in the Compensation Discussion & Analysis section of this proxy statement, our named executive officers are compensated in a manner consistent with our pay-for-performance philosophy and corporate governance best practices. Our executive compensation programs for fiscal 2019 reflect these significant changes to our management team and to our business while promoting our pay-for-performance philosophy and corporate governance best practices. A few highlights, which are discussed further in the Compensation Discussion & Analysis, are:

Fiscal 2019 Total Direct Compensation Mix Former CEO | **Fiscal 2019 Total Direct Compensation Mix NEOs except CEO**



FY19 Executive Compensation

Component	Metric[1]	Achievement (as a percent of target)	Funding
FY19 Executive Annual Incentive Plan (''EAIP'')	FY19 Non-GAAP operating income	87.5%	0%
	FY19 Non-GAAP revenue	97.2%	71.2%
FY19 EAIP Total			**35.6%**
FY19 Performance-based Restricted Stock Units	FY19 earnings per share (''EPS'')	88.3%	**50.6%**
	FY19 free cash flow	90.7%	**91.2%**
FY18 Performance-based Restricted Stock Units	2-year total shareholder return (''TSR'') relative to Nasdaq 100	-21.32%	**0%**
Fiscal 2017 ('FY17') Performance-based Restricted Stock Units	FY18 Non-GAAP Operating Income	109.29%	**268.2%** (of which 250% vested and settled at the end of FY18, and the remaining 18.2% vested for eligible participants at the end of FY19).

(1) Please see discussion below in Compensation Discussion and Analysis for more detail regarding how these metrics are calculated.

We believe that our compensation program balances the interests of all of our constituencies — our stockholders, our executive officers, the remainder of our employee base, our business partners and our community — by, among other things, focusing on achievement of corporate objectives, attracting and retaining highly-qualified executive management and maximizing long-term stockholder value. We encourage you to read the Compensation Discussion & Analysis, compensation tables and narrative discussion related to executive compensation in this proxy statement.

The vote to approve the compensation of our named executive officers is advisory and, therefore, not binding. Although the vote is non-binding, the Compensation Committee and the Board value your opinion and will consider the outcome of the vote in establishing its compensation philosophy and making future compensation decisions. Our current policy is to hold such an advisory vote each year, and we expect to hold another advisory vote with respect to approve to executive compensation at the 2020 annual meeting of stockholders.

THE BOARD RECOMMENDS A VOTE *''FOR''* APPROVAL OF PROPOSAL NO. 3

PROPOSAL NO. 4

STOCKHOLDER PROPOSAL REGARDING INDEPENDENT BOARD CHAIRMAN

Proposal 4 is a stockholder proposal. If the stockholder proponent, or representative who is qualified under state law, is present at the Annual Meeting and submits the proposal for a vote, then the proposal will be voted upon. The stockholder proposal is included in this proxy statement exactly as submitted by the stockholder proponent. The Board's recommendation on the proposal is presented immediately following the proposal. We will promptly provide you with the name, address and, to NortonLifeLock's knowledge, the number of voting securities held by the proponent of the stockholder proposal, upon receiving a written or oral request directed to: NortonLifeLock Inc., Attn: Scott C. Taylor, Corporate Secretary, 60 E. Rio Salado Parkway, Suite 1000, Tempe, Arizona 85281, telephone: (650) 527-8000.

Proposal 4 — Independent Board Chairman

Shareholders request our Board of Directors to adopt as policy, and amend our governing documents as necessary, to require that the Chairman of the Board be an independent member of the Board whenever possible. Although it would be better to have an immediate transition to an independent Board Chairman, the Board would have the discretion to phase in this policy for the next Chief Executive Officer transition.

If the Board determines that a Chairman who was independent when selected is no longer independent, the Board shall select a new Chairman who satisfies the requirements of the policy within a reasonable amount of time. Compliance with this policy is waived in the unlikely event that no independent director is available and willing to serve as Chairman.

Shareholders can vote in favor of this proposal to send a message that they are not satisfied with NortonLifeLock' s performance.

Shares of NortonLifeLock fell 22% in May 2019, according to a Motley Fool article. NortonLifeLock stock sold off in the wake of disappointing earnings that were combined with the announcement that CEO Greg Clark had stepped down.

Shares traded down 15% on the day of the news, marking NortonLifeLock's worst daily performance in over a year. The company had yet to name a permanent replacement by early July.

Adjusted earnings per share for the fourth quarter were $0.39 down significantly from $0.44 in the prior-year quarter. Adjusted sales were also lower, dropping 2% year over year to $1.195 billion and missing the average analyst estimate for sales.

NortonLifeLock shareholders have had to endure ups and downs tied to the 2018 audit and growth initiatives failing to live up to targets. In addition to this there was the uninspiring quarterly performance combined with the unexpected news of Clark's departure that sent the shares tumbling.

The price of NortonLifeLock stock was also flat for the 5-years leading up to July 2019.

This proposal will cost NortonLifeLock virtually nothing to adopt -yet can create an important incentive for management to improve company performance.

Please vote to enhance the oversight of our CEO:
Independent Board Chairman — Proposal 4

Our Board of Directors' Statement in Opposition to Proposal 4

NortonLifeLock's Board of Directors unanimously recommends a vote ''AGAINST'' the stockholder proposal.

The Board has considered the stockholder proposal and, for the reasons described below, believes that the proposal is not in the best interests of NortonLifeLock and its stockholders.

For nearly seven years, NortonLifeLock has had an independent Chairman of the Board who has provided strong independent oversight during the Company's most transformative events.

Since January 2013, Daniel H. Schulman, one of our independent directors, has served as non-executive Chairman of the Board. Prior to that, he served as Lead Independent Director from July 2012 to December 2012 while our prior non-executive Chairman of the Board was transitioning into the CEO role. Mr. Schulman has demonstrated strong leadership, independent thinking and a deep understanding of our business as a result of his tenure as an independent director since March 2000. Since being appointed as the Chairman of the Board, Mr. Schulman has worked with the rest of the Board to oversee multiple significant strategic and leadership changes at the Company, including the transformative divestiture of

Veritas and acquisitions of Blue Coat and LifeLock. Although Mr. Schulman is not standing for re-election at the Annual Meeting, our board intends to nominate an independent member of our Board to serve as our non-executive Chairman of the Board effective as of the Annual Meeting.

While our Board's longstanding Board leadership structure reflects separation in the roles of Chairman and CEO, the Board believes that it should ultimately have the flexibility to tailor its Board leadership structure to fit NortonLifeLock's changing needs.

As discussed above under ''Board Leadership Structure,'' our Board retains the flexibility to determine on a case-by-case basis whether the Chief Executive Officer, or an independent director, should serve as Chairman. Our Board believes that it should retain the ability to choose the person best suited for the role at a particular time in accordance with its fiduciary duty to act in the best interests of the Company and stockholders as circumstances warrant. This flexibility has been important to our Board from time to time in the past and has increased importance today, as the Company is conducting a search for a permanent CEO while at the same time undergoing a major transition with the divestiture of its enterprise security business.

Our Board's decisions in connection with the appointment of Mr. Schulman as our Lead Independent Director and subsequent appointment as our Chairman illustrate why our Board should retain flexibility to appoint the best person for the role. He was appointed to the position of non-executive Chairman after our prior non-executive Chairman served as both Chairman and CEO for six months in connection with a prior CEO transition. At that time, our Board believed appointing Mr. Schulman Lead Independent Director while Mr. Schulman's predecessor served as Chairman and CEO was in the best interest of our Company and stockholders since it provided independent Board leadership while providing the benefit of having our CEO chair regular Board meetings as our Board and CEO developed NortonLifeLock's new strategy and addressed the key business and strategic issues at that time. Following the initial phase of CEO transition, NortonLifeLock entered a new phase and the Board determined that Mr. Schulman's extensive management experience and deep knowledge of our company made him best-suited to lead our Board and provide independent oversight of our senior management team while our CEO focused on executing our new strategic plan and managing our operations and performance.

The Board believes that this flexibility benefits NortonLifeLock and our stockholders because the Board is in the best position to determine its leadership structure given its knowledge of NortonLifeLock's leadership team, strategic goals, opportunities and challenges. Additionally, our Board believes limiting the Board's ability to determine the appropriate Board leadership structure could be harmful to NortonLifeLock's long-term prospects as our Board is currently conducting a CEO search and may decide our next CEO should also serve as our Chairman. We cannot rule out the possibility that our next CEO will also serve as Chairman as it does not serve the interests of the Company or its stockholders to limit the pool of CEO candidates based on this factor alone.

Importantly, regardless of what leadership structure the Board may determine to adopt in the future, our Corporate Governance Guidelines provide for appointment of a Lead Independent Director in situations where the Chairman of the Board is not independent. The Board commitment to independent Board oversight at all times does not end there. All the members of the Board of Directors, other than the CEO, are independent. All the committees of the Board of Directors are composed entirely of independent directors. The Board also has been significantly refreshed as five of the six independent directors standing for election at the annual meeting have served since 2016 or later. Our Board believes that eliminating flexibility in the structure of Board leadership as facts and circumstances require, as the proponent requests, is unnecessary given the safeguards on Board independence already in place and could adversely impact our Company's ability to adapt to new challenges and attract suitable CEO candidates.

Our corporate governance policies and practices further promote effective, independent Board oversight.

In addition to having an independent Chairman of the Board, our Board has adopted policies and practices that provide our stockholders with meaningful rights and further promote Board independence and effective oversight of management.

As mentioned above, all members of our Board (other than any person serving on our Board who also serves as our CEO) and its committees are independent and our Board has been substantially refreshed in recent years. Additionally, if our Chairman is not independent in the future, the independent Directors of the Board will appoint a Lead Independent Director who will have well-defined powers and duties. Our Corporate Governance Guidelines require that our key Board committees be composed entirely of independent directors and that the independent directors meet in executive session without the presence of management for a portion of each regularly scheduled meeting of the Board.

To ensure our Board remains robust and engaged, we engage in an annual self-evaluation process to determine whether the Board and its committees are functioning effectively. Our Nominating and Governance Committee also annually evaluates each individual director and recommends to our Board whether each Director should be nominated for election to a further one-year term. When nominated, our Directors are elected annually, with a majority voting standard for uncontested elections and a director resignation policy.

Stockholders have meaningful proxy access and special meeting rights. We have no supermajority voting provisions. As evidenced by our discussions with stockholders representing approximately 55% of our outstanding shares in 2019, we are deeply committed to ongoing engagement with our stockholders to gain valuable insight into the issues that matter most to them and to enable our Company to address them effectively. We also enable increased stockholder attendance and participation by utilizing a virtual meeting format for our annual meetings of stockholders.

Vote Required

This Proposal No. 4 is advisory in nature and would constitute a recommendation to our Board if it is approved by stockholders. The affirmative vote of a majority of the stock having voting power present in person or represented by proxy and entitled to vote is required to approve this Proposal No. 4. Unless you indicate otherwise, your proxy will be voted ''AGAINST'' this proposal.

For the foregoing reasons, the Board unanimously believes that this proposal is not in the best interests of NortonLifeLock or our stockholders, and recommends that you vote ''AGAINST'' Proposal 4.

THE BOARD RECOMMENDS A VOTE ''*AGAINST*'' PROPOSAL NO. 4.

PROXIES RECEIVED BY THE COMPANY WILL BE VOTED ''*AGAINST*''
THIS PROPOSAL UNLESS OTHERWISE INSTRUCTED.

OUR EXECUTIVE OFFICERS

The names of our current executive officers, their ages as of October 25, 2019 and their positions, after giving effect to the appointment of Mr. Pilette as our CEO, Mr. Kapuria as our President and Mr. Brown as our Interim Chief Financial Officer as of November 8, 2019, are shown below.

Name	Age	Position
Vincent Pilette	47	CEO
Matthew Brown	39	Interim Chief Financial Officer
Amy L. Cappellanti-Wolf	54	Senior Vice President and Chief Human Resources Officer
Samir Kapuria	46	President
Scott C. Taylor	55	Executive Vice President, General Counsel and Secretary

The Board chooses executive officers, who then serve at the Board's discretion. There is no family relationship between any of the directors or executive officers and any other director or executive officer of NortonLifeLock.

For information regarding Mr. Pilette, please refer to Proposal No. 1, ''*Election of Directors*'' above.

Mr. Brown has been appointed to serve as our Interim Chief Financial Officer, effective November 8, 2019. From January 2019 to November 2019, he served as our Vice President of Finance and Chief Accounting Officer. Prior to that, he served as our Vice President, Finance from August 2016 to January 2019 and as Vice President, Corporate Controller of Blue Coat, Inc. from October 2015 until we acquired that company in August 2016. Previously, he served in various positions at NETGEAR, Inc., a computer networking hardware company, from 2010 to October 2015, most recently as Senior Director, Assistant Controller. Mr. Brown holds a Bachelor of Science degree in business administration from the Walter A. Haas School of Business at U.C. Berkeley.

Ms. Cappellanti-Wolf has served as our Senior Vice President and Chief Human Resources Officer since July 2014. Prior to joining us, she served as Chief Human Resources Officer at Silver Spring Networks, Inc., a smart grid products provider, from June 2009 to July 2014. From September 2001 to June 2009, Ms. Cappellanti-Wolf served as Vice President, Human Resources of Cisco Systems, Inc. From 2000 to 2001, she served as a Human Resources Director at Sun Microsystems, Inc. Ms. Cappellanti-Wolf served as Human Resources Director for The Walt Disney Company from 1995 to 2000 and held various roles in human resources with Frito-Lay, Inc., a division of PepsiCo, Inc., from 1988 to 1995. She has a Bachelor's degree in journalism from West Virginia University and a Master's degree in industrial and labor relations from West Virginia University.

Mr. Kapuria has been appointed to serve as our President, effective November 8, 2019. From May 2018 to November 2019, he served as our Executive Vice President, Consumer Business Unit and Cyber Security Services. Prior to that, he served as our Senior Vice President and General Manager, Cyber Security Services from November 2014 to May 2018, as our Vice President, Products and Services from July 2012 to November 2014, and as our Vice President, Business Strategy and Security Intelligence from April 2011 to July 2012. From October 2004 to April 2011, Mr. Kapuria held numerous other director-level management positions with NortonLifeLock. Mr. Kapuria holds a Bachelor's degree in finance from the University of Massachusetts.

Mr. Taylor has served as or Executive Vice President, General Counsel and Secretary since August 2008. From February 2007 to August 2008, he served as our Vice President, Legal. Prior to joining NortonLifeLock, Mr. Taylor held various legal and administrative positions at Phoenix Technologies Ltd., a provider of core systems software, from January 2002 to February 2007, including most recently as Chief Administrative Officer, Senior Vice President and General Counsel. From May 2000 to September 2001, he was Vice President and General Counsel at Narus, Inc., a venture-backed private company that designs IP network management software. Mr. Taylor is a director of Piper Jaffray Companies, a national advisory board member of the Stanford University Center for Comparative Studies on Race and Ethnicity and serves on the board of trustees of Menlo School. He holds a Juris Doctorate from George Washington University and a Bachelor's degree from Stanford University.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information, as of October 25, 2019 with respect to the beneficial ownership of NortonLifeLock common stock by (i) each stockholder known by NortonLifeLock to be the beneficial owner of more than 5% of NortonLifeLock common stock, (ii) each current member of the Board or director nominee, (iii) the named executive officers of NortonLifeLock included in the Summary Compensation Table appearing on page 60 of this Proxy Statement and (iv) all current executive officers and directors of NortonLifeLock as a group.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. Unless otherwise indicated below, the persons and entities 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. Percentage ownership is based on 622,918,522 shares of NortonLifeLock common stock outstanding as of October 25, 2019. Shares of common stock subject to stock options and restricted stock units vesting on or before December 24, 2019 (within 60 days of October 25, 2019) are deemed to be outstanding and beneficially owned for purposes of computing the percentage ownership of such person but are not treated as outstanding for purposes of computing the percentage ownership of others.

Unless otherwise indicated, the address of each of the individuals and entities named below is c/o NortonLifeLock Inc., 60 E. Rio Salado Parkway, Suite 1000, Tempe, Arizona 85281.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
5% Beneficial Owners		
Vanguard Group Inc.(1)	66,828,879	10.7%
T. Rowe Price Associates, Inc.(2)	51,293,114	8.2%
Starboard Value LP(3)	43,600,796	7.0%
BlackRock, Inc.(4)	42,309,498	6.8%
Capital World Investors(5)	41,378,550	6.6%
Total	**245,410,837**	**39.3%**
Directors and Named Executive Officers		
Gregory S. Clark*(6)	5,964,117	1.0%
Nicholas R. Noviello*(7)	1,347,260	**
Vincent Pilette(8)	785,906	**
Scott C. Taylor	408,724	**
Amy L. Cappellanti-Wolf	218,251	**
David L. Mahoney(9)	201,423	**
Samir Kapuria(10)	191,579	**
Daniel H. Schulman	170,989	**
Frank E. Dangeard	113,936	**
V. Paul Unruh(11)	101,711	**
Anita M. Sands	63,830	**
Kenneth Y. Hao(12)	60,670	**
David W. Humphrey	49,882	**
Dale L. Fuller	35,088	**
Suzanne M. Vautrinot(13)	32,269	**
Richard S. Hill(14)	32,072	**
Peter A. Feld(15)	24,685	**
Susan P. Barsamian(16)	19,903	**
Total	**9,822,295**	**1.6%**
Current Directors and Executive Officers		
As a group (18 people)(17)	2,542,151	0.4%

* Former officer.

** Less than 1%.

(1) Based solely on a Schedule 13G/A filing made by The Vanguard Group on February 13, 2019, The Vanguard Group has sole voting power over 736,173 shares, shared voting power over 135,657 shares, sole dispositive power over 65,971,054shares and shared dispositive power over 857,825 shares. This stockholder's address is 100 Vanguard Blvd., Malvern, PA 19355.

(2) Based solely on a Schedule 13G/A filing made by T. Rowe Price Associates on October 10, 2019, T. Rowe Price Associates, Inc. has sole voting over 18,962,995 shares and sole dispositive power over 51,293,114 shares. This stockholder's address is 100 E. Pratt Street, Baltimore, MD 21202

(3) Based solely on a Schedule 13D/A filing made by Starboard Value LP on August 15, 2019, Starboard Value LP has sole voting and sole dispositive power over 43,600,796 shares. This stockholder's address is 777 Third Avenue, 18th Floor, New York, New York 10017. Mr. Feld is a Managing Member of Starboard Value LP and may be deemed to share voting and dispositive power over these shares.

(4) Based solely on a Schedule 13G/A filing made by the BlackRock, Inc. on February 6, 2019, BlackRock, Inc. has sole voting power over 37,349,816 and sole dispositive power over 42,309,498 shares. This stockholder's address is 55 East 52nd Street, New York, NY 10055.

(5) Based solely on a Schedule 13G/A filing made by Capital World Investors on February 14, 2019, Capital World Investors has sole voting power over 41,358,274 shares and sole dispositive power over 41,378,550 shares. This stockholder's address is 333 South Hope Street, Los Angeles, CA 90071.

(6) Beneficial ownership data is current through Mr. Clark's departure date of May 9, 2019 and includes 1,122,938 shares held by the Gregory S. Clark Living Trust for which Mr. Clark exercises voting and dispositive power and 3,604,101 shares subject to options that were fully exercisable as of his departure date.

(7) Beneficial ownership data is current through Mr. Noviello's departure date of May 24, 2019 and includes 775,028 shares subject to options that were fully exercisable as of his departure date.

(8) Includes 165,429 shares held by Vincent Pilette and 620,477 shares held by the VPJW Revocable Trust for which Mr. Pilette exercises voting and dispositive power.

(9) Includes 16,959 shares held by the Winnifred C. Ellis & David L. Mahoney Trust for which Mr. Mahoney exercises voting and dispositive power.

(10) Includes 4,844 shares issuable upon the settlement of RSUs as of December 1, 2019.

(11) Shares held by the Unruh Family Living Trust for which Mr. Unruh exercises voting and dispositive power.

(12) These securities are held by Mr. Hao for the benefit of Silver Lake Technology Management LLC, certain of its affiliates and certain of the funds they manage (''Silver Lake'') and pursuant to Mr. Hao's arrangement with Silver Lake, upon the sale of these securities, the proceeds are expected to be remitted to Silver Lake.

(13) Shares held by the William C. Keller and Suzanne Vautrinot Living Trust for which Ms. Vautrinot exercises voting and dispositive power.

(14) Includes 3,953 shares issuable upon the settlement of RSUs as of November 1, 2019 and 3,953 shares as of December 1, 2019.

(15) Excludes 43,600,796 shares of common stock beneficially owned by Starboard Value LP and its affiliates. Mr. Feld is a Managing Member of Starboard Value LP and may be deemed to share voting and dispositive power over these shares.

(16) Shares held by the S. Barsamian and W. Romans Revocable Trust for which Ms. Barsamian exercises voting and dispositive power.

(17) Includes for Matthew C. Brown: 14,134 shares, 2,099 shares subject to RSUs that will vest on December 1, 2019, and 15,000 shares subject to fully exercisable options.

NortonLifeLock has adopted a policy that executive officers and members of the Board hold an equity stake in the Company. The policy requires each executive officer to hold a minimum number of shares of NortonLifeLock common stock. Newly appointed executive officers are not required to immediately establish their position but are expected to make regular progress to achieve it. The Nominating and Governance Committee reviews the minimum number of shares held by the executive officers and directors from time to time. The purpose of the policy is to more directly align the interests of our executive officers and directors with our stockholders. See ''Stock Ownership Requirements'' under the Compensation Discussion & Analysis section for a description of the stock ownership requirements applicable to our executive officers.

Delinquent Section 16(a) Reports

Section 16 of the Exchange Act requires NortonLifeLock's directors, executive officers and any persons who own more than 10% of NortonLifeLock's common stock, to file initial reports of ownership and reports of changes in ownership with the SEC. Such persons are required by SEC regulation to furnish NortonLifeLock with copies of all Section 16(a) forms that they file.

Based solely on its review of the copies of such forms furnished to NortonLifeLock and written representations from the directors and executive officers, NortonLifeLock believes that all of its executive officers and directors filed the required reports on a timely basis under Section 16(a), except for (i) Mr. Schulman who did not timely report on a Form 4, the distribution of shares held by DHS 2017 Annuity Trust Agreement II (for which Mr. Schulman exercises voting and dispositive power) to his individual account on April 19, 2019, which transaction was reported on a Form 5 that was filed on May 10, 2019, and (ii) Mr. Brown, who inadvertently omitted ownership of 5,393 shares of common stock on a Form 3 that was filed on February 7, 2019, which was subsequently amended on March 8, 2019 to include the correct number of shares.

EXECUTIVE COMPENSATION AND RELATED INFORMATION

COMPENSATION DISCUSSION & ANALYSIS (CD&A)

This compensation discussion and analysis (''CD&A'') summarizes our executive compensation philosophy, our fiscal 2019 (''FY19'') executive compensation program and the FY19 compensation decisions made by the Compensation Leadership and Development Committee (the ''Compensation Committee'') with respect to the following named executive officers (''NEOs''):

- **Gregory S. Clark**, Former President and Chief Executive Officer (''CEO'');
- **Nicholas R. Noviello**, Former Executive Vice President and Chief Financial Officer (''CFO'');
- **Amy L. Cappellanti-Wolf**, Senior Vice President and Chief Human Resources Officer;
- **Samir Kapuria**, President (effective November 8, 2019); and
- **Scott C. Taylor**, Executive Vice President, General Counsel and Secretary.

FY19 Financial Results, Compensation and New Leadership

FY19 Financial Results

(In millions, except for per share amounts)	Fiscal 2019 (“FY19”)	Fiscal 2018 (“FY18”)
Net revenues	$4,731	$4,834
Operating income	380	49
Net income	31	1,138
Net income per share — diluted	0.05	1.70
Net cash provided by operating activities	1,495	950

FY19 Challenges

While we saw improvements in some areas of our business, our overall performance and stock price was negatively impacted by several significant factors:

- Revenue and business momentum in our former Enterprise Security segment declined in FY19.
- The Company was subject to an internal investigation, which was commenced and completed by the Audit Committee of the Board (the ‘‘Audit Committee’’) in connection with concerns raised by a former employee.
- We announced a restructuring plan pursuant to which we targeted reductions of our global workforce of up to approximately 8%.
- Our executive leadership team was in transition with announced executive officer departures in November 2018 and January 2019.

Commitment to Pay-For-Performance

- Mr. Clark, our former CEO, did not receive a FY19 equity award.
- None of our NEOs received an annual base salary increase for FY19, except for those executives who were promoted.
- Our former CEO did not receive a payment under his annual cash incentive award.

FY19 Executive Compensation

Component	Metric[1]	Achievement (as a percent of target)	Funding
FY19 Executive Annual Incentive Plan (‘‘EAIP’’)	FY19 Non-GAAP operating income	87.5%	0%
	FY19 Non-GAAP revenue	97.2%	71.2%
FY19 EAIP Total			**35.6%**
FY19 Performance-based Restricted Stock Units	FY19 earnings per share (‘‘EPS’’)	88.3%	**50.6%**
	FY19 free cash flow	90.7%	**91.2%**
FY18 Performance-based Restricted Stock Units	2-year total shareholder return (‘‘TSR’’) relative to Nasdaq 100	-21.32%	**0%**
Fiscal 2017 (‘‘FY17’’) Performance-based Restricted Stock Units	FY18 Non-GAAP Operating Income	109.29%	**268.2%** (of which 250% vested and settled at the end of FY18, and the remaining 18.2% vested for eligible participants at the end of FY19).

[1] Please see discussion below for more detail regarding how these metrics are calculated.

New Leadership

- The composition of our Board changed materially with the appointment of four new independent directors, two of whom replaced long-tenured directors, and with the further changes reflected herein to occur at the Annual Meeting.
- In November 2018, Michael Fey resigned as President and COO.
- In May 2019, Richard S. ‘‘Rick’’ Hill became our Interim President and CEO, replacing Gregory S. Clark.
- In May 2019, Vincent Pilette became our CFO, replacing Nicholas R. Noviello.
- In November 2019, Mr. Pilette was named our permanent CEO and Samir Kapuria became our President, replacing our interim President and CEO, Mr. Hill.
- In November 2019, Matthew Brown became our interim CFO.

Despite the challenges we faced in FY19, we remain confident in our business strategies and our competitive product portfolio. We will continue to execute on multiple initiatives to drive revenue growth. With industry-leading solutions, we believe that we are well positioned to participate in a growing opportunity in the cyber defense market. We have an opportunity to enhance stockholder value by building on the leadership and momentum of our business.

Our Compensation Philosophy and Practices

Drive Business Success	**Pay for Performance**
Our executive compensation program is designed to drive our success as a market leader in cybersecurity.	We believe that executive compensation should be tied to our short and long-term performance. It is important to reward outstanding individual performance, team success, and Company-wide results.
Attract and Retain	**Balancing and Aligning Interests with Stockholders**
We focus on corporate and individual performance objectives and aim to attract and retain highly-qualified executive officers while maximizing long-term stockholder value.	We are sensitive to our need to balance and align the interests of our executive officers with those of our stockholders, especially when compensation decisions might increase our cost structure or stockholder dilution.

Compensation Policies and Practices

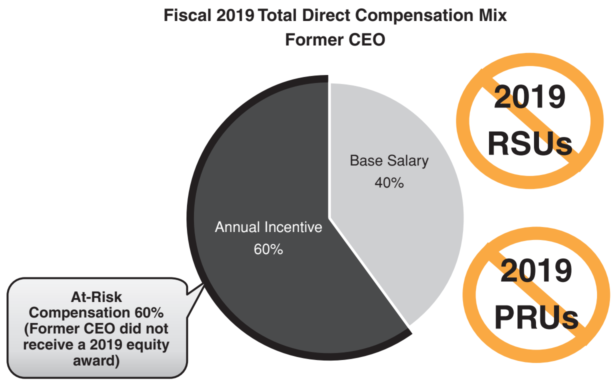
What We Do:	What We Do Not Do:
✔ The majority of pay for our CEO and other NEOs is at risk.	✖ We do not pay performance-based cash or equity awards for unsatisfied performance goals.
✔ We provide that short-term incentive compensation is linked directly to our financial results and also takes into account individual performance.	✖ Our compensation plans do not have minimum guaranteed payout levels.
✔ We reward performance that meets our predetermined goals.	✖ We do not provide for automatic salary increases or equity awards grants in offer letters or employment agreements.
✔ We cap payouts under our plans to discourage excessive or inappropriate risk taking by our NEOs.	✖ We generally do not permit short-sales, hedging or pledging of our stock.
✔ We have a relevant peer group and reevaluate the peer group annually.	✖ We do not provide ‘‘golden parachute’’ excise tax gross-ups.
✔ We have robust stock ownership guidelines for our executive officers and directors.	✖ We do not provide excessive severance.
✔ We have adopted a comprehensive ‘‘clawback’’ policy, applicable to all performance-based compensation granted to our executive officers.	✖ We do not provide executive pension plans or SERPs.
✔ We only provide for double-trigger change in control benefits.	✖ We do not provide excessive perquisites.
✔ We limit any potential cash severance payments to not more than 1x our executive officers' total target cash compensation and 2x our CEO's total base salary.	✖ We do not permit the repricing or cash-out of stock options or stock appreciation rights without stockholder approval.
✔ Our Compensation Committee retains an independent compensation consultant.	✖ We do not permit the payment of dividend or dividend equivalents on unvested equity awards.
✔ We hold an annual advisory vote on executive compensation.	✖ We do not provide single-trigger change of control benefits to executive officers.
✔ We seek feedback on executive compensation through stockholder engagement.	
✔ We generally require one-year minimum vesting on stock options and stock appreciation rights.	

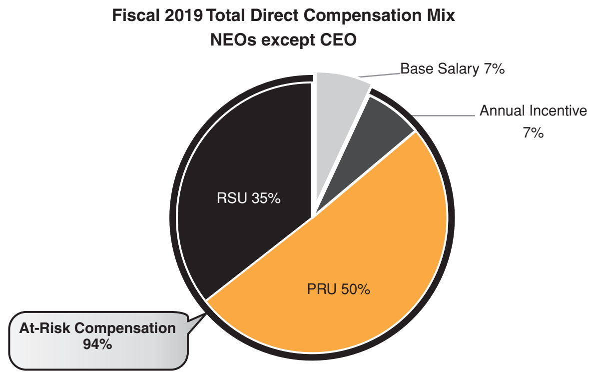
Strong stockholder support on say-on-pay and Stockholder Engagement

At our 2018 annual meeting of stockholders, we requested that our stockholders cast a non-binding advisory vote on the compensation of our NEOs, also known as ‘‘say-on-pay’’ vote. This proposal passed with approximately 90% of the votes cast in favor. In evaluating our compensation practices in FY19, the Compensation Committee was mindful of the support our stockholders expressed for our philosophy of linking compensation to financial objectives and the enhancement of stockholder value. In addition, management met with or spoke to institutional stockholders representing approximately 55% of outstanding shares and listened to any feedback regarding executive compensation program. As a result, the Compensation Committee retained its general approach to executive compensation and continued to apply the same general philosophy and objectives as in the prior fiscal year in determining executive compensation.

FY19 EXECUTIVE COMPENSATION

The total mix of our NEO compensation, including the portion at risk, is reflected in the graphs below. The major components of target compensation for our NEOs during FY19 were: (i) base salary, (ii) target annual incentive awards and (iii) grant date fair value of long-term equity incentive awards, with the exception of our CEO who did not receive any equity awards for FY19.





Analysis of Compensation Components

The elements of the FY19 compensation for our NEOs was as follows:

Compensation Component	Form of Award	Percent at Risk	Performance vs Time-Based
Base Salary	Cash	0%	NA
Executive Annual Incentive Plan	Cash[1]	100%	Performance-Based
Equity Incentive Awards — Restricted Stock Units ("RSUs")	RSUs[2]	100%	Time-Based
Equity Incentive Awards — Performance-based Restricted Stock Units ("PRUs")	PRUs[2]	100%	Performance-Based

(1) For FY19, except for Mr. Noviello, this award was payable in RSUs, which were granted on May 20, 2019 and vested June 1, 2019. Beginning in fiscal 2020 ("FY20"), the award will be payable in cash.

(2) For FY19, our former CEO did not receive any equity awards.

I. Base Salary

2019 Base Salary	
Philosophy	**Considerations**
• Provide fixed compensation to attract and retain key executives.	• Salary reviewed and set annually. • The factors used to determine the amount of salaries include skill set, experience performance contribution levels, the executive officer's role, positioning relative to peer group and market and our overall salary budget. • Recommendations of the CEO for other executive officers based upon his annual review of performance.

The following table presents each NEO's base salary for FY19.

NEO	FY18 Annual Salary ($)	Change in Salary (%)	FY19 Annual Salary
Gregory S. Clark	1,000,000	—	1,000,000
Nicholas R. Noviello	650,000	—	650,000
Amy L. Cappellanti-Wolf	440,000	—	440,000
Samir Kapuria(1)	390,000(1)	60,000(1)	450,000
Scott C. Taylor	600,000	—	600,000

(1) Mr. Kapuria was named an executive officer during FY19 and received a salary increase in connection with his promotion. His salary increased from $390,000 to $440,000 effective May 8, 2018.

As presented in the table above, our named executive officers did not receive an increase in annual base salary other than in connection with a promotion for Mr. Kapuria. Our former CEO determined that none of our other NEOs would receive a base salary increase for FY19. In addition, our Board also determined that Mr. Clark would not receive a salary increase in FY19.

II. Executive Annual Incentive Plan

FY19 Annual Cash Incentive Awards

Philosophy	Target Amount Considerations	Award Design Considerations	Performance Conditions
• Establish appropriate short-term performance measures that the Compensation Committee believes will drive our future growth and profitability. • Reward achievement of short-term performance measures. • Payout tied to Company performance consistent with FY19 financial plan. • Offer market competitive incentive opportunities.	• Factors used to determine target amounts included: (i) relevant market data; (ii) internal pay equity; and (iii) desired market position role of each NEO.	• Non-GAAP Operating Income and Non-GAAP Revenue were the financial metrics selected because we believe: (i) they strongly correlate with stockholder value creation, are transparent to investors and are calculated on the same basis as described in our quarterly earnings releases and supplemental materials, and balance growth and profitability, and (ii) our executive team can have a direct impact on these metrics through skillful management and oversight. • Metrics established based on a range of inputs, including external market economic conditions, growth outlooks for our product portfolio, the competitive environment, our internal budgets and market expectations.	• Non-GAAP Operating Income Metric (50% weighing). Non-GAAP Operating Income is defined as GAAP operating income, adjusted, as applicable, to exclude, among other things, stock-based compensation expense, charges related to the amortization of intangible assets, restructuring, separation, transition and other related expenses and contract liabilities fair value adjustment, calculated under 2019 plan exchange rates • Non-GAAP Revenue Metric (50% weighing). Non-GAAP Revenue is defined as GAAP revenue adjusted to exclude contract liabilities fair value adjustment calculated under 2019 plan exchange rates.

FY19 Annual Cash Incentive Awards			
Philosophy	**Target Amount Considerations**	**Award Design Considerations**	**Performance Conditions**
		• Performance payout curves set to drive increased revenue and operating income and in accordance with our FY19 financial plan. • Goals established in first 90 days when performance is indeterminable. • Payable in fully vested RSUs for FY19. • CEO performance should be completely tied to Company financial performance.	• Individual performance assessment modifier (0-140%) except for CEO. • Employment through payout date. • See below for more information.

Executive Annual Incentive Plan Target Opportunities: The following table presents each NEO's target incentive opportunity for FY19 under the FY19 Executive Annual Incentive Plan (the "FY19 EAIP"):

NEO	FY19 Individual Annual Incentive Target (%)	FY19 Target ($)
Gregory S. Clark	150	1,500,000
Nicholas R. Noviello	100	650,000
Amy L. Cappellanti-Wolf	70	308,000
Samir Kapuria[1]	100	450,000
Scott C. Taylor	100	600,000

(1) In connection with Mr. Kapuria's promotion, his FY19 Individual Annual Incentive Target under the FY19 EAIP increased from 60% to 100% effective May 8, 2018. Mr. Kapuria's prorated target annual incentive value for FY19 is $427,451.

FY19 EAIP Payout Formula: The determination of each NEO's payout amount under the FY19 EAIP is based on the following formula. The Compensation Committee has discretion to adjust individual awards downward as appropriate by up to 25% of the amount of the incentive award that would otherwise be earned.

Base Salary $ × Annual Incentive Target % × Weighted Average of Revenue and Operating Income Funding % × Individual Performance Factor % = Individual Payout Amount $

The payout curves for each of our metrics for FY19 are set forth in the table below. The non-GAAP operating income and non-GAAP revenue metrics are funded independently of each other and are weighted equally. Except for our CEO, the actual individual payouts could be further modified based on an individual performance factor generally in the range of 0% to 140% based on performance achievement against pre-established individual goals for FY19.

	Non-GAAP Operating Income Metric		Non-GAAP Revenue Metric			
	Non-GAAP Operating Income ($ millions)	Funding (%)	Non-GAAP Revenue ($ millions)	Funding (%)	Individual Performance Modifier (%)	Total Payout as a Percentage of Target (%)
Threshold	$1,428	40	$4,760	40	35	14
Target	$1,630	100	$4,943	100	100	100
Maximum	$1,793	200	$5,141	200	140	280

Individual Performance Assessment

Individual performance is evaluated, and taken into account in determining the FY19 EAIP payout for NEOs other than the CEO based on both quantitative and qualitative results in the following key areas:

Individual Performance Assessment Components

- Financial and operational goals for the executive's area of responsibility and the entire Company.
- Leadership qualities as well as functional competencies and knowledge for the executive's area of responsibility.
- Development and management of the executive's team of employees.

Provided the threshold performance levels for both Company performance metrics are achieved, the CEO evaluates the level of each NEO's individual performance against the pre-determined goals at fiscal year-end and makes a recommendation to the Compensation Committee. The Compensation Committee makes the final determination with respect to each NEO's actual payout, which it did for our NEOs in FY19.

FY19 EAIP Payout Results:

Weighted Average Company Performance Funding					
Company Performance Metric	**Target ($) (millions)**	**Threshold ($) (millions)**	**Actual ($) (millions)**	**Threshold Funding (%)**	**Funding (%)**
Non-GAAP Operating Income	1,630	1,428	1,427(1)	40	0.0
Non-GAAP Revenue	4,943	4,760	4,804(2)	40	71.2
FY19 Funding					**35.6**

(1) Calculated in FY19 plan exchange rates and excludes stock-based compensation expense, charges related to the amortization of intangible assets, restructuring, separation, transition and other related expenses, contract liabilities fair value adjustment, acquisition-related costs and certain litigation settlement gains.

(2) Calculated in FY19 plan exchange rates and excludes contract liabilities fair value adjustment.

FY19 EAIP NEO Payout Amounts					
NEO	**Base Salary**	**Annual Incentive Target (%)**	**Company Performance Funding (%)**	**Individual Performance Factor (%)**	**Individual Payout Amount ($)[4]**
Gregory S. Clark[1]	1,000,000	150	n/a	n/a	0
Nicholas R. Noviello[2]	650,000	100	n/a	n/a	487,500
Amy L. Cappellanti-Wolf[3]	440,000	70	35.6	100	109,648
Samir Kapuria[3]	450,000	100	35.6	100	152,172
Scott C. Taylor[3]	600,000	100	35.6	100	213,600

(1) Mr. Clark did not receive a FY19 EAIP payout.

(2) Pursuant to the terms of Mr. Noviello's Transition Services Agreement dated January 31, 2019 (the ''Transition Services Agreement''), Mr. Noviello received 75% of his target FY19 EAIP amount under the Company's Executive Severance Plan because it was greater than the amount that he would have earned under the FY19 EAIP irrespective of individual performance.

(3) Ms. Cappellanti-Wolf and Messrs. Kapuria and Taylor each earned an individual performance factor of 100%. In determining the appropriate individual performance factor for each of these executives, the Compensation Committee, with recommendation of the CEO, considered leadership, contributions to NortonLifeLock's achievement of its goals, and strategic planning among other factors.

(4) The Compensation Committee did not exercise its discretion to reduce any payouts.

III. Equity Incentive Awards

In FY19, we granted our NEOs (other than Mr. Clark who did not receive equity awards in FY19) a mix of RSUs and PRUs (''FY19 RSUs'' and ''FY19 PRUs'', respectively). In FY19, Messrs. Taylor and Noviello, as FY18 NEOs, were granted a mix of PRUs and RSUs at 70% and 30%, respectively. All other executives, other than Mr. Clark, received a mix of PRUs and RSUs at 50% and 50%, respectively.

Equity Incentive Awards				
Philosophy	**Grant Mix**	**Award Amount Considerations**	**Award Design Considerations**	**Vesting Conditions**
• Establish appropriate performance measures that the Compensation Committee believes will drive our future growth and profitability.	• Equity awards are a mix of RSUs and PRUs.	• NEOs' responsibilities and anticipated future contributions.	• Long-term payouts should depend on NEOs' ability to drive financial performance, including share price appreciation.	• RSUs are time-based and vest over three years: (30%/ 30%/ 40%), except for 2019, where they vest 40%/ 30%/ 30% with the exception of FY18 NEOs whose RSUs grant vest 30%/30%/40%.

Equity Incentive Awards				
Philosophy	**Grant Mix**	**Award Amount Considerations**	**Award Design Considerations**	**Vesting Conditions**
• Provide meaningful and appropriate incentives for achieving annual financial goals that the Compensation Committee believes are important for our short- and long-term success.	• For our FY18 NEOs (Taylor and Noviello), the mix was 70% PRUs and 30% RSUs.	• NEOs' past grant amounts and amount of unvested equity held by each NEO.	• Metrics should align with long-term goal of generating cash and operational execution and allow us to evaluate our short-term strategy while taking into account the performance of our peers.	• PRU Metrics: Achievement of FY19 non-GAAP free cash flow ("FCF"); non-GAAP FCF is cash from operating activities less capital expenditures, as reported in the Company's audited financial statements.
• Equity awards should attract and retain talent in a highly competitive market for talent.	• For our other NEOs, the mix was 50% PRUs and 50% RSUs.	• Competitive market assessment, including practices of peers and similarly situated companies.	• Payout amounts should be designed to promote retention for valuable NEOs.	• FY19 Non-GAAP EPS; non-GAAP EPS is non-GAAP net income (consistent with the Board approved plan) divided by 680 million fully diluted shares.
• Reward NEOs for creating stockholder value over long term.	• Mr. Clark did not receive FY19 equity awards.	• Gains recognizable by the NEO from equity awards made in prior years.		• TSR over three years measured against the Nasdaq 100. • See below for more information

Restricted Stock Units (RSUs): RSUs represent the right to receive one share of NortonLifeLock common stock for each vested RSU upon the settlement date, subject to continued employment through each vesting date.

NEO	FY19 RSU Award Amount (#)[2]	Grant Date Value ($)
Gregory S. Clark[1]	0	0
Nicholas R. Noviello	95,416	2,106,785
Amy L. Cappellanti-Wolf	78,620	1,683,254
Samir Kapuria	238,243	5,100,783
Scott C. Taylor	61,339	1,354,365

(1) Mr. Clark did not receive an RSU award for FY19.

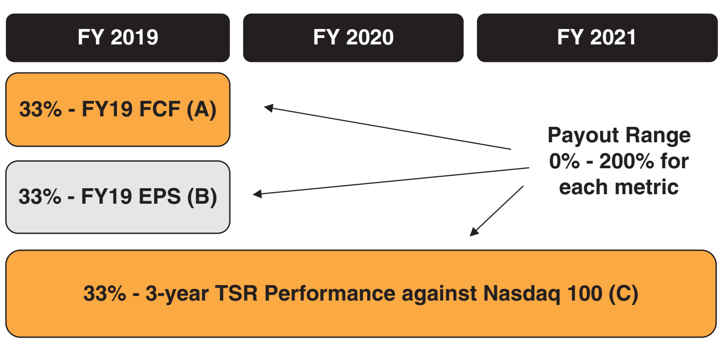
(2) In FY19, Messrs. Taylor and Noviello, as FY18 NEOs, were granted a mix of PRUs and RSUs at 70% and 30%, respectively. All other executives, other than Mr. Clark, received a mix of PRUs and RSUs at 50% and 50%, respectively.

Performance-based Restricted Stock Units (PRUs): FY19 PRUs granted to our NEOs vest based on the achievement of three metrics: (1) FY19 FCF; (2) FY19 EPS; and (3) three-year relative TSR at the end of fiscal 2021 as measured against the Nasdaq 100 and the completion of a service requirement. The Compensation Committee believed that using independently-measured corporate metrics would motivate our executive team by providing distinct separate opportunities to earn awards. The Compensation Committee also believed adding Free Cash Flow as an additional metric to those used in the FY18 PRUs aligned with the Company's priorities for FY19 of generating strong free cash flow growth.

FY19 PRU Performance Metrics Overview			
Metric	**Measurement Period**	**Metric Objectives**	**Vesting Conditions[1]**
FY19 Free Cash Flow	FY19	Aligns with our long-term goal of generating cash and operational execution.	Earned portion vests at end of FY20 for FY18 NEOs, and as to 60%/40% at end of FY19/FY20, respectively, for non FY18 NEOs.
FY19 Earnings Per Share	FY19	Provides evaluation of strategy execution.	Earned portion vests at end of FY20 for FY18 NEOs, and as to 60%/40% at end of FY19/FY20, respectively, for non FY18 NEOs.
3-Year Total Shareholder Return vs. Nasdaq 100	FY19 through the end of fiscal 2021	Provides balance to measure our longer-term performance against comparable companies.	Earned portion vests at end of FY21.

(1) In addition to the vesting components, the Compensation Committee has broad negative discretion to reduce the amount of the award earned by up to 50% as it determines reasonable and appropriate.

FY2019 PRU Design



A + B + C = Total Number of PRUs Earned

The Compensation Committee certifies the amount of PRUs earned under each of the relevant metrics shortly after the completion of the performance period for each metric.

Vesting of Earned FY19 PRU Awards			
NEO	**FY19 FCF Metric**	**FY19 EPS Metric**	**3-Year TSR Performance Metric**
Gregory S. Clark(1)	n/a	n/a	n/a
Nicholas R. Noviello(2)(3)	n/a	n/a	n/a
Amy L. Cappellanti-Wolf(4)	60% - 3/29/2019; 40% - 4/3/2020	60% - 3/29/2019; 40% - 4/3/2020	4/2/2021
Samir Kapuria(4)	60% - 3/29/2019; 40% - 4/3/2020	60% - 3/29/2019; 40% - 4/3/2020	4/2/2021
Scott C. Taylor(3)	100% - 4/3/2020	100% - 4/3/2020	4/2/2021

(1) Mr. Clark did not receive a PRU award for FY19.

(2) Pursuant to the terms of Mr. Noviello's Transition Services Agreement, he is entitled to vesting and settlement of a portion of his FY19 PRUs, subject to the satisfaction of the applicable performance metrics, without having to satisfy any service requirement.

(3) As FY18 NEOs, the FCF and EPS metric components of these awards vest at the end of FY20.

(4) Mr. Kapuria and Ms. Cappellanti-Wolf were not NEOs in FY18. Non-NEOs' awards vest as to 60% of the FCF and EPS component at the end of FY19, and as to 40% of the FCF and EPS component at the end of FY20.

FY19 Non-GAAP FCF Metric

33% of the shares underlying the FY19 PRUs are eligible to be earned based on our achievement of non-GAAP FCF at the end of FY19. The following table presents threshold, target and maximum performance levels and payouts of the relative FCF metric:

	FY19 FCF Performance Metric	
	FCF Performance Goal (millions)*	**Funding (%)**
Below Threshold	Less than $1,100	0
Threshold	$1,100	40
Target	$1,350	100
Maximum	$1,562 or more	200

* To the extent actual non-GAAP FCF performance falls between two discrete points in the chart above, linear interpolation will be used to determine funding.

FY19 Non-GAAP EPS Metric

33% of the shares underlying the FY19 PRUs are eligible to be earned based on our achievement of non-GAAP EPS at the end of FY19. The following table presents threshold, target and maximum performance levels and payouts of the relative EPS metric:

	FY19 EPS Performance Metric	
	EPS Performance Goal*	**Funding (%)**
Below Threshold	Less than $1.50	0
Threshold	$1.50	50
Target	$1.70	100
Maximum	$1.93 or more	200

* To the extent actual non-GAAP EPS falls between two discrete points in the chart above, linear interpolation will be used to determine funding.

3-Year TSR Component

33% of the shares underlying the FY19 PRUs are eligible to be earned based on our TSR performance relative to the TSR performance of companies comprising the Nasdaq 100 index over the three-year performance period ending on the last day of FY21. The following table presents threshold, target and maximum performance levels and payouts of the relative TSR metric:

	3-Year TSR Performance: TSR Performance vs. Nasdaq 100*	Funding (%)
Below Threshold	Below 25th percentile	0
Threshold	25th percentile	50
Target	50th percentile	100
Maximum	75th percentile	200

* To the extent actual TSR performance falls between two discrete points in the chart above, linear interpolation will be used to determine funding.

FY19 PRU Award Summary: The following table summarizes the number of FY19 PRUs granted to each NEO, and the amounts earned and vested as of the end of FY19, which are subject to change based on 3-year TSR component of the award and continued service requirements through the end of FY21. For the FY19 FCF metric, we achieved $1,288 million, resulting in funding at 91.2% for this metric. For the FY19 EPS metric, we achieved just over the threshold performance goal of $1.50, resulting in funding at 50.6% for this metric.

FY19 PRUs Granted, Earned and Vested

NEO	Total FY19 PRUs Granted (#)	Total FY19 PRU Value at Grant ($)	Total FY19 FCF PRUs Earned (#)	Total FY19 EPS PRUs Earned (#)	Total 3-Year TSR PRUs Earned (#)	Total FY19 PRUs Earned	Total FY19 PRUs vested
Gregory S. Clark(1)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nicholas R. Noviello(2)	222,636	4,825,264	40,608	22,530	n/a	63,138	63,138
Amy L. Cappellanti-Wolf	78,620	1,668,841	23,899	13,258	—	37,157	22,297
Samir Kapuria	238,242	5,057,084	72,424	40,182	—	112,606	67,566
Scott C. Taylor	143,123	3,101,953	43,508	24,138	—	67,646	0

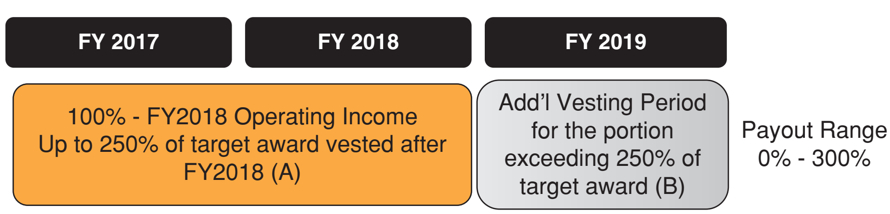
(1) Mr. Clark did not receive any FY19 equity awards.

(2) Pursuant to the terms of Mr. Noviello's Transition Services Agreement, he will be entitled to vesting and settlement of a portion of his FY19 PRUs, subject to the satisfaction of the applicable performance metrics, without having to satisfy any service requirement.

Previously Granted Long Term Incentive Pay Outcomes

FY17 PRU Achievement

FY2017 PRU Design



A + B = Total Number of PRUs Earned

(Subject to continued employment, earned shares up to 250% of target award are released after FY2018 end; earned shares exceedding 250% of target award are released after FY 2019)

The FY17 PRUs were designed with a performance metric that would focus our efforts on producing significantly increased profitability by the end of FY18. The Compensation Committee chose FY18 non-GAAP operating income as the appropriate metric for the FY17 PRUs because it provided a powerful incentive to both complete our business transformation goal while also requiring the executive team to deliver increased profitability. Depending on our achievement of this metric, 0% to 300% of the target shares were eligible to be earned at the end of FY18, subject to additional vesting conditions in certain cases as discussed below. To further encourage continued service to us and our stockholders, for any achievement above 250% of target to be earned, generally, the participant must have been employed by us through the end of FY19 when the additional payout in excess of 250% was made.

Below is the summary of FY18 non-GAAP operating income metric achievement for the FY17 PRUs as of the end of FY18.

	FY18 non-GAAP Operating Income Target ($) (millions)	FY18 non-GAAP Operating Income Actual ($) (millions)	FY18 Non-GAAP Operating Income Performance as a % of Target	Vesting Level as a % of Target Award	Eligible Shares as a % of Target Shares at end of FY18	Eligible Shares as a % of Target Shares at end of FY19
FY17 PRUs	1,560	1,705[(1)]	109.29	268.2	250	18.2

(1) Defined as our FY18 GAAP operating income, adjusted, as applicable, to exclude website security and PKI results included in our third quarter of FY18 results, stock-based compensation expense, charges related to the amortization of intangible assets, restructuring, separation, transition and other related expenses, acquisition and integration expenses, certain gains or losses on litigation contingencies and settlements, the impact from deferred revenue and inventory fair value adjustments as part of business combination accounting entries and certain other income and expense items that management and/or the Compensation Committee considers unrelated to NortonLifeLock's core operations. Non-GAAP operating income was adjusted under FY17 PRUs to (i) allow for the negative impact of up to $91 million of foreign exchange rates on revenue, with no limit on the positive foreign exchange impact, and (ii) adjusted beneficially for changes to NortonLifeLock's capital structure that positively impacted NortonLifeLock's EPS on a non-GAAP Basis, such as cash interest expense savings due to prepayment of indebtedness.

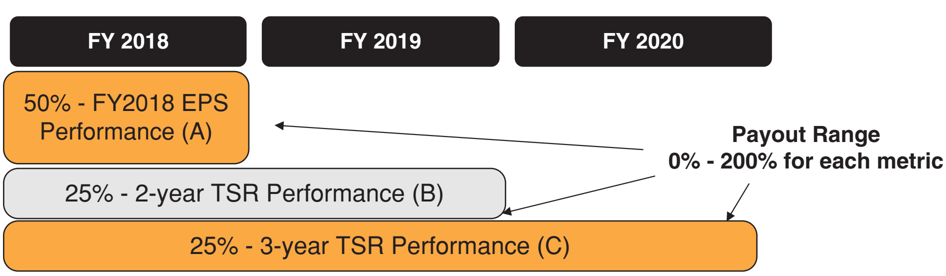
Below is the summary of the FY17 PRUs vested and earned by each NEO.

NEO	Total FY17 PRUs Vested at end of FY18	Total FY17 PRUs vested at end of FY19	Total FY17 PRUs Earned and Vested[(1)]
Gregory S. Clark	2,404,175	175,023	2,579,198
Nicholas R. Noviello	606,935	44,184	651,119
Amy L. Cappellanti-Wolf	207,142	15,080	222,222
Samir Kapuria	148,322	10,798	159,120
Scott C. Taylor	414,287	30,160	444,447

(1) The Compensation Committee did not exercise its discretion to reduce any payouts.

FY18 PRU Achievement

FY2018 PRU Design



A + B + C = Total Number of PRUs Earned

(Subject to continued employment, all of the earned shares are released at the end of FY2020)

The Compensation Committee chose FY18 EPS and relative 2- and 3-year TSR against the Nasdaq 100 index as the applicable performance metrics for the FY18 PRUs. The Compensation Committee selected non-GAAP EPS because it believed this metric could be used to evaluate the execution of our short-term strategy. The one-year EPS metric is balanced by the 2- and 3-year relative TSR metrics, which require us to match or exceed median market results to achieve a payout at target or greater, and provides alignment with stockholders over a more extended time period.

Below is the summary of the FY18 non-GAAP EPS metric performance metric achievement for the FY18 PRUs as of the end of FY18.

	FY18 non-GAAP EPS Target	FY18 non-GAAP EPS Actual[1]	Achievement as a Percentage of Target	Eligible Shares as a % of Target Shares at end of FY18
FY18 PRUs	$1.64 per share	$1.56 per share	95.20%	50.5% of the FY18 EPS shares (25.25% of the total FY18 PRUs) became eligible to be earned at the end of FY20.

(1) We define non-GAAP EPS as non-GAAP net income, calculated in the manner consistent with the annual financial plan presented to and approved by our Board, divided by 675 million fully diluted shares. We calculate non-GAAP net income as GAAP profit before tax reflected in the Company's condensed consolidated statements of operations as adjusted for the following items: the impact from business combination accounting entries (such as deferred revenue fair value adjustments, and inventory fair value adjustments), stock-based compensation expense, restructuring, separation, transition and other related charges, integration and acquisition expenses, charges related to the amortization of intangible assets and acquired product rights, impairments of assets, income or loss from discontinued operations, non-cash interest expense and amortization of debt issuance costs and certain other items that are not included in the Company's non-GAAP results, further adjusted to reflect the Company's expected ongoing core tax rate, all calculated based on the applicable fiscal year plan level exchange rates.

Below is the summary of FY18 non-GAAP EPS metric performance metric achievement for the FY18 PRUs as of the end of FY18.

	2-Year Relative TSR Target vs. Nasdaq 100	2-Year Relative TSR Actual vs. Nasdaq 100	Achievement as a Percentage of Target	Eligible Shares as a % of Target Shares at end of FY19 for the 2-Year TSR Component[1]
FY18 PRUs	50th Percentile	8th Percentile	0%	0

(1) Under the FY18 PRU plan, any unearned shares below the target level for the 2-Year Relative TSR are added to the FY18 3-Year Relative TSR Shares to be earned.

IV. Benefits

FY19 Benefits	
Benefit	**Philosophy/Rationale**
401(k) plan and matching contributions, health and dental coverage, life insurance, disability insurance, paid time off, and paid holidays.	• Provide our NEOs with competitive broad-based employee benefits on the same terms as are available to all employees generally.
Nonqualified deferred compensation plan.	• Provide a standard package of benefits necessary to attract and retain executives. two of our named executive officers participated in this plan during FY19. The plan is described further under ''Non-Qualified Deferred Compensation in Fiscal 2019,'' on page 65.
Reimbursement for up to $10,000 for financial planning services.	• Provide financial planning assistance given the complexity of executive officer compensation and financial arrangements to allow executives to concentrate on responsibilities and our future success.
Car service for our former CEO.	• Helps to ensure the security of our CEO, provides a more efficient means of transportation and allows him to concentrate on his responsibilities and our future success.
Aircraft lease agreement with our former CEO for Company use of his aircraft.	• Helps to ensure the security of our CEO, provides a more efficient means of transportation and allows him to concentrate on his responsibilities and our future success.

V. Severance and Change of Control Benefits

The following table provides information regarding the severance arrangements that we have with certain of our NEOs:

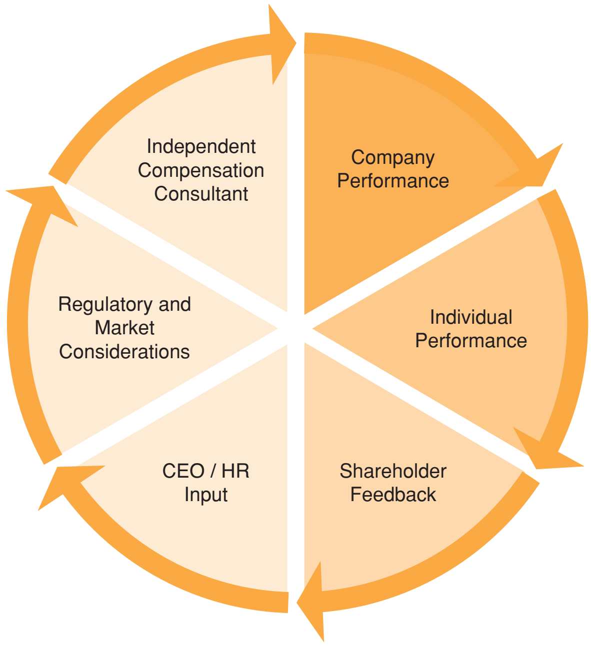
FY19 Severance and Change of Control Protections

Philosophy	Considerations	Terms
• *Attract and Retain Executives* Intended to ease an NEO's transition due to an unexpected employment termination or retain an NEO through a change in control event. • *Align Interests with Stockholders* Mitigate any potential employer liability and avoid future disputes or litigation; retain and encourage our NEOs to remain focused on our business and the interests of our stockholders when considering or implementing strategic alternatives.	• The employment of our NEOs is ''at will,'' meaning we can terminate them at any time and they can terminate their employment with us at any time. • Severance arrangements should be designed to: (i) provide reasonable compensation to executive officers who leave our Company under certain circumstances to facilitate their transition to new employment and (ii) require a departing executive officer to sign a separation and release agreement acceptable to us as a condition to receiving post-employment compensation payments or benefits. • ''Double-trigger'' provisions preserve morale and productivity, and encourage executive retention in the event of a change of control. • Transition or retention arrangements should be designed retain and incentivize executive officers until a successor is found and to ensure a smooth transition.	• *Executive Severance Plan* Provides for cash severance and other benefits where the individual's employment is terminated without cause outside of the change in control context, contingent on a release. • *Executive Retention Plan* Provides for double trigger acceleration of vesting of equity awards and cash severance benefits where the individual's employment is terminated without cause, or is constructively terminated, within 12 months after a change in control, contingent on a release; no ''golden parachute'' excise tax gross-ups. • *Nicholas R. Noviello's Transition Services Agreement* Provides for certain transition and severance benefits, including continued vesting and participation in FY19 EAIP and severance benefits in the event of an earlier termination of employment. • *Broadcom Sale Severance and Retention Arrangements* Provides for certain accelerated vesting and cash payments in the event the individual is employed through a transition period or is terminated without cause before the end of the transition period

Details of each individual NEO's severance payments and benefits and Nicholas R. Noviello's Transition Services Agreement, including estimates of amounts payable in specified circumstances in effect as of the end of FY19, are disclosed under ''Potential Payments Upon Termination or Change-in-Control'' below.

Key Compensation and Governance Policies

Policy	Considerations	Material Features
Stock Ownership Guidelines	• Promote stock ownership in the Company. • More closely align the interests of our NEOs with those of our stockholders.	• 6x base salary for CEO. • CFO and President, 3x base salary. • Executive Vice Presidents, 2x base salary. • 4 years from executive officer designation to comply. • During 4-year transition period, must retain at least 50% of net-settled equity award shares until ownership requirement is met. • Includes shares owned outright, excludes stock options and unvested RSUs and PRUs. • As of October 18, 2019, three NEOs have reached ownership requirements.
Anti-Hedging and Anti-Pledging Policies	• Permitting hedging is viewed as a poor pay program practice, as it insulates executives from stock price movement and reduces alignment with stockholders. • Pledging raises potential risks to stockholder value, particularly if the pledge is significant.	• No employee, officer or director may acquire, sell or trade in any interest or position relating to the future price of the Company's securities, such as a put option, a call option or a short sale. • Waiver granted for Mr. Feld to exercise forward contracts that were in existence before he became a board member. • Covered persons are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan.
Insider Trading Policy	• Prohibit insiders from taking advantage of material non-public information.	• Prohibits the purchase or sale of securities while in possession of material non-public information. • Directors, CEO, President and CFO must conduct any open market sales of our securities only through use of Rule 10b5-1 stock trading plans.
Clawback Policy	• Permit us to recoup performance-based cash and equity awards when such awards were not properly earned or when executives have engaged in inappropriate actions	• Applies to all executive officers. • Allows recoupment of performance-based cash and equity awards if (i) we are required to restate our financial statements due to fraud or intentional misconduct or (ii) an executive officer violates certain Company policies



General Approach to Determining Compensation

Compensation Committee Decision Process

The Compensation Committee oversees the compensation of our NEOs and our executive compensation program and initiatives. The Compensation Committee typically reviews executive officer compensation, including base salary, short-term incentives and long-term incentives, in the first half of each fiscal year, to understand competitive market compensation levels and practices based on the most recently completed year. In connection with this review, the Compensation Committee considers any input it may receive from our CEO in evaluating the performance of each executive officer and sets each executive officer's total target direct compensation for the current year based on this review and the other factors described below.

We have based most, if not all, of our prior compensation determinations, including those made for FY19, on a variety of factors, including:

- A focus on pay-for-performance
- A total rewards approach
- An appropriate pay mix
- Avoidance of compensation arrangements that encourage excessive or inappropriate risk taking by our executives
- Appropriate market positioning
- In the case of equity awards, burn rate and dilution
- Company performance and individual performance
- The Company's financial condition and available resources
- The accounting and cash flow implications of various forms of executive compensation
- Our need for a particular position to be filled
- The recommendations of our CEO (other than with respect to his own compensation)

As discussed under ''Role of Compensation Consultant'' below, for FY19, the Compensation Committee engaged a compensation consultant and once again conducted a formal benchmarking review. In establishing compensation for executive officers other than our CEO, the Compensation Committee gives weight to the recommendations of our CEO, but final decisions about the compensation of our NEOs are made by our Compensation Committee.

From time to time, special business conditions may warrant additional compensation, such as sign-on bonuses, or equity awards in connection with promotions or in recognition of significant accomplishments, to attract, retain or motivate executive officers. In these situations, we consider our business needs and the potential costs and benefits of special rewards.

Role of Compensation Consultant

The Compensation Committee generally retains an independent compensation consultant to help understand competitive compensation levels and incentive designs. The independent compensation consultant is solely hired by, and reports directly to, the Compensation Committee. The Compensation Committee has sole authority to retain and terminate the independent compensation consultant. At the Compensation Committee's discretion, the independent compensation consultant:

- attends Compensation Committee meetings;
- assists the Compensation Committee in determining peer companies and evaluating compensation proposals;
- assists with the design of incentive compensation programs; and
- conducts compensation-related research.

In January 2019, the Compensation Committee replaced Mercer with Compensia as its compensation consultant.

Competitive Market Assessments

Market competitiveness is one factor that the Compensation Committee considers each year in determining a NEO's overall compensation package, including pay mix. The Compensation Committee relies on various data sources to evaluate the market competitiveness of each pay element, including publicly-disclosed data from a peer group of companies and published survey data from both the peer group companies and a broader set of information technology companies that the Compensation Committee believes represent our competition in the broader talent market, based on the advice of Mercer and Compensia, outside consulting firms engaged by the Compensation Committee during FY19. The proxy statements of peer group companies provide detailed pay data for the highest-paid executives. Survey data, which we obtain from the Radford Global Technology Survey, provides compensation information on a broader group of executives, with positions matched based on specific job scope and responsibilities. The Compensation Committee considers data from these sources as a framework for making compensation decisions for each NEO's position.

The Compensation Committee reviews our peer group on an annual basis, with input from its compensation consultants, and the group may be adjusted from time to time based on, among other factors, a comparison of revenues, market capitalization, industry, peer group performance, merger and acquisition activity and stockholder input. The Compensation Committee evaluated our peer group for FY19 and determined to keep the companies otherwise the same as the peer group for FY18. The following criteria were used to select our peer group for evaluating named executive officer pay levels in connection with setting compensation for FY19:

- Business with software development focus including security related businesses where possible;
- Similar breadth, complexity and global reach as us; and
- Annual revenue 0.5x to 2.0x as a starting point but including companies based on an assessment of overlapping geography, engineering focus and executive talent competition.

The Compensation Committee selected the following companies as our FY19 peer group:

FY19 NortonLifeLock Peer Group		
Activision Blizzard, Inc.	eBay Inc.	Red Hat Inc.
Adobe Systems Incorporated	Electronic Arts Inc.	Salesforce.com, Inc.
Autodesk, Inc.	FireEye, Inc.	Synopsys, Inc.
Akamai Technologies Inc.	Intuit Inc.	VMware, Inc.
CA, Inc.	Palo Alto Networks Inc.	
Citrix Systems, Inc.	PayPal Holdings, Inc.	

Toward the end of FY19, the Compensation Committee again reviewed our peer group for FY20 and made certain changes based on the following criteria:

- Focus on software development, or software and engineering-driven companies
- Compete with NortonLifeLock for talent
- Are generally comparable in terms of complexity and global reach
- Are generally comparable in terms of size (~0.3x −2.0x revenue, greater variability in market cap)

The Compensation Committee selected the following companies as our FY20 peer group:

FY20 NortonLifeLock Peer Group		
Akamai Technologies Inc.	F5 Networks Inc.*	Proofpoint Inc.*
Autodesk, Inc.	FireEye, Inc.	Red Hat Inc.
CA, Inc.	Fortinet, Inc.*	ServiceNow, Inc.*
Cadence Design Systems Inc.*	Intuit Inc.	Splunk Inc.*
Citrix Systems, Inc.	Juniper Networks Inc.*	Synopsys, Inc.
eBay Inc.	NetApp, Inc.*	VMware, Inc.
Electronic Arts Inc.	Palo Alto Networks Inc.	

* Newly added.

Activision Blizzard, Adobe, PayPal Holdings and salesforce.com were also removed from our FY20 peer group to better align our peer group with the appropriate Company revenue and market cap size.

Compensation Risk Assessment

The Compensation Committee, in consultation with Compensia, has conducted its annual risk analysis of NortonLifeLock's compensation policies and practices, and does not believe that our compensation programs encourage excessive or inappropriate risk taking by our executives or are reasonably likely to have a material adverse effect on NortonLifeLock.

We believe that the design and objectives of our executive compensation program provide an appropriate balance of incentives for our NEOs, thereby discouraging them from taking inappropriate risks. Among other things, our executive compensation program includes the following design features:

- A balanced mix of cash and equity; as well as appropriately balanced fixed (base salary) and variable compensation (cash incentives and equity-based awards)
- A mix of short-term and long-term incentives, with short-term incentives currently representing a significantly lower proportion of the total mix
- Cash and equity incentives solely based on achieving Company performance objectives and subject to our "claw-back" right under certain circumstances
- Caps on annual cash incentive and PRU payouts
- Stock ownership guidelines which align the interests of our executive officers with those of our stockholders
- General alignment with prevalent low-risk pay practices

Burn Rate and Dilution

We closely manage how we use our equity to compensate employees. We think of "gross burn rate" as the total number of shares granted under all of our equity incentive plans during a period divided by the weighted average number of shares of common stock outstanding during that period and expressed as a percentage. We think of "net burn rate" as the total number of shares granted under all of our equity incentive plans during a period, minus the total number of shares returned to such plans through awards cancelled during that period, divided by the weighted average number of shares of common stock outstanding during that period, and expressed as a percentage. "Overhang" we think of as the total number of shares underlying options and awards outstanding plus shares available for issuance under all of our equity incentive plans at the end of a period divided by the weighted average number of shares of common stock outstanding during that period and expressed as a percentage. The Compensation Committee determines the percentage of equity to be made available for our equity programs with reference to the companies in our market composite. In addition, the Compensation Committee considers the accounting costs that will be reflected in our financial statements when establishing the forms of equity to be granted and the size of the overall pool available. For fiscal 2019, our gross burn rate was 3.08%, our net burn rate was 2.51% and our overhang was 9.97%. In fiscal 2019, our burn rate was significantly higher than prior years primarily due to the lower stock prices used to convert the grant values into numbers of shares and the high number of shares vested and released under the FY17 PRU grants.

Independence of Compensation Consultants

We paid Mercer approximately $358,500 for executive compensation services in FY19 and Compensia approximately $124,920 for executive compensation services in FY19. In addition, management engaged and NortonLifeLock paid Mercer and Compensia and its affiliates for other services, including approximately $3.592 million to Mercer for other unrelated consulting and business services. We also reimbursed Mercer and Compensia and its affiliates for reasonable travel and business expenses. The Compensation Committee did not review or approve the other services provided by Mercer or Compensia and its affiliates to NortonLifeLock, as those services were approved by management in the normal course of business within the scope of the Compensation Committee's pre-authorization for such services. Based in part on policies and procedures implemented by Mercer and Compensia to ensure the objectivity of its executive compensation consultants and the Compensation Committee's assessment of Mercer's independence pursuant to the SEC rules, the Compensation Committee concluded that the consulting advice it receives from Mercer is objective and not influenced by Mercer and its affiliates' other relationships with NortonLifeLock and that no conflict of interest exists that will prevent Mercer from being independent consultants to the Compensation Committee.

The Compensation Committee establishes our compensation philosophy, approves our compensation programs and solicits input and advice from several of our executive officers and Mercer. As mentioned above, our CEO provides the Board and the Compensation Committee with feedback on the performance of our executive officers and makes compensation recommendations (other than with respect to his own compensation) that go to the Compensation Committee for their approval. Our CEO, Chief Human Resources Officer and General Counsel regularly attend the Compensation Committee's meetings to provide their perspectives on competition in the industry, the needs of the business, information regarding NortonLifeLock's performance and other advice specific to their areas of expertise. In addition, at the Compensation Committee's direction, Mercer works with our Chief Human Resources Officer and other members of management to obtain information necessary for Mercer to make their own recommendations as to various matters as well as to evaluate management's recommendations.

Equity Grant Practices

The Compensation Committee generally approves grants to the named executive officers at its first meeting of each fiscal year, or shortly thereafter through subsequent action. The grant date for all equity grants made to employees, including the named executive officers, is generally the 10th day of the month following the applicable meeting. If the 10th day is not a business day, the grant is generally made on the previous business day. The Compensation Committee does not coordinate the timing of equity awards with the release of material, nonpublic information. RSUs may be granted from time to time throughout the year, but all RSUs generally vest on either March 1, June 1, September 1 or December 1 for administrative reasons. We expect future PRUs will be granted once a year and, subject to certain exceptions, vesting occurs only after a two- or three-year performance period.

SUPPLEMENTARY POLICIES AND CONSIDERATIONS

We use several additional policies to ensure that the overall compensation structure is responsive to stockholder interests and competitive with the market. Specific policies include:

Stock Ownership Requirements

We believe that in order to align the interests of our executive officers with those of our stockholders, our executive officers should have a financial stake in our Company. We have maintained stock ownership requirements for our executive officers since October 2005. For FY19, our executive officers were required to hold the following minimum number of shares:

- CEO: 6x base salary;
- CFO, COO and President: 3x base salary; and
- Executive Vice Presidents: 2x base salary.

Stock options and unvested RSUs and PRUs do not count toward stock ownership requirements.

The executive officer is required to acquire and thereafter maintain the stock ownership required within four years of becoming an executive officer of NortonLifeLock (or four years following the adoption date of these revised guidelines). During the four-year transitional period, each executive officer must retain at least 50% of all net (after-tax) equity grants until the required stock ownership level has been met.

As of October 25, 2019, Messrs. Kapuria, Pilette and Taylor reached the stated ownership requirements for FY19. Transitioning or former executive officers and non-executive officers are not included in the table below. See the table below for individual ownership levels relative to the executive's ownership requirement.

Executive Officer	Ownership Requirement[(1)] (# of shares)	Holdings as of October 25, 2019 (# of shares)
Samir Kapuria	39,665	186,735
Vincent Pilette	85,941	785,906
Scott C. Taylor	52,887	408,724

(1) Based on the closing price for a share of our common stock of $22.69 on October 25, 2019.

Recoupment Policies (Clawback)

In 2017, we adopted a recoupment, or ''clawback'', policy applicable to all performance-based compensation granted to the Company's officers (even after they leave NortonLifeLock). In August 2018, our Board further expanded this clawback policy to allow for recoupment for certain violations of the Company's policies. This updated policy supplements the contractual clawback rights we have had in all of our executive compensation plans since fiscal 2009 (providing for the return of any excess compensation received by an executive officer if our financial statements are the subject of a restatement due to error or misconduct).

Insider Trading, Hedging and Pledging Policies

Our Insider Trading Policy prohibits all directors and employees from short-selling NortonLifeLock stock or engaging in transactions involving NortonLifeLock-based derivative securities, including, but not limited to, trading in NortonLifeLock-based option contracts (for example, buying and/or writing puts and calls). It also prohibits pledging NortonLifeLock stock as collateral for a loan. In connection with our settlement with Starboard Value LP in September 2018, we agreed to waive these requirements with respect to certain forward contracts held by Starboard and have since granted Starboard waivers for other forward contracts on a limited basis.

In addition, our Insider Trading Policy prohibits our directors, officers, employees and contractors from purchasing or selling NortonLifeLock securities while in possession of material, non-public information. It also requires that each of our directors, our Chief Executive Officer, our President, and our Chief Financial Officer conduct any open market sales of our securities only through use of stock trading plans adopted pursuant to Rule 10b5-1 of the Exchange Act. Rule 10b5-1 allows insiders to sell and diversify their holdings in our stock over a designated period by adopting pre-arranged stock trading plans at a time when they are not aware of material nonpublic information about us, and thereafter sell shares of our common stock in accordance with the terms of their stock trading plans without regard to whether or not they are in possession of material nonpublic information about the Company at the time of the sale. All other executives are strongly encouraged to trade using Exchange Act Rule 10b5-1 plans.

Tax and Accounting Considerations on Compensation

The financial reporting and income tax consequences to the Company of individual compensation elements are important considerations for the Compensation Committee when it reviews compensation practices and makes compensation decisions. While structuring compensation programs that result in more favorable tax and financial reporting treatment is a general principle, the Compensation Committee balances these goals with other business needs that may be inconsistent with obtaining the most favorable tax and accounting treatment for each component of its compensation.

Deductibility by NortonLifeLock. Section 162(m) of the Code generally disallows public companies a tax deduction for federal income tax purposes of remuneration in excess of $1 million paid to certain executive officers. While the Compensation Committee may consider the deductibility of awards as one factor in determining our executive compensation, it also looks at other factors in making its executive compensation decisions and retains the flexibility to grant awards or pay compensation the Compensation Committee determines to be consistent with its goals for NortonLifeLock's executive compensation program, even if the awards may not be deductible by NortonLifeLock for tax purposes.

Recent changes to Section 162(m) in connection with the passage of the Tax Cuts and Jobs Act repealed the exception to the deductibility limit that were previously available for ‘‘qualified performance-based compensation’’ (including stock option grants, performance-based cash and equity awards, such as performance-based restricted stock units) effective for taxable years beginning after December 31, 2017. Compensation paid to certain of our executive officers for taxable years beginning prior to December 31, 2017 remains deductible if such compensation would otherwise be deductible for such taxable year. The Tax Cuts and Jobs Act also increased the number of executive officers who are affected by the loss of deductibility effective for taxable years beginning after December 31, 2017. As a result, any compensation paid to certain of our executive officers for taxable years beginning after December 31, 2017 in excess of $1 million will be non-deductible unless it qualifies for transition relief afforded by the Tax Cuts and Jobs Act to compensation payable pursuant to certain binding arrangements in effect on November 2, 2017.

Tax Implications for Officers. Section 409A of the Code imposes additional income taxes on executive officers for certain types of deferred compensation that do not comply with Section 409A. The Company attempts in good faith to structure compensation so that it either conforms with the requirements of or qualifies for an exception under Code Section 409A. Sections 280G and 4999 of the Code imposes an excise tax on payments to executives of severance or change of control compensation that exceed the levels specified in the Section 280G rules. Our named executive officers could receive the amounts shown in the section entitled ‘‘Potential Payments Upon Termination or Change-in-Control’’ (beginning on page 65 below) as severance or change of control payments that could implicate this excise tax. As mentioned above, we do not offer our officers as part of their change of control benefits any gross ups related to this excise tax under Code Section 4999.

Accounting Considerations. The Compensation Committee also considers the accounting and cash flow implications of various forms of executive compensation. In its financial statements, the Company records salaries and cash-based performance-based compensation incentives as expenses in the amount paid, or estimated to be paid, to the named executive officers. Accounting rules also require the Company to record an expense in its financial statements for equity awards, even though equity awards are not paid in cash to employees. The accounting expense of equity awards to employees is calculated in accordance with the requirements of FASB Accounting Standards Codification Topic 718. The Compensation Committee believes, however, that the many advantages of equity compensation, as discussed above, more than compensate for the non-cash accounting expense associated with them.

Compensation Committee Interlocks and Insider Participation

The members of the Compensation Committee during FY19 were Sue Barsamian, Frank Dangeard, Peter Feld, Geraldine B. Laybourne, David L. Mahoney, Robert S. Miller and Daniel H. Schulman. None of the members of the Compensation Committee in FY19 were at any time during FY19 or at any other time an officer or employee of NortonLifeLock or any of its subsidiaries, and none had or have any relationships with NortonLifeLock that are required to be disclosed under Item 404 of Regulation S-K. None of NortonLifeLock's executive officers has served as a member of the board of directors, or as a member of the compensation or similar committee, of any entity that has one or more executive officers who served on our Board or Compensation Committee during FY19.

Compensation Committee Report

The information contained in the following report is not considered to be ‘‘soliciting material,’’ ‘‘filed’’ or incorporated by reference in any past or future filing by NortonLifeLock under the Exchange Act or the Securities Act of 1933 unless and only to the extent that NortonLifeLock specifically incorporates it by reference.

The Compensation Committee has reviewed and discussed with management the CD&A contained in this proxy statement. Based on this review and discussion, the Compensation Committee has recommended to the Board that the CD&A be included in this proxy statement and our Annual Report on Form 10-K for the fiscal year ended March 29, 2019.

By: The Compensation and Leadership Development Committee of the Board:
Peter A. Feld (Chair)
Sue Barsamian
Frank E. Dangeard
David Mahoney

Summary of Compensation

The following table shows for the fiscal year ended March 29, 2019, compensation awarded to or paid to, or earned by our Chief Executive Officer, our Chief Financial Officer and the three most highly compensated executive officers who were serving as executive officers (other than as our Chief Executive Officer or Chief Financial Officer) at the end of FY19 (the ''named executive officers'').

Summary Compensation Table for Fiscal 2019

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards ($)[1][2][3]	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)[4]	Total ($)
Gregory S. Clark	2019	1,000,000	—	—[5]	—	—	1,921,039	2,921,038
Former President and CEO*	2018	1,000,000	—	15,982,645	—	—	364,936	17,347,581
	2017	666,667	—	4,269,815[6]	—	743,333	379,937	6,059,752
Nicholas R. Noviello	2019	650,000	1,000,000	10,706,470[7]	—	—	943,325	13,299,795
Former Executive Vice President and	2018	650,000	—	7,458,549	—	—	47,606	8,156,155
CFO**	2017	433,333	—	1,077,917[6]	—	479,673	172,740	2,163,663
Amy L. Cappellanti-Wolf	2019	440,000	—	3,462,911	—	—	558,163	4,461,075
Senior Vice President and CHRO								
Samir Kapuria	2019	443,864[8]	—	10,311,650	—	—	220,667	10,976,180
President (effective November 8, 2019)								
Scott C. Taylor	2019	600,000	—	4,672,177	—	—	871,628	6,143,804
Executive Vice President, General Counsel	2018	600,000	—	4,794,772	—	—	621,788	6,016,560
and Secretary	2017	600,000	150,000	4,831,307[6]	—	568,374	363,462	6,513,143

* Mr. Clark resigned from the Company, effective May 9, 2019.

** Mr. Noviello resigned from the Company, effective May 24, 2019.

(1) The amounts shown in this column reflect the aggregate grant date fair value of RSUs and PRUs, calculated in accordance with Financial Accounting Standards Board (''FASB'') Accounting Standards Codification (''ASC'') Topic 718 and was determined based on the fair value of our common stock as of the service inception date or on the date of modification. For details of the awards granted in FY19, see the table ''Grants of Plan-Based Awards'', below.

The table below sets forth the service inception or grant date fair value (prior to any applicable modifications) determined in accordance with ASC Topic 718 principles for the performance-related components of these awards. Also set forth below are the service inception or grant date fair values pertaining to the market-related component or the TSR adjustment, determined upon the service inception dates for FY19, and which are not subject to probable or maximum outcome assumptions. Additional details of assumptions used in the valuations of the awards are included in Note 13 of our FY19 Annual Report on Form 10-K.

Name	Maximum Outcome of Performance Conditions Fair Value ($)	Market-Related Component Fair Value ($)
Nicholas R. Noviello	6,554,404	1,548,062
Amy L. Cappellanti-Wolf	2,244,367	546,657
Samir Kapuria	6,801,015	1,656,576
Scott C. Taylor	4,213,571	995,168

(2) The FY19 PRUs are based on three different performance metrics with one- or three-year performance periods, depending on the metric. The PRUs with the Earnings Per Share (''EPS'') metric are eligible to be earned if we achieve at least the threshold level of the EPS performance goal for the one-year performance period ended March 29, 2019. The PRUs with the Free Cash Flow (''FCF'') metric are eligible to be earned if we achieve at least the threshold level of the FCF performance goal for the one-year performance period ended March 29, 2019. The PRUs with the TSR metric are eligible to be earned if we achieve at least the threshold level of the TSR performance goal for the three-year performance period ending April 2, 2021. Depending on our achievement of the ESP metric, 0% to 200% of the target shares are eligible to be earned of which: (i) 60% is eligible for settlement at the end of FY19 and the remaining 40% is eligible for settlement at the end of FY20 for Ms. Cappellanti-Wolf and Mr. Kapuria; or (ii) 100% is eligible for settlement at the end of FY20 for Messrs. Noviello and Taylor. Depending on our achievement of the FCF metric, 0% to 200% of the target shares are eligible to be earned of which: (i) 60% is eligible for settlement at the end of FY19 and the remaining 40% is eligible for settlement at the end of FY20 for Ms. Cappellanti-Wolf and Mr. Kapuria and (ii) 100% is eligible for settlement at the end of FY20 for Messrs. Noviello and Taylor. Depending on our achievement of the TSR metric, 0% to 200% of the target shares are eligible to earned and settled at the end of fiscal year 2021. Mr. Noviello's awards were subsequently modified based on the terms of the Transition Services Agreement dated January 31, 2019, and described more fully in footnote 7 below.

Additional terms and conditions apply that may affect the actual number of shares that vest or are settled, which include, among other things, a change in control of the Company, the named executive officer's termination of employment and the nature of such termination, the Compensation Committee's authority to exercise negative discretion to reduce up to 50% of the number of shares to be delivered, and the Company's Compensation Recoupment Policy.

(3) The FY19 amounts represent the executive officer's annual cash incentive award under the FY19 Executive Annual Incentive Plan (''FY19 EAIP''), which was earned in FY19 and paid in FY20. Ms. Cappellanti-Wolf and Messrs. Kapuria and Taylor's FY19 EAIP amounts were settled in RSUs with a grant date of May 20, 2019 and were fully vested on June 1, 2019. Mr. Noviello received his FY19 EAIP payment in cash at 75% of target pursuant to the terms of the Transition Services Agreement (see page 67 for additional information regarding this arrangement). Mr. Clark was not employed by us at the time the FY19 EAIP was paid out and did not receive any payout.

(4) The FY19 amounts are comprised of the following:

Name	Dividend Equivalent on Stock Awards ($)	401(k) Employer Match ($)	Life & Disability Insurance Premiums ($)	Tax Planning Services ($)	Car and Driver ($)	Personal Use of Aircraft ($)	Patent Award ($)	Company-Sponsored Events ($)	Severance ($)	Total ($)
Gregory S. Clark	1,706,830	6,000	3,002	—	200,446	4,761	—	—		1,921,039
Nicholas R. Noviello	441,435	6,000	3,390	5,000	—	—	—	—	487,500	943,325
Amy L. Cappellanti-Wolf .	533,137	6,000	3,629	15,397	—	—	—	—		558,163
Samir Kapuria	181,735	6,525	1,467	1,040	—	—	2,000	27,900		220,667
Scott C. Taylor	856,724	4,875	4,704	5,325	—	—	—	—		871,628

(5) Mr. Clark did not receive a FY19 equity award as part his regular executive compensation package. Mr. Clark was not employed by us at the time the FY19 EAIP was paid out and did not receive any payout.

(6) We adjusted the performance metrics under our FY17 PRU grants on March 8, 2017 to reflect both the impact of the acquisitions of Blue Coat and LifeLock on the FY17 financial plan and to account for the transformational impact on our business of our cost and complexity reduction initiatives. The incremental modification charges were based on the Company's stock price on the date of the modification ($29.60) multiplied by the incremental expected achievement percentage multiplied by the number of granted units. Volatility and interest rate were not factors. As a result of these adjustments, incremental fair values of the modified awards are included in the Stock Awards column above and further described in the table below.

Name	2017 PRU Stock Awards: FY17 PRU Modification Charge ($)	2017 PRU Stock Awards: FY17 PRU Total (Without Modification Charges) ($)
Gregory S. Clark	4,269,815	—
Nicholas R. Noviello	1,077,917	—
Scott C. Taylor	735,775	3,602,644

For Messrs. Clark and Noviello, these amounts represent the incremental fair values of modified PRUs that were granted prior to and assumed by us at the closing of the Blue Coat acquisition. Under SEC rules, we are required to disclose in the Stock Awards column the grant date fair value of each equity award computed in accordance with ASC 718. However, no grant date fair value was recorded by NortonLifeLock for these awards in accordance with ASC 718 because they were awarded by Blue Coat's board of directors prior to the closing of the Blue Coat acquisition. As a result, the amounts reported in the Stock Awards column above may understate the compensation awarded to these executive officers for FY17 because they do not include any grant date fair value for such awards.

(7) On January 31, 2019, the Company announced that Mr. Noviello was stepping down from his role as Executive Vice President and CFO and entered into a Transition Services Agreement with Mr. Noviello pursuant to which Mr. Noviello would provide certain transition services to the Company. The agreement provided for, among other things, a FY19 retention bonus of $1,000,000 and modified certain of his stock awards which resulted in incremental fair value of the modified stock awards. The following table includes the incremental fair value of the stock awards modified by the Transition Service Agreement for FY19, calculated in accordance with FASB ASC Topic 718. For more information on the Transition Services Agreement, see ''Potential Payments Upon Termination or Change-In-Control,'' below.

Grant Date	Award Type	Modified Stock Units (#)	Modification Date Fair Value per share ($)	Incremental Fair Value on Modification Date ($)
12/10/2018	FY19 EPS	74,212	21.02	1,559,936
12/10/2018	FY19 FCF	74,212	21.02	1,559,936
6/9/2017	FY18 PRU	31,139	21.02	654,548

(8) Mr. Kapuria's base salary increased in FY19 from $390,000 to $440,000 in connection with his promotion.

In May 2019, we appointed Richard S. ''Rick'' Hill as our Interim President and CEO and Vincent Pilette as our Executive Vice President and CFO. In August 2019, we agreed to sell certain assets of our Enterprise Security business to Broadcom Inc. Thereafter, we appointed Mr. Pilette to be our Chief Executive Officer, effective November 8, 2019. Under his employment offer letter, dated April 26, 2019, Mr. Pilette's current annual base salary is $650,000, and he is eligible to participate in our FY20 Executive Annual Incentive Plan and has an annual bonus target of 100% of his annual base salary. We also granted Mr. Pilette 206,211 RSUs, 481,159 PRUs and 155,429 restricted shares. Additionally, in connection with the Broadcom Sale, we agreed to provide Mr. Pilette and other executive officers enhanced severance and retention arrangements. See ''— FY20 Severance and Retention Arrangements'' below.

During his employment as our Interim President and CEO, Mr. Hill earned base salary of approximately $500,000 through his termination date. Additionally, pursuant to Mr. Hill's September 2019 transition services agreement and conditioned upon his release of claims, we agreed to pay a pro-rated portion of his target bonus for fiscal 2020 (equal to 150% of his base salary) and modify equity awards granted to him in connection with his appointment as our Interim President and CEO. Specifically, we accelerated the vesting of 50,051 RSUs and 650,000 of the shares subject to Mr. Hill's performance-based stock option, and agreed that up to 975,000 shares subject to his performance-based stock option will vest and become exercisable if the average closing price of our common stock reaches predetermined levels based 50% on each of (i) a 20 consecutive business day measurement during the period ending on his resignation date and (ii) a 20 consecutive business day measurement during the period from July 1, 2020 through December 31, 2020.

The following table shows for the fiscal year ended March 29, 2019, certain information regarding grants of plan-based awards to our named executive officers from our incentive plans:

Grants of Plan-Based Awards in Fiscal 2019

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards						
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units[1] (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards[2] ($)
Gregory S. Clark	6/28/18[3]	—	—	—	27,573	68,933	137,867	—	—	—	1,500,000
Nicholas R. Noviello	6/28/18[3]	—	—	—	4,181	29,871	83,639	—	—	—	650,000
	12/10/18[4]	—	—	—	103,897	222,636	445,272	95,416	—	—	6,932,047
	1/31/19[5]	—	—	—	—	—	—	—	—	—	3,774,420
Amy L. Cappellanti-Wolf	6/28/18[3]	—	—	—	1,981	14,154	39,632	—	—	—	308,000
	7/10/18[4]	—	—	—	36,689	78,620	157,240	78,620	—	—	3,352,096
Samir Kapuria	6/28/18[3]	—	—	—	2,750	19,643	55,002	—	—	—	427,451
	7/10/18[4]	—	—	—	111,180	238,242	476,484	238,243	—	—	10,157,867
Scott C. Taylor	6/28/18[3]	—	—	—	3,860	27,573	77,205	—	—	—	600,000
	12/10/18[4]	—	—	—	66,791	143,123	286,246	61,339	—	—	4,456,317

(1) Ms. Cappellanti-Wolf and Mr. Kapuria's RSUs vest as to 40% on June 1, 2019, 30% on June 1, 2020, and 30% on June 1, 2021 and have a grant date fair value of $21.41. Messrs. Noveillo and Taylor's RSUs vest as to 30% on June 1, 2019, 30% on June 1, 2020, and 40% on June 1, 2021 and have a grant date fair value of $22.08. Mr. Noviello's RSU was subsequently modified based on the terms of his Transition Service Agreement.

(2) The aggregate grant date fair value of the equity incentive plan awards is calculated to be the sum of (i) the target number of PRU shares multiplied by the fair value of our common stock as of the service inception date, plus (ii) the number of RSU shares multiplied by the fair value on grant date, plus (iii) the number of modified stock units multiplied by the incremental fair value of the stock award.

(3) The amounts shown in these rows reflect the threshold, target and maximum potential payouts with respect to each applicable metric under the FY19 EAIP using the fair value of $21.76 on March June 28, 2018. The final payout was made in the form of RSUs with a grant date fair value of $20.05 on May 20, 2019 to all participants other than (i) Mr. Noviello's payout, which was made pursuant to his Transition Services Agreement, and (ii) Mr. Clark, who was not employed by us at the time the FY19 EAIP was paid out and did not receive any payout.

(4) The amounts shown in these rows reflect the threshold, target, and maximum potential eligible shares to be earned for the PRUs awarded during FY19 and as further described in the CD&A section beginning on page 37.

(5) On January 31, 2019, the Company announced that Mr. Noviello was stepping down from his role as Executive Vice President and CFO and entered into a Transition Services Agreement with Mr. Noviello pursuant to which Mr. Noviello would provide certain transition services to the Company. The agreement provided for, among other things, modification to certain of his stock awards which resulted in incremental fair value of the modified stock awards. A table showing the incremental fair value of the stock awards modified by the Transition Service Agreement, calculated in accordance with FASB ASC Topic 718, is included in the Summary Compensation Table footnotes above.

For a summary of the terms of the FY19 Executive Annual Incentive Plan, see ''Compensation Discussion & Analysis (CD&A) — Compensation Components — Executive Annual Incentive Plans'' above. For a summary of the circumstances in which the equity awards described above will accelerate, see ''Compensation Discussion & Analysis (CD&A) — Health and Welfare Benefits; Perquisites — Change in Control and Severance Arrangements'' above and ''Potential Payments Upon Termination or Change-in-Control'' below.

The following table shows for the fiscal year ended March 29, 2019, certain information regarding outstanding equity awards at fiscal year-end for our named executive officers.

Outstanding Equity Awards at Fiscal Year-End 2019

		Option Awards				Stock Awards			
Name	**Grant Date**	**Number of Securities Underlying Unexercised Options Exercisable (#)**	**Number of Securities Underlying Unexercised Options Unexercisable (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)[1]**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Yet Vested (#)**	**Equity Incentive Plan Awards: Value of Unearned Shares, Units or Other Rights that Have Not Yet Vested ($)[1]**
Gregory S. Clark	6/9/17					187,670[2][3]	4,314,526	84,919[3]	1,952,276
	[4]					164,857[5]	3,790,062		
	[4]	3,665,271		6.73	9/9/25				
Nicholas R. Noviello . . .	12/10/18					200,649[6][7]	4,612,912	37,106[7]	853,067
	6/9/17					87,579[3][8]	2,013,436	39,629[3]	911,059
	[4]					41,618[5]	956,798		
	[4]	775,028		8.35	1/27/26				
Amy L. Cappellanti-Wolf .	7/10/18					93,485[7][9]	2,149,209	13,103[7]	301,238
	6/9/17					43,789[3][10]	1,006,701	19,814[3]	455,524
	6/10/16					14,204[11]	326,550		
Samir Kapuria	7/10/18					283,286[7][12]	6,512,746	39,707[7]	912,864
	6/9/17					13,762[3][13]	316,383	6,227[3]	143,159
	11/10/16					4,844[14]	111,364		
	6/10/16					5,326[11]	122,445		
Scott C. Taylor	12/10/18					128,989[7][15]	2,965,456	23,854[7]	548,392
	6/9/17					56,300[3][16]	1,294,343	25,476[3]	585,682
	6/10/16					28,408[11]	653,100		

(1) The market value of the equity awards that have not vested is calculated by multiplying the number of units that have not vested by the closing price of the Company's stock on March 29, 2019, which was $22.99.

(2) 43,672 shares vest on June 1, 2019, 85,768 shares vest on April 3, 2020, and 58,230 shares vest on June 1, 2020. Mr. Clark resigned from the Company, effective May 9, 2019.

(3) These FY18 PRUs are eligible to be earned at the end of FY20 and are based on the achievement of performance goals for adjusted non-GAAP EPS for the one-year performance period ended March 30, 2018 and the relative TSR ranking for our Company as compared to the Nasdaq 100 index for the two- and three- year performance periods ended March 29, 2019 and ending April 3, 2020, respectively. Based on our achievement of the EPS metric, 50.50% of the EPS target shares were earned, which are reflected in the ''Number of Shares or Units of Stock That Have Not Vested'' and ''Market Value of Shares or Units of Stock That Have Not Vested'' columns. The achievement level of the two-year TSR metric was below the threshold, therefore no two-year TSR target shares were earned. Depending on our achievement of the three-year TSR metric, 0% to 200% of the three-year TSR target shares are eligible to be earned and settled at the end of FY20. The number of shares and the payout value set forth above in the ''Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Yet Vested'' and ''Equity Incentive Plan Awards: Value of Unearned Shares, Units or Other Rights that Have Not Yet Vested'' columns reflect the threshold potential payout which represents 50.00% of the target number of PRUs. The Compensation Committee must certify the number of shares earned under each PRU.

(4) Represents non-qualified stock options and RSU awards previously granted by Blue Coat and assumed by the Company upon the closing of the Blue Coat acquisition. Upon assumption, by their terms, these awards converted into the right to receive shares of our common stock, subject to applicable service or performance-based vesting conditions.

(5) These RSUs vested in full on August 1, 2019.

(6) 28,625 shares vest on June 1, 2019, 105,233 shares on April 3, 2020, 28,625, shares vest on June 1, 2020, and 38,166 shares vest on June 1, 2021. Mr. Noviello resigned from the Company, effective May 24, 2019. See ''Potential Payments Upon Termination or Change-in-Control'' below for additional details regarding the Transition Services Agreement with Mr. Noviello.

(7) These FY19 PRUs are eligible to be earned at the end of FY19, FY20 and fiscal 2021, and are based on the achievement of three different performance metrics with one- or three-year performance periods, depending on the metric. The PRUs with the EPS and FCF metrics are eligible to be earned if we achieve at least the threshold level of the performance goals for the one-year performance period ended March 29, 2019. The PRUs with the TSR metric are eligible to be earned if we achieve at least the threshold level of the TSR performance goal for the three-year performance period ending April 2, 2021. Based on our achievement of the ESP metric, 50.6% of the target shares were earned of which: (i) 60% was settled at the end of FY19 and the remaining 40% will be settled at the end of FY20 for Ms. Cappellanti-Wolf and Mr. Kapuria; and (ii) 100% will be eligible for settlement at the end of FY20 for Mr. Taylor. Based on our achievement of the FCF metric, 91.2% of the target shares were earned of which: (i) 60% was settled at

the end of FY19 and the remaining 40% will be settled at the end of FY20 for Ms. Cappellanti-Wolf and Mr. Kapuria and (ii) 100% will be eligible for settlement at the end of FY20 for Mr. Taylor. Depending on our achievement of the TSR metric, 0% to 200% of the target shares are eligible to earned and settled at the end of FY21. The shares which are earned but not vested are reflected in the ''Number of Shares or Units of Stock That Have Not Vested'' and ''Market Value of Shares or Units of Stock That Have Not Vested'' columns. The number of shares and the payout value set forth above in the ''Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Yet Vested'' and ''Equity Incentive Plan Awards: Value of Unearned Shares, Units or Other Rights that Have Not Yet Vested'' columns reflect the threshold potential payout which represents 50.00% of the target number of PRUs. The Compensation Committee must certify the number of shares earned under each PRU. The vesting for Mr. Noviello's grants are governed by his Transition Services Agreement.

(8) 20,380 shares vest on June 1, 2019, 40,025 shares on April 3, 2020, and 27,174 shares vest on June 1, 2020.

(9) 31,448 shares vest on June 1, 2019, 14,865 shares on April 3, 2020, 23,586 shares vest on June 1, 2020, and 23,586 shares vest on June 1, 2021.

(10) 10,190 shares vest on June 1, 2019, 20,013 shares on April 3, 2020, and 13,586 shares vest on June 1, 2020.

(11) The RSUs vest in full on June 1, 2019.

(12) 95,298 shares vest on June 1, 2019, 45,043 shares vest on April 3, 2020, 71,473 shares vest on June 1, 2020, and 71,472 shares vest on June 1, 2021.

(13) 3,202 shares vest on June 1, 2019, 6,290 shares on April 3, 2020, and 4,270 shares vest on June 1, 2020.

(14) 100% of the shares vest on December 1, 2019.

(15) 18,402 shares vest on June 1, 2019, 67,650 shares on April 3, 2020, 18,402 shares vest on June 1, 2020, and 24,535 shares vest on June 1, 2021.

(16) 13,102 shares vest on June 1, 2019, 25,730 shares on April 3, 2020, and 17,468 shares vest on June 1, 2020.

The following table shows for the fiscal year ended March 29, 2019, certain information regarding option exercises and stock vested during the last fiscal year with respect to our named executive officers:

Option Exercises and Stock Vested in Fiscal 2019

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise(1) ($)	Number of Shares Acquired on Vesting(2) (#)	Value Realized on Vesting(3) ($)
Gregory S. Clark	—	—	342,338	7,467,791
Nicholas R. Noviello	332,155	4,699,993	111,855	2,419,818
Amy L. Cappellanti-Wolf	—	—	92,644	1,997,239
Samir Kapuria	—	—	112,125	2,497,640
Scott C. Taylor	—	—	103,798	2,216,595

(1) The value realized upon option exercises is based on the difference between the closing price of our common stock at exercise and the option exercise price.

(2) The number of shares and value realized for stock awards set forth above reflect (i) RSUs that vested and settled in FY19, (ii) RSUs granted under the FY19 EAIP on 5/20/2019, which vested and settled on 6/1/2019, and (iii) PRUs that vested in FY19 and were settled in FY20.

(3) The value realized upon vesting is based on the closing price of our common stock upon vesting in the case of RSUs and the closing price of our common stock on March 29, 2019 in the case of PRUs.

Non-Qualified Deferred Compensation in Fiscal 2019

The table below provides information on the non-qualified deferred compensation of the named executive officers for the fiscal year ended March 29, 2019.

	Non-Qualified Deferred Compensation				
Name	Executive Contributions in Last Fiscal Year ($)[1]	Registrant Contributions in Last Fiscal Year ($)	Aggregate Earnings in Last Fiscal Year ($)[2]	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last Fiscal Year-End ($)[3]
Gregory C. Clark	—	—	—	—	—
Nicholas R. Noviello	81,250	—	5,632	—	172,205
Amy L. Cappellanti-Wolf	—	—	—	—	—
Samir Kapuria	—	—	—	—	—
Scott C. Taylor	300,000	—	25,782	—	588,263

(1) The amounts reflected include FY19 salary and the value of annual cash incentives earned under the FY19 EAIP. The salary portion of the amounts reflected above is included in the amount reported as ''Salary'' in the ''Summary Compensation Table for FY19. The annual cash incentive portion of the amounts reflected above is included in the amount reported as ''Non-Equity Incentive Plan Compensation'' in the Summary Compensation Table for FY19.

(2) The amounts reflected are not included in the Summary Compensation Table for FY19. These amounts consist of dividends, interest and change in market value attributed to each executive officer's entire account balance during FY19, which balance may include deferred compensation from previous periods. The amounts do not include the deferred compensation themselves. Such earnings were not preferential or above-market.

(3) Includes the following amounts which previously were reported as compensation to the named executive officer in our Summary Compensation Table for fiscal years prior to FY19: Mr. Noviello: $81,250 and Mr. Taylor: $255,000.

In FY19, certain management employees on our U.S. payroll with a base salary of $180,000 or greater, including each of the named executive officers, were eligible to participate in the NortonLifeLock Inc. Deferred Compensation Plan. The plan provides for the opportunity for participants to defer up to 75% of base salary and 100% of variable pay each year and up to 100% of sales commissions as a separate election. Variable pay included annual incentive plan and commission payments. Deferral elections must be made prior to the beginning of a calendar year and cannot be revoked as of the day immediately prior to commencement of that year. Participants have the opportunity to elect each year whether to receive that year's deferrals upon a specified date or upon termination of employment, and the form of payment elected will be honored regardless of a participant's length of service.

The plan is ''unfunded'' and all deferrals are general assets of NortonLifeLock. Amounts deferred by each participant under the plan are credited to a bookkeeping account maintained on behalf of each participant. The bookkeeping account under the plan will then be adjusted based on the performance of the measurement funds that have been selected by the participant. The measurement funds available under the plan include the investment funds available under our 401(k) plan as well as additional asset classes. Each participant may change their measurement fund selections on a daily basis. The plan requires that benefits accumulated in the bookkeeping accounts for each participant not meeting a 5-year service requirement be distributed to the participant following his or her termination of employment with us for any reason. If a 5-year service requirement is met, accumulated benefits in the participant's account will be distributed according to the participant's designated payment election.

Beginning January 1, 2018, upon first entering the Deferred Compensation Plan, a participant has the option to make a one-time election, which will apply to all future account balances to determine how they will be paid in the event of a change in control. By making the one-time election a participant will receive all remaining account balances in a lump sum in the month following the month of termination, if termination occurs within two (2) years following a change in control. If a participant's employment ended before the change in control, any remaining balances will be distributed in a lump sum within 90 days of the change in control.

Potential Payments Upon Termination or Change-In-Control

Set forth below is a description of the plans and agreements (other than the Deferred Compensation Plan) that could result in potential payouts to our named executive officers in the case of their termination of employment and/or a change in control of NortonLifeLock. For information regarding potential payouts upon termination under the Deferred Compensation Plan, in which certain of executive officers participate, see ''Non-Qualified Deferred Compensation in Fiscal 2019'' above.

NortonLifeLock Executive Retention Plan

In January 2001, the Board approved the NortonLifeLock Executive Retention Plan, to deal with employment termination resulting from a change in control of the Company. The plan was modified by the Board in July 2002, April 2006, June 2007, April 2012, February 2016 and January 2018. Under the terms of the plan, all equity compensation awards (including, among others, stock options, RSUs and PRUs) granted by the Company to the Company's Section 16(b) officers (including our named executive officers) would become fully vested (at target or to the extent of achievement for PRUs) and, if applicable, exercisable following a change in control of the Company (as defined in the plan) after which the officer's employment is terminated without cause or constructively terminated by the acquirer within 12 months after the change in control.

The plan also provides for the payment of a cash severance benefit for our named executive officers equal to one times such officer's base salary and target payout under the Executive Annual Incentive Plan applicable to such named executive officer in the circumstances described above (i.e., following a change in control of the Company after which the officer's employment is terminated without cause or constructively terminated by the acquirer within 12 months after the change in control.)

NortonLifeLock Executive Severance Plan

In April 2012, the Compensation Committee adopted the NortonLifeLock Executive Severance Plan to provide severance benefits to specified officers of NortonLifeLock, including our named executive officers and Messrs. Pilette and Brown, which was amended in fiscal 2016. The executive officers must meet certain criteria in order to participate in the plan, including, among other criteria, (i) the executive officer was involuntarily terminated from active employment other than for cause (as defined in the plan); (ii) the executive officer was not terminated due to the sale of a business, part of a business, divestiture or spin-off and offered employment upon terms and conditions substantially identical to those in effect immediately prior to such sale, divestiture or spin-off; and (iii) the executive officer is not entitled to severance under any other plan, fund, program, policy, arrangement or individualized written agreement providing for severance benefits that is sponsored or funded by NortonLifeLock.

Under the terms of the plan, the executive officer will receive severance payments equal to one times the sum of his or her base salary in effect at the time of his or her involuntary termination. The executive officer will also receive a one-time bonus of $15,000, minus taxes and other legally required deductions. The executive officer is also entitled to receive six months of outplacement services, including counseling and guidance. The executive officer is solely responsible for all COBRA premiums for his or her continuation coverage. In addition, the executive officer will receive an additional payment equivalent to 75% of the executive officer's prorated target cash incentive award under the Executive Annual Incentive Plan in effect for such fiscal year to the executive officer who was terminated in the second half of such fiscal year and was employed in good standing for a minimum of six (6) months prior to his or her termination date. This payment was added to standardize benefits to all our executive officers and to be competitive with overall market practices.

Payment of severance payments, one-time bonus payment, outplacement services and 75% of the prorated target cash incentive award under the Executive Annual Incentive Plan pursuant to the NortonLifeLock Executive Severance Plan is subject to the applicable executive officer returning a release of claims against NortonLifeLock.

Amy L. Cappellanti-Wolf

The following table summarizes the value of the payouts to Ms. Cappellanti-Wolf pursuant to the NortonLifeLock Executive Retention Plan and the NortonLifeLock Executive Severance Plan, assuming a qualifying termination as of March 29, 2019 (intrinsic values of equity awards are based upon the closing price for a share of our common stock of $22.90 on March 29, 2019 minus the exercise price):

	Severance Pay ($)	Option Vesting ($)	RSU Vesting ($)	PRU Vesting ($)
Involuntary Termination Because of Market Conditions or Division Performance	689,836	—	—	1,859,826
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	748,000	—	2,680,634	1,859,826
Termination Without Cause	689,836	—	2,680,634	1,859,826
Termination Due to Death or Disability	—	—	—	1,859,826

Samir Kapuria

The following table summarizes the value of the payouts to Mr. Kapuria pursuant to the NortonLifeLock Executive Retention Plan and the NortonLifeLock Executive Severance Plan, assuming a qualifying termination as of March 29, 2019 (intrinsic values of equity awards are based upon the closing price for a share of our common stock of $22.90 on March 29, 2019 minus the exercise price):

	Severance Pay ($)	Option Vesting ($)	RSU Vesting ($)	PRU Vesting ($)
Involuntary Termination Because of Market Conditions or Division Performance	789,906	—	—	3,149,028
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	900,000	—	5,882,796	3,149,028
Termination Without Cause	789,906	—	5,882,796	3,149,028
Termination Due to Death or Disability	—	—	—	3,149,028

Scott C. Taylor

The following table summarizes the value of the payouts to Mr. Taylor pursuant to the NortonLifeLock Executive Retention Plan and the NortonLifeLock Executive Severance Plan, assuming a qualifying termination as of March 29, 2019 (intrinsic values of equity awards are based upon the closing price for a share of our common stock of $22.90 on March 29, 2019 minus the exercise price):

	Severance Pay ($)	Option Vesting ($)	RSU Vesting ($)	PRU Vesting ($)
Involuntary Termination Because of Market Conditions or Division Performance	1,068,836	—	—	3,829,276
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	1,200,000	—	2,766,088	3,829,276
Termination Without Cause	1,068,836	—	2,766,088	3,829,276
Termination Due to Death or Disability	—	—	—	3,829,276

Former Officers:

Gregory S. Clark

The following table summarizes the value of the payouts to Mr. Clark pursuant to Mr. Clark's Employment Agreement, assuming a qualifying termination as of March 29, 2019 (intrinsic values of equity awards are based upon the closing price for a share of our common stock of $22.90 on March 29, 2019 minus the exercise price).

	Severance Pay ($)	COBRA Premiums ($)	Option Vesting ($)	RSU Vesting ($)	PRU Vesting ($)
Involuntary Termination	2,000,000	20,031	—	3,790,062	—

Mr. Clark served as our President and CEO through May 9, 2019. In connection with Mr. Clark's departure, he and the Company entered into a separation agreement dated May 9, 2019. Pursuant to the separation agreement, Mr. Clark was not entitled to and did not receive any payouts under his employment agreement, the NortonLifeLock Executive Retention Plan, the NortonLifeLock Executive Severance Plan or any other arrangement.

Nicholas R. Noviello

As discussed above, in connection with the CFO transition process announced in January 2019, we entered into the Transition Services Agreement with Nicholas Noviello, which governed the payments Mr. Noviello would receive through the date of his departure, which was May 24, 2019. Under the Transition Services Agreement, Mr. Noviello was entitled to receive his base salary, continue to participate in the Company's FY19 EAIP without regard to individual performance, continue to participate in Company benefit programs, and continue to vest in his outstanding restricted stock unit awards through the end of his transition period. Mr. Noviello was also entitled to vesting and settlement of his remaining 44,184 shares under his FY17 PRUs and was eligible to receive a portion of his awards under his FY18 PRUs and FY19 PRUs, subject to achievement of applicable performance metrics, upon the completion of the transition period or upon an earlier involuntary termination without cause, a constructive termination or his termination due to his death or disability, as if services ended at the end of the transition period, subject to a release of claims.

Following the completion of his transition period, or upon an earlier involuntary termination without cause, a constructive termination or termination due to death or disability, and subject to delivery of a release of claims, Mr. Noviello was entitled to receive severance payments and benefits consistent with the Company's Executive Severance Plan, including a one-time lump sum payment of $665,000, six months of outplacement services and a lump sum payment equal to 75% of Mr. Noviello's target cash incentive award under the FY19 EAIP payment, but only if it would be greater than the amount paid in the ordinary course as described above.

The following table summarizes the value of payments to Mr. Noviello in accordance with his Transition Services Agreement. The intrinsic values of equity awards set forth in the table below are based upon the closing price for a share of our common stock of $22.90 on March 29, 2019.

	Severance Pay ($)	Option Vesting ($)	RSU Vesting ($)	PRU Vesting ($)
Involuntary Termination	3,152,500	—	1,729,087	3,426,067

FY20 Severance and Retention Arrangements

In August 2019, the Compensation Committee approved enhanced severance and retention arrangements (the ''Severance and Retention Arrangements'') for certain executives of the Company, including Amy L. Cappellanti-Wolf, Scott C. Taylor and Vincent Pilette in connection with the Broadcom Sale to incentivize them to continue to provide transition services following the closing of the transaction. Pursuant to the Severance and Retention Arrangements, if the applicable executive is employed with the Company through the closing of the transaction and (i) through a transition period (the ''Transition Period''), or (ii) is terminated by the Company without cause prior to the end of the Transition Period, such executive will be entitled to receive, effective as of the earlier of the executive's termination date or the end of the Transition Period (a) a cash payment equal to such executive's annual base salary, (b) a cash payment equal to such executive's target bonus (increased pro rata for any additional period of service in the Transition Period), and (c) vesting as to 50% of such executive's unvested equity as of the closing of the Broadcom Sale (the ''Unvested Equity'').

Such executive will also be entitled to receive between 75% and 150% acceleration of the additional 50% Unvested Equity if the average closing price of the Company's common stock reaches predetermined levels based 50% (y) during the Transition Period and (z) from July 1, 2020 through December 31, 2020.

CEO Pay Ratio

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are providing the ratio of the annual total compensation of Mr. Clark, our former CEO, to the median of the annual total compensation of our employees. We believe that the pay ratio disclosed below is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K. SEC rules for identifying the median employee and calculating the pay ratio allow companies to apply various methodologies and apply various assumptions and, as result, the pay ratio reported by us may not be comparable to the pay ratio reported by other companies.

NortonLifeLock is a global cybersecurity company and operates in 47 countries. As of the end of FY19, March 29, 2019, we employed 11,921 employees globally. Of our total workforce, approximately 46% was based in the United States and 54% was based outside of the United States as of the end of FY19. Our compensation programs and reward offerings are designed to reflect local market practices across our global operations.

Pay Ratio:

- Mr. Clark's FY19 annual total compensation was $2,921,038, as reported in the ''Total'' column of the ''2019 Summary Compensation Table'' in this proxy statement.
- The FY19 annual total compensation of our median employee (other than our CEO) was $115,899.
- Based on this information, the pay ratio of the annual total compensation our CEO to the median of the annual total compensation of our employees is 25.2 to 1.

Identification of the Median Employee:

For purposes of identifying our median employee, we used our global employee population as of March 29, 2019, identified based on our global human resources system of record, inclusive of all regular employees employed by the company as of that date. We used total direct compensation as our consistently applied compensation measure. In this context, total direct compensation is the sum of the value of base salary or wages earned, which has been annualized with respect to permanent employees, the annual incentive target amount or annual commission target amount in effect as of March 29, 2019, and the grant date fair value of all equity awards granted during FY19. Cash compensation figures were converted from local currency to U.S. dollars using the exchange rate the Company used for 2019 internal budgeting purposes. NortonLifeLock did not utilize the de minimis exemption to eliminate countries representing no more than 5% of our global population in the aggregate as allowed by SEC rules.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related-Person Transactions Policy and Procedure

NortonLifeLock has adopted a written related person transactions policy which provides for the Company's policies and procedures regarding the identification, review, consideration and approval or ratification of ''related person transactions.'' The Nominating and Governance Committee reviews transactions that may be ''related person transactions,'' which are transactions between NortonLifeLock and any related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000, and in which the related person has or will have a direct or indirect material interest. For purposes of the policy, a related person is any NortonLifeLock executive officer, director, nominee for director, or stockholder holding more than 5% of any class of NortonLifeLock's voting securities, in each case, since the beginning of the previous fiscal year, and their immediate family members.

Under the policy, absent any facts or circumstances indicating special or unusual benefits to the related person, the following transactions are deemed not to be ''related person transactions'' (meaning the related person is deemed to not have a direct or indirect material interest in the transaction):

- compensation to executive officers determined by NortonLifeLock's Compensation Committee;
- any transaction with another company at which a related person is a director or an employee (other than an executive officer) if the aggregate amount involved does not exceed the greater of $2,000,000, or three percent of that company's total annual gross revenues, provided that the transaction involves the purchase of either company's goods and services and the transaction is subject to usual trade terms and is in the ordinary course of business and the related person is not involved in the negotiation of the transaction;
- any compensation paid to a director if the compensation is required to be reported in NortonLifeLock's proxy statement;
- any transaction where the related person's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis;
- any charitable contribution, grant or endowment by NortonLifeLock or the NortonLifeLock Foundation to a charitable organization, foundation or university at which a related person's only relationship is as a director or an employee (other than an executive officer), if the aggregate amount involved does not exceed $120,000, or any non-discretionary matching contribution, grant or endowment made pursuant to a matching gift program;
- any transaction where the rates or charges involved are determined by competitive bids;
- any transaction involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; or
- any transaction involving services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

Under the policy, members of NortonLifeLock's legal department review transactions involving related persons that do not fall into one of the above categories. If they determine that a related person could have a significant interest in a transaction, the transaction is referred to the Nominating and Governance Committee. In addition, transactions may be identified through NortonLifeLock's Code of Conduct or other NortonLifeLock policies and procedures, and reported to the Nominating and Governance Committee. The Nominating and Governance Committee determines whether the related person has a material interest in a transaction and may approve, ratify, rescind or take other action with respect to the transaction.

Certain Related Person Transactions

Investments by Firms Affiliated with our Directors

On February 3, 2016, NortonLifeLock entered into an investment agreement with investment entities affiliated with Silver Lake, a private equity firm, relating to the issuance to Silver Lake of $500 million principal amount of 2.5% convertible unsecured notes, due in 2021. In connection with the investment, Kenneth Y. Hao, a managing partner and managing director of Silver Lake, was appointed to our Board.

On June 12, 2016, NortonLifeLock entered into an investment agreement with investment entities affiliated with Silver Lake and Bain Capital relating to the issuance of $1.25 billion aggregate principal amount of 2.0% convertible unsecured notes due in 2021. Pursuant to the investment agreement, Silver Lake has agreed to purchase $500 million aggregate principal amount of the notes, and Bain Capital, private equity firm of which David W. Humphrey is a managing director, has agreed to purchase $750 million aggregate principal amount of the notes. The transactions contemplated by this investment agreement closed concurrently with the closing of the Blue Coat acquisition on August 1, 2016. In connection with the investment, Mr. Humphrey was appointed to our Board.

The 2.5% convertible unsecured notes, due in 2021 (the ‘‘2.5% Notes’’), bear interest at a rate of 2.5% per annum. The 2.0% convertible unsecured notes, due in 2021 (the ‘‘2.0% Notes’’ and, together with the 2.5% Notes, collectively, the ‘‘Notes’’), bear interest at a rate of 2.0% per annum. Interest is payable semiannually in cash under the Notes. The initial conversion rate for the 2.5% Notes was 59.6341 shares of our common stock, and cash in lieu of fractional shares, per $1,000 principal amount of the 2.5% Notes, which was equivalent to an initial conversion price of approximately $16.77 per share of common stock. The initial conversion rate for the 2.0% Notes was 48.9860 shares of our common stock, and cash in lieu of fractional shares, per $1,000 principal amount of the 2.0% Notes, which was equivalent to an initial conversion price of approximately $20.41 per share of common stock. The conversion rates under the Notes are subject to customary anti-dilution adjustments. Holders may surrender their Notes for conversion at any time prior to the close of business on the business day immediately preceding the maturity date for the Notes.

As of March 30, 2018, $1.75 billion in aggregate principal amount of the Notes was outstanding. During FY18, we paid an aggregate of $37.5 million in interest on the Notes.

NortonLifeLock also entered into a Registration Rights Agreement pursuant to which holders of the Notes have certain registration rights with respect to the Notes and the shares of our common stock issuable upon conversion of the Notes.

Reinvestment Agreements with our Executive Officers

On June 12, 2016, we entered into reinvestment agreements with our former CEO Mr. Clark and GSC-OZ Investment LLC, an entity controlled by Mr. Clark, pursuant to which the parties agreed to purchase, in the aggregate, 2,329,520 shares our common stock for an aggregate purchase price of $40,300,696. On August 1, 2016, we issued and sold these shares to Mr. Clark and GSC-OZ Investment LLC.

On June 12, 2016, we entered into a reinvestment agreement with each of Mr. Fey, our former President and COO, and Mr. Noviello, our former CFO, pursuant to which each of Mr. Fey and Mr. Noviello agreed not to transfer certain shares of common stock to be issued upon exercise of options held by Mr. Fey and Mr. Noviello. On August 1, 2017 these shares were released from transfer restrictions when our common stock achieved the specified volume weighted average trading price over a defined period as set forth in the agreements.

Transactions with Starboard Value LP

In September 2018, the Company entered into an agreement with Starboard Value LP and certain of its affiliates (collectively, ‘‘Starboard’’) regarding, among other things, the membership and composition of the Board and committees thereof (the ‘‘Starboard Agreement’’). Under the terms of the Starboard Agreement, the Company appointed Peter A. Feld and Dale L. Fuller to serve on the Board and agreed to nominate them for election to the Board at the Annual Meeting. The Starboard Agreement also provided that Robert S. Miller and Geraldine B. Laybourne would not stand for re-election as directors at the Annual Meeting and that, within 30 days after the Annual Meeting, the Company would appoint Richard S. ‘‘Rick’’ Hill to the Board and an additional director to the Board who would be selected by the then-appointed Board from a list of candidates mutually agreed by the Company and Starboard pursuant to the procedures described in the Starboard Agreement. On January 7, 2019, the Board appointed Mr. Hill and Sue Barsamian to the Board in accordance with this provision.

Pursuant to the Starboard Agreement, if at any time Starboard beneficially owns less than 3.0% of the Company’s then-outstanding common stock (the ‘‘Minimum Ownership Threshold’’), Mr. Feld (or, if Mr. Feld is no longer serving on the Board, the substitute Starboard employee director who replaced Mr. Feld) will immediately resign from the Board. Furthermore, until the earlier of (x) 15 business days prior to the deadline for the submission of stockholder nominations for the 2019 Annual Meeting and (y) 90 days prior to the first anniversary of the Annual Meeting, for so long as Starboard satisfies the Minimum Ownership Threshold, Starboard also has certain additional rights to recommend or select substitute directors as provided in the Starboard Agreement.

Aircraft Lease Agreement

On November 9, 2017, the Company and Mr. Clark, our former CEO, entered into an Aircraft Lease Agreement (the ‘‘Aircraft Lease Agreement’’) for the occasional lease by the Company of an aircraft owned by Mr. Clark. Under the Aircraft Lease Agreement, the Company will reimburse Mr. Clark for business travel on his aircraft at a rate of $2,500 per flight hour plus additional operating costs. The Nominating and Governance Committee of our Board of Directors approved the Aircraft Lease Agreement after completing a competitive analysis of comparable chartered aircraft rates, which showed that the reimbursement rate is at or below market rates for the charter of similar aircraft. The Nominating and Governance Committee during FY18 also adopted a Company-wide Aircraft Usage Policy, which governs the approved business usage of corporate aircraft, including Mr. Clark's, and set an annual cap on the amount of expenses to be incurred by the Company under the policy at two million dollars. During FY19, we incurred approximately $2 million in fees for the aircraft owned by Mr. Clark. Please see ''Executive Compensation and Related Information — Summary Compensation Table'' on page 60 for more information.

REPORT OF THE AUDIT COMMITTEE

The information contained in the following report of NortonLifeLock's Audit Committee is not considered to be ''soliciting material,'' ''filed'' or incorporated by reference in any past or future filing by NortonLifeLock under the Exchange Act or the Securities Act of 1933 unless and only to the extent that NortonLifeLock specifically incorporates it by reference.

The Audit Committee is comprised solely of independent directors, as defined by current Nasdaq listing standards, and operates under a written charter which was most recently amended by the Board on January 29, 2018. The Audit Committee oversees NortonLifeLock's financial reporting process on behalf of the Board. Management has primary responsibility for the financial statements and the reporting process, including the systems of internal controls. In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited financial statements that were included in NortonLifeLock's Annual Report on Form 10-K for the fiscal year ended March 29, 2019 with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements.

The Audit Committee reviewed with NortonLifeLock's independent registered public accounting firm, which is responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles, its judgments as to the quality, not just the acceptability, of NortonLifeLock's accounting principles and discussed with the independent registered public accounting firm the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC. In addition, the Audit Committee has received and reviewed the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the registered public accounting firm's communications with the Audit Committee concerning independence from management and NortonLifeLock, and has discussed with the independent registered public accounting firm the registered public accounting firm's independence from management and NortonLifeLock.

The Audit Committee discussed with NortonLifeLock's internal accountants and independent registered public accounting firm the overall scope and plans for their respective audits. The Audit Committee meets with the internal accountants and independent registered public accounting firm, with and without management present, to discuss the results of their examinations, their evaluations of NortonLifeLock's internal controls, and the overall quality of NortonLifeLock's financial reporting.

The Audit Committee also received the report of management contained in NortonLifeLock's Annual Report on Form 10-K for the fiscal year ended March 29, 2019, as well as KPMG's Report of Independent Registered Public Accounting Firm included in NortonLifeLock's Annual Report on Form 10-K related to its audit of (i) the consolidated financial statements and financial statement schedule and (ii) the effectiveness of internal control over financial reporting. The Audit Committee continues to oversee NortonLifeLock's efforts related to its internal control over financial reporting and management's preparations for the evaluation in fiscal 2019.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board (and the Board has approved) that the audited financial statements be included in NortonLifeLock's Annual Report on Form 10-K for the fiscal year ended March 29, 2019 for filing with the SEC.

By: The Audit Committee of the Board of Directors:

V. Paul Unruh (Chair)
Frank E. Dangeard
Dale L. Fuller
Anita M. Sands
Suzanne M. Vautrinot

NORTONLIFELOCK INC.
2019 ANNUAL MEETING OF STOCKHOLDERS
MEETING INFORMATION

Information About Solicitation and Voting

This proxy is solicited on behalf of the Board for use at the Annual Meeting, which will be conducted via live webcast on December 19, 2019, at 9:00 a.m. (Pacific Time), and any adjournment or postponement thereof. We will provide a re-playable webcast of the Annual Meeting, which will be available on the events section of our investor relations website at *investor.NortonLifeLock.com*.

About the Annual Meeting

What is the purpose of the Annual Meeting?

At our Annual Meeting, stockholders will act upon the proposals described in this proxy statement. In addition, following the meeting, management will report on the performance of NortonLifeLock and respond to questions from stockholders.

What proposals are scheduled to be voted on at the Annual Meeting?

Stockholders will be asked to vote on four proposals. The proposals are:

1. Election to the Board of the eight nominees named in this proxy statement;
2. Ratification of the appointment of KPMG as our independent registered public accounting firm for the 2020 fiscal year;
3. An advisory vote to approve executive compensation;
4. Stockholder proposal regarding independent board chairman; and
5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

What is the recommendation of the Board on each of the proposals scheduled to be voted on at the Annual Meeting?

The Board recommends that you vote **FOR** each of the nominees to the Board (Proposal No. 1), **FOR** the ratification of the appointment of KPMG as our independent registered public accounting firm for the 2020 fiscal year (Proposal No. 2); **FOR** the approval of compensation to our named executive officers (Proposal No. 3); and **AGAINST** the stockholder proposal regarding independent board chairman (Proposal No. 4).

Could other matters be decided at the Annual Meeting?

Our Bylaws require that we receive advance notice of any proposal to be brought before the Annual Meeting by stockholders of NortonLifeLock, and we have not received notice of any such proposals. If any other matter were to come before the Annual Meeting, the proxy holders appointed by the Board will have the discretion to vote on those matters for you.

Who can vote at the Annual Meeting?

Stockholders as of the record date for the Annual Meeting, November 1, 2019, are entitled to vote at the Annual Meeting. At the close of business on the record date, there were 623,246,880 shares of NortonLifeLock common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote on each matter properly brought before the meeting.

Stockholder of Record: Shares Registered in Your Name

If on November 1, 2019 your shares were registered directly in your name with our transfer agent, Computershare Investor Services, then you are considered the stockholder of record with respect to those shares. As a stockholder of record, you may vote at the Annual Meeting or vote by proxy. Whether or not you plan to virtually attend the Annual Meeting, we urge you to vote over the Internet or by telephone, or if you received paper proxy materials by mail, by filling out and returning the proxy card.

For questions regarding your stock ownership, you may contact our transfer agent, Computershare Investor Services, by email through their website at *www.computershare.com/contactus* or by phone at (877) 282-1168 (within the U.S. and Canada) or (781) 575-2879 (outside the U.S. and Canada).

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

If on November 1, 2019 your shares were held in an account with a brokerage firm, bank or other nominee, then you are the beneficial owner of the shares held in street name. As a beneficial owner, you have the right to direct your nominee on how to vote the shares held in your account, and it has enclosed or provided voting instructions for you to use in directing it on how to vote your shares. However, the organization that holds your shares is considered the stockholder of record for purposes of voting at the Annual Meeting. Because you are not the stockholder of record, you may not vote your shares at the Annual Meeting unless you request and obtain a valid proxy from the organization that holds your shares giving you the right to vote the shares at the Annual Meeting.

How do I vote?

If you are a stockholder of record, you may:

- vote at the virtual annual meeting — to participate in and vote at the virtual annual meeting, you will need the 16-digit control number included on your proxy card or on the instructions that accompanied your proxy materials;
- vote via the Internet or via telephone — instructions are shown on your Notice of Internet Availability or proxy card; or
- vote by mail — if you received a paper proxy card and voting instructions by mail, simply complete, sign and date the enclosed proxy card and return it before the Annual Meeting in the envelope provided.

Votes submitted via the Internet or by telephone must be received by 11:59 p.m., Eastern Time, on December 18, 2019. Submitting your proxy, whether via the Internet, by telephone or by mail if you received a paper proxy card, will not affect your right to vote at the Annual Meeting should you decide to virtually attend the meeting.

If you are not the stockholder of record, please refer to the voting instructions provided by your nominee to direct it how to vote your shares.

Your vote is important. Whether or not you plan to virtually attend the Annual Meeting, we urge you to vote by proxy to ensure that your vote is counted. You may still virtually attend the Annual Meeting if you have already voted by proxy.

What is the quorum requirement for the Annual Meeting?

A majority of our outstanding shares as of the record date must be present at the Annual Meeting in order to hold the meeting and conduct business. This presence is called a quorum. Your shares are counted as present at the Annual Meeting if you virtually attend and vote at the Annual Meeting or if you have properly submitted a proxy.

How are abstentions and broker non-votes treated?

Abstentions (shares present at the meeting and voted ''abstain'') are counted for purposes of determining whether a quorum is present, and have no effect on the election of directors. For the purpose of determining whether the stockholders have approved all other matters, abstentions have the same effect as an ''against'' vote.

Broker non-votes occur when shares held by a broker for a beneficial owner are not voted either because (i) the broker did not receive voting instructions from the beneficial owner, or (ii) the broker lacked discretionary authority to vote the shares. Broker non-votes are counted for purposes of determining whether a quorum is present, and have no effect on the matters voted upon. If you are a beneficial holder and do not provide specific voting instructions to your broker, the broker that holds your shares will not be authorized to vote your shares on any of the proposals, except for Proposal No. 2, ratification of the appointment of KPMG as our independent public accounting firm for the 2019 fiscal year. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to virtually attend the Annual Meeting.

What is the vote required for each proposal?

The votes required to approve each proposal are as follows:

- *Proposal No. 1.* Each director must be elected by a majority of the votes cast, meaning the votes ''FOR'' a director must exceed the number of votes ''AGAINST'' a director.

- *Proposal Nos. 2, 3, and 4.* Approval of each of Proposals Nos. 2, 3, and 4 requires the affirmative ''FOR'' vote of a majority of the shares entitled to vote on these proposals at the Annual Meeting and virtually attending the Annual Meeting or represented by proxy.

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

All proxies will be voted in accordance with the instructions specified on the proxy card. If you vote over the internet or by telephone, please follow the instructions included on the Notice of Internet Availability, proxy card or proxy materials on how to vote over the Internet or by telephone. If you sign a physical proxy card and return it without instructions as to how your shares should be voted on a particular proposal at the Annual Meeting, your shares will be voted in accordance with the recommendations of our Board stated above.

If you do not vote and you hold your shares in street name, and your broker does not have discretionary power to vote your shares, your shares may constitute ''broker non-votes'' (as described above) and will not be counted in determining the number of shares necessary for approval of the proposals. However, shares that constitute broker non-votes will be counted for the purpose of establishing a quorum for the Annual Meeting. Voting results will be tabulated and certified by the inspector of elections appointed for the Annual Meeting.

Who is paying for this proxy solicitation?

NortonLifeLock is paying the costs of the solicitation of proxies. We have retained D.F. King & Co., Inc. to help us solicit proxies from brokers, bank nominees and other institutions for a fee of $10,000, plus reasonable out-of-pocket expenses. We will also reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners. In addition, our directors, officers, and other employees, without additional compensation, may solicit proxies personally or in writing, by telephone, e-mail, or otherwise. If you choose to access the proxy materials and/or vote over the Internet, you are responsible for any Internet access charges you may incur.

What does it mean if I receive more than one proxy card or Notice of Internet Availability?

If you receive more than one proxy card or Notice of Internet Availability, your shares are registered in more than one name or are registered in different accounts. To make certain all of your shares are voted, please follow the instructions included on your proxy card or Notice of Internet Availability on how to access each proxy card and vote each proxy card over the Internet or by telephone. If you received paper proxy materials by mail, you can also complete, sign and return each proxy card to ensure that all of your shares are voted.

How can I change my vote after submitting my proxy?

You may change your vote or revoke your proxy at any time before your proxy is voted at the Annual Meeting. If you are a stockholder of record, you may change your vote or revoke your proxy by:

- delivering to the Corporate Secretary of NortonLifeLock (by any means, including facsimile) a written notice stating that the proxy is revoked;
- signing and delivering a proxy bearing a later date;
- voting again over the Internet or by telephone; or
- virtually attending and voting at the Annual Meeting (although attendance at the meeting will not, by itself, revoke a proxy).

Please note, however, that if you are a beneficial owner and you wish to change or revoke your proxy, you may change your vote by submitting new voting instructions to your broker, bank or other nominee or, if you have obtained a legal proxy from your broker, bank or other nominee giving you the right to vote your shares at the Annual Meeting, by virtually attending and voting at the Annual Meeting.

How can I attend the Annual Meeting and submit questions?

To attend the Annual Meeting and submit your questions prior to or during the Annual Meeting, please visit www.virtualshareholdermeeting.com/NLOK2019. To participate in the Annual Meeting or to submit questions in advance of the meeting, you will need the 16-digit control number included with your proxy materials, on your proxy card, Notice of Internet Availability or on the instructions that accompanied your proxy materials.

What if during the check-in time or during the meeting I have technical difficulties or trouble accessing the virtual meeting website?

We will have technicians ready to assist you with any technical difficulties you may have accessing the virtual meeting. If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call:

1-855-449-0991 (U.S. Domestic Toll Free)

1-720-378-5962 (International)

Why are you not holding the Annual Meeting in a physical location?

We are excited to embrace the latest technology to provide expanded access, improved communication and cost savings for our stockholders. Hosting a virtual meeting will enable increased stockholder attendance and participation since stockholders can participate from any location around the world. In addition, the online format will allow us to communicate more effectively with you via a pre-meeting forum that you can enter by visiting www.virtualshareholdermeeting.com/NLOK2019.

How can I get electronic access to the proxy materials?

The proxy materials will provide you with instructions regarding how to:

- view our proxy materials for the Annual Meeting over the Internet; and
- instruct us to send our future proxy materials to you electronically by email.

Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our annual meetings of stockholders on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

Where can I find the voting results?

The preliminary voting results will be announced at the Annual Meeting and posted on our website at *investor.NortonLifeLock.com*. The final results will be tallied by the inspector of elections and filed with the U.S. Securities and Exchange Commission in a current report on Form 8-K within four business days of the Annual Meeting.

ADDITIONAL INFORMATION

Stockholder Proposals for the 2020 Annual Meeting

Requirements for Stockholder Proposals to be Brought Before an Annual Meeting. NortonLifeLock's Bylaws provide that, for stockholder nominations to the Board or other proposals to be considered at an annual meeting, the stockholder must give timely notice thereof in writing to the Corporate Secretary at NortonLifeLock Inc., 60 E. Rio Salado Parkway, Suite 1000, Tempe, Arizona 85281, Attn: Corporate Secretary.

To be timely for the 2020 annual meeting of stockholders, a stockholder's notice must be delivered to or mailed and received by our Corporate Secretary at our principal executive offices between August 21, 2020 and September 20, 2020 (or, if the 2020 annual meeting is called for a date that is more than 30 calendar days before or more than 60 calendar days after the anniversary of the date of the 2019 Annual Meeting, then by no later than 10 calendar days after our public announcement of the date of the 2020 annual meeting). A stockholder's notice to the Corporate Secretary must set forth as to each matter the stockholder proposes to bring before the annual meeting the information required by NortonLifeLock's Bylaws.

Requirements for Stockholder Proposals to be Considered for Inclusion in Our Proxy Materials. Stockholder proposals submitted pursuant to Rule 14a-8 under the Exchange Act and intended to be presented at NortonLifeLock's 2020 annual meeting must be received by us not later than July 10, 2020 in order to be considered for inclusion in NortonLifeLock's proxy materials for that meeting.

Available Information

NortonLifeLock will mail without charge, upon written request, a copy of NortonLifeLock's Annual Report on Form 10-K for fiscal year 2019, including the financial statements, schedule and list of exhibits, and any exhibit specifically requested. Requests should be sent to:

NortonLifeLock Inc.
60 E. Rio Salado Parkway, Suite 1000
Tempe, Arizona 85281
Attn: Investor Relations

The Annual Report is also available at investor.NortonLifeLock.com.

''Householding'' — Stockholders Sharing the Same Last Name and Address

The SEC has adopted rules that permit companies and intermediaries (such as brokers) to implement a delivery procedure called ''householding.'' Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our annual report and proxy materials, unless the affected stockholder has provided contrary instructions. This procedure reduces printing costs and postage fees, and helps protect the environment as well.

This year, a number of brokers with account holders who are NortonLifeLock stockholders will be ''householding'' our annual report and proxy materials. A single set of annual report and other proxy materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be ''householding'' communications to your address, ''householding'' will continue until you are notified otherwise or until you revoke your consent. Stockholders may revoke their consent at any time by contacting Broadridge ICS, either by calling toll-free (800) 542-1061, or by writing to Broadridge ICS, Householding Department, 51 Mercedes Way, Edgewood, New York, 11717.

Upon written or oral request, NortonLifeLock will promptly deliver a separate copy of the annual report and other proxy materials to any stockholder at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the annual report and other proxy materials, you may write or call NortonLifeLock's Investor Relations department at 60 E. Rio Salado Parkway, Suite 1000, Tempe, Arizona 85281, Attn: Investor Relations, telephone number (650) 527-8020.

Any stockholders who share the same address and currently receive multiple copies of NortonLifeLock's annual report and other proxy materials who wish to receive only one copy in the future can contact their bank, broker or other holder of record to request information about householding or NortonLifeLock's Investor Relations department at the address or telephone number listed above.

OTHER MATTERS

The Board does not presently intend to bring any other business before the meeting and, so far as is known to the Board, no matters are to be brought before the meeting except as specified in the notice of the meeting. As to any business that may arise and properly come before the meeting, however, it is intended that proxies, in the form enclosed, will be voted in respect thereof in accordance with the judgment of the persons voting such proxies.

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

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

For the Fiscal Year Ended March 29, 2019

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 000-17781

Symantec Corporation

(Exact name of registrant as specified in its charter)

Delaware	**77-0181864**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
350 Ellis Street, Mountain View, California	**94043**
(Address of principal executive offices)	*(Zip code)*

Registrant's telephone number, including area code:
(650) 527-8000

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

Title of each class	*Trading symbol(s)*	*Name of each exchange on which registered*
Common Stock, par value $0.01 per share	**SYMC**	**The Nasdaq Stock Market LLC**

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 15(d) of the Exchange 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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K 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 ☐ 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 Act). Yes ☐ No ☑

Aggregate market value of the voting stock held by non-affiliates of the registrant, based upon the closing sale price of Symantec common stock on September 28, 2018 as reported on the Nasdaq Global Select Market: $7,810,381,908. Solely for purposes of this disclosure, shares of common stock held by each executive officer, director, and holder of 5% or more of the outstanding common stock have been excluded as of such date because such persons may be deemed to be affiliates. This determination of possible affiliate status is not a conclusive determination for any other purposes.

The number of shares of Symantec common stock, $0.01 par value per share, outstanding as of May 13, 2019 was 618,193,875 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for the 2019 annual meeting of stockholders are incorporated herein by reference into Part III of this Annual Report on Form 10-K where indicated. Such Proxy Statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended March 29, 2019.

SYMANTEC CORPORATION

FORM 10-K
For the Fiscal Year Ended March 29, 2019

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"Symantec," "we," "us," "our," and "the Company" refer to Symantec Corporation and all of its subsidiaries. Symantec, the Symantec Logo and Norton are trademarks or registered trademarks of Symantec in the United States (U.S.) and other countries. Other names may be trademarks of their respective owners.

FORWARD-LOOKING STATEMENTS AND FACTORS THAT MAY AFFECT FUTURE RESULTS

The discussion below contains forward-looking statements, which are subject to safe harbors under the Securities Act of 1933, as amended (the Securities Act) and the Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements include references to our ability to utilize our deferred tax assets, as well as statements including words such as ''expects,'' ''plans,'' ''anticipates,'' ''believes,'' ''estimates,'' ''predicts,'' ''goal,'' ''intent,'' ''momentum,'' ''projects,'' and similar expressions. In addition, projections of our future financial performance; anticipated growth and trends in our businesses and in our industries; the anticipated impacts of acquisitions, restructurings, stock repurchases, and investment activities; the outcome or impact of pending litigation, claims or disputes; our intent to pay quarterly cash dividends in the future; plans for and anticipated benefits of our solutions; matters arising out of the ongoing U.S. Securities and Exchange Commission (the SEC) investigation; and other characterizations of future events or circumstances are forward-looking statements. These statements are only predictions, based on our current expectations about future events and may not prove to be accurate. We do not undertake any obligation to update these forward-looking statements to reflect events occurring or circumstances arising after the date of this report. These forward-looking statements involve risks and uncertainties, and our actual results, performance, or achievements could differ materially from those expressed or implied by the forward-looking statements on the basis of several factors.

These and other risks are described under Item 1A. *Risk Factors*. We encourage you to read that section carefully.

PART I

Item 1. *Business*

Overview

Symantec Corporation is a global leader in cyber security. We provide cyber security products, services, and solutions to more than 350,000 organizations and 50 million individuals worldwide. Our Integrated Cyber Defense Platform helps business and government customers unify cloud and on-premises security to deliver a more effective cyber defense solution, while driving down cost and complexity. Our Cyber Safety solutions from Norton LifeLock help consumers protect their devices, online privacy, identities, and home networks.

Our business and consumer offerings are powered by the largest civilian threat intelligence network, which uses artificial intelligence, machine learning, and human intelligence to analyze trillions of rows of data every day across hundreds of millions of devices to discover and help prevent advanced threats that might otherwise go undetected. We believe this threat intelligence data is a competitive advantage, and a primary way we are able to provide faster and better protection for customers.

Founded in 1982, Symantec has operations in more than 45 countries. Our headquarters are located at 350 Ellis Street, Mountain View, California. Our internet home page is located at www.symantec.com. The information contained, or referred to, on our website is not part of this annual report unless expressly noted.

Fiscal 2019 Business Highlights

During fiscal 2019, we continued to make progress enhancing and expanding our product and services portfolio and improving product integration, partner integration, and sales delivery to help enterprise customers deploy our Integrated Cyber Defense Platform. We also made progress driving market adoption and increasing customer retention of our Consumer Cyber Safety (previously called Consumer Digital Safety) solutions, building on our Norton LifeLock product portfolio. In addition, we implemented operational improvements to reduce costs and complexity, building on the business transformation programs we completed in fiscal 2019, and leveraged synergies from the successful integration of our acquired businesses.

- Our product development teams built extensive point-to-point integrations across endpoint, network, cloud, and email security products, responding to customer demand to consolidate vendors and enhance their security posture across control points.

- We further extended our Integrated Cyber Defense (ICD) Platform through application programming interfaces (APIs) and engineering-level integration with more than 120 certified technology partners that have developed or are in the process of developing over 250 integrations of complementary products and services to expand our ecosystem, helping businesses implement a coordinated and robust approach to threat protection, detection, and response that improves security outcomes and drives down cost and complexity.

- We expanded the marketing of bundled offerings of cyber safety services for consumers through the integration of our Norton-branded security services with LifeLock-branded identity theft protection services, to help individuals and families combat ever-evolving cyberthreats. Bundling these solutions enables us to combine our Norton and LifeLock demand generation and customer relationship management programs to drive new customer acquisition, improve retention, and cross-sell within our large installed base.

- We launched significant new products to advance our portfolio and competitive position:

  - **Symantec Advanced EDR Tools and Managed EDR:** We introduced Symantec's Advanced Endpoint Detection and Response (EDR) tools and fully managed EDR (MEDR) service, enabling security teams around the world to stay ahead of threats. EDR improves incident response, threat hunting, and forensics, fortifying teams with investigation expertise and threat intelligence from a world-class team of security operations center analysts. MEDR detects stealthy attacks and examines suspicious activity for faster incident validation and response.

  - **Cloud Security Portfolio Enhancements:** We expanded our cloud security portfolio to help organizations protect cloud applications and related infrastructure. Our ICD Platform offers robust cloud protection, providing visibility and control for virtually any cloud app, and integrations with CloudSOC CASB, Cloud Workload Protection (CWP), and Data Loss Protection (DLP), while enabling customers to track more risk attributes and scan cloud applications and repositories with new API Integrations.

  - **Data Loss Prevention Enhancements for Office 365:** We introduced new features to protect data, whether at rest or in transit, on-premises or in the cloud, and everywhere it flows through a single management console.

  - **Cloud-based Network Security with Web Isolation:** We introduced industry-first Web Isolation technology that integrates into our Web Security Service (WSS) and enables web browsing, nearly eliminating the risk of infection by zero-day malware or advanced threats.

  - **Cloud-based Network Security with Integrated Endpoint Protection**: We introduced improved network-to-endpoint protection with the integration of Symantec Endpoint Protection (SEP) and SEP Mobile into WSS, allowing web traffic re-directs to WSS for enforcement of network security policies while consequently eliminating the need for a separate agent to manage traffic flow. Our new SD-Cloud Connector enables customers to combine the performance and reliability of Software Defined WAN (SD-WAN) technology with our WSS to create a simple, high-performance method to connect branch office locations with our leading cloud security service.

  - **Targeted Attack Analytics:** We expanded our Advanced Threat Protection (ATP) offering to include our targeted attack technology. This feature enables ATP customers to leverage advanced machine learning to automate the discovery of targeted attacks, one of the most dangerous intrusions in corporate networks.

- Consistent with our strategy of acquiring companies with complementary technology to enhance our products, services, and solutions and speed time to market, we completed several acquisitions during our fiscal year 2019, including the following:

  - **Appthority.** With this acquisition, we are able to provide mobile application security to our Consumer Cyber Safety customers, enabling them to analyze mobile apps for both malicious capabilities and unsafe and unwanted behaviors, such as vulnerabilities, risk of sensitive data loss, and privacy-invasive actions.

    - **Javelin**. This acquisition brings advanced software technology to our Enterprise Security solutions, enabling enterprises to defend against Active Directory-based (AD) attacks through detection of AD misconfigurations and backdoors to help prevent AD reconnaissance and credentials misuse by authorized devices and applications.

    - **Luminate.** With this acquisition, our solutions now incorporate software defined perimeter and zero trust technology enabling us to deliver private secure application access to all users, regardless of device, location, or infrastructure, extending the power of our ICD Platform to users and significantly extending our leadership in cloud security beyond alternative approaches.

- We expanded our strategic partnerships in our Enterprise Security and Consumer Cyber Safety segments, including:

    - **Fortinet**. We entered into an expansive partnership agreement with Fortinet in an effort to provide customers with comprehensive and robust firewall security solutions. Under this arrangement, we intend to integrate Fortinet's Next-Generation Firewall (NGFW) capabilities into our cloud-delivered WSS and to integrate our endpoint protection solutions into the Fortinet Security Fabric platform. This technology partnership is designed to provide essential security controls across endpoint, network, and cloud environments that are critical to enforcing the zero trust security framework, a model built on the reality that threats everywhere, both inside and outside an organization, require a multi-layered approach to prevention, detection, and response.

    - **AON**. We entered into a strategic partnership with AON, as part of our longer-term strategy to drive consumer adoption through business-to-business-to-consumer relationships. AON offers solutions to help high net worth individuals defend their assets against cyber criminals. The partnership provides that we will offer to AON customers features across our Consumer Cyber Safety solutions. We believe Cyber Safety is synergistic with many brands globally, such as insurers, banks, telecom providers and other organizations. As we expand Cyber Safety internationally and to address a growing array of vertical needs, we believe partnerships such as AON will expand the value we bring customers and the revenue potential for our consumer business.

Business Strategy

Our strategy is to combine best-of-breed technology with unmatched scale to deliver a comprehensive cyber security set of solutions for business and government customers, as well as consumers.

Our Enterprise Security strategy is to leverage our ICD Platform, partner ecosystem and global threat intelligence network to deliver Integrated Cyber Defense to business and government customers, helping them improve security while reducing cost and complexity. Our ICD Platform enables us to acquire new customers and cross-sell our full portfolio of products and services to existing customers and to customers of partners in our expansive ecosystem, such as Amazon.com Inc.'s AWS, Box, Inc., IBM Security, Microsoft Corporation (Microsoft), Oracle Corporation, ServiceNow, Inc., Splunk Inc., and many others.

Our Consumer Cyber Safety strategy is to combine and leverage our portfolio of Norton and LifeLock offerings to deliver a set of Cyber Safety solutions that address today's continually evolving and increasingly complex threat landscape. This threat landscape puts consumers at increased risk of having their security, online privacy, and identities compromised. As the risks to consumers shift from PC-based attacks to more sophisticated threats such as ransomware, identity theft, and privacy risks, our software and services provide a multi-layered approach to protect consumers, regardless of device, network, or location.

Products and Services

Enterprise Security Portfolio: Integrated Cyber Defense

Our Enterprise Security portfolio includes a deep and broad mix of products, services, and solutions, delivered as part of our ICD Platform. Our platform unifies cloud and on-premises security to provide advanced threat protection and information protection across endpoints, networks, email, and cloud applications. Key components of our ICD Platform include:

- **Advanced Security Services**
  - **Advanced Threat Protection:** Multiple layers of threat prevention, detection, and forensic technology provide a robust view of malicious activities across control points, enabling users to contain, investigate, and remediate threats.
  - **Information Protection:** Encryption, data loss prevention, multi-factor authentication, tagging, and analytics enable businesses and governments to protect confidential information and IT assets while managing compliance requirements and restricting access to authenticated users.
  - **Identity Management:** Cloud-based authentication service with multi-factor authentication to cloud apps, network, and Virtual Private Network (VPN) to reduce the risk of breaches and unauthorized access.
  - **Compliance enforcement:** A suite of governance, risk, and compliance tools help customers inventory their IT assets, evaluate vulnerabilities, govern information access, and automate compliance reporting for more than 100 regulatory and best-practice frameworks including GDPR, HIPAA, NIST, PCI, and SWIFT.
  - **Third-party applications:** Over 250 TIPP (Technology Integration Partner Program) certified integrations enhance productivity for security operations and incident response teams while extending the value of current cyber investments.
- **Control Points**
  - **Endpoint Security:** A single agent architecture delivers multi-layered security across endpoints - desktop, server, mobile, and IoT - and enables customers to protect enterprise and mobile workforces, regardless of operating system, device, or network security approaches.
  - **Network Security:** Cloud and on-premises network security solutions, based on an advanced proxy architecture, provide superior defense against advanced threats, enable users to protect critical business information, and help ensure secure and compliant use of cloud applications and the web.
  - **Email Security:** Multiple layers of protection (including threat isolation and advanced analytics) against ransomware, spear phishing, and enterprise email compromise help

identify targeted attacks and enable users to protect email against user error and data leakage.

- **Cloud Application Security:** Advanced solutions that secure cloud access, cloud infrastructure, and cloud applications, providing in-depth visibility, data security, and threat protection to safeguard users, information, and workloads across public and private clouds.

- **Cyber Security Services**

  - An integrated portfolio including Managed Security Services, Incident Response, and Deep Sight Threat Intelligence, driven by our private network of cyber security analysts within our global security operations centers.

- **ICD Platform Foundations**

  Our solutions are powered by the following critical features:

  - **Threat Intelligence:** The world's largest civilian threat intelligence network applies deep security research, expert analysis, and artificial intelligence to monitor and synthesize nine trillion rows of telemetry daily, helping discover and block targeted attacks and cybercrime that would otherwise go undetected.

  - **AI and Machine Learning Services:** Artificial intelligence and machine learning analyze massive amounts of control point data and sift through our entire telemetry data set to help identify potential threats and accelerate response and remediation.

  - **API and ICD Exchange Services:** APIs and ICD Exchange (ICDx) vastly simplify integrations with ICD, providing enhanced protection, investigation, and remediation across Symantec endpoints, networks, email, cloud applications, and third-party products.

  - **ICD Manager Services:** A shared management console provides a single point of control for policy management, monitoring, and reporting.

  - **Automation:** Built-in automation simplifies investigation, accelerates response times, and minimizes damages from attacks, while reducing manual processes and cost of security operations.

- **Open Ecosystem**

  - An expansive set of open APIs with over 100 certified technology partners creating the broadest ecosystem in cyber security, enabling a coordinated and best-in-class approach to threat protection, detection, and response.

In addition to our core product portfolio, Symantec offers enterprise security services including:

- **Consulting Services:** We provide the experience, expertise, and industry intelligence to assist enterprises to better architect, design, implement, and optimize their security software, people, and processes. Symantec consultants guide enterprises toward solutions that meet their business goals and leave them with the knowledge to maintain and enhance their security environment.

- **Premium Support Services:** Our premium support services for enterprises focus on timely and accurate issue resolution by placing a product family expert at the center of a tailored support experience, who provides technical support, manages escalations, delivers case and system reviews, oversees environmental health checks, and provides proactive services such as upgrade planning and feature optimization.

- **Cyber Security Services:** We provide continual threat monitoring, customized guidance, and 24x7 personalized service within an enterprise's security environment through our Managed Security Services, Deep Sight Intelligence, and Incident Response Services.

Consumer Cyber Safety Portfolio

Our Consumer Cyber Safety solutions consist primarily of the following product offerings which are being integrated into a unified user experience under the Norton LifeLock brand:

- **Norton Security:** Our Norton Security solutions are available as a subscription service providing protection for devices against malware, viruses, adware, and ransomware on multiple platforms: Windows, Mac, Android, and iOS. Users also have access to a password manager, parental controls, and safe web browsing that blocks malicious sites and filters browser search results. Users also can perform secure cloud backups of photos, financial files, and other important documents on Windows, providing additional protection in the event ransomware attacks make these files unavailable. For mobile devices, Norton Security also filters risky apps, enables stolen device recovery, provides contact recovery, and blocks unwanted spam texts and calls. Norton Security includes 24x7 support by trained support agents who are available to assist customers.

- **LifeLock Identity Theft Protection:** Our LifeLock identity theft protection solution provides identity monitoring, alerts, and restoration to our customers. LifeLock puts users in control of their identity elements, including social security numbers, bank accounts, email addresses, physical addresses, and driver's license and phone numbers. The service alerts users on key events and recommends actions to prevent unauthorized access. If an identity theft takes place, LifeLock's identity experts work with the user to restore their identities, managing interaction with various governmental agencies, financial institutions, and merchants - and addressing legal fees, wage loss, and associated damages.

- **Norton Wi-Fi Privacy VPN:** Our Norton Wi-Fi Privacy VPN service offers a protected way to connect to the Internet, encrypting data users send over internet connections and enhancing levels of privacy online. With this service, users can confidently access private information such as passwords, bank details, and credit card numbers when using public Wi-Fi on PC, Mac, or mobile device without risk of compromise. Users can also connect globally to their favorite apps, websites, and online streaming by changing their virtual location. This service also limits the ability of websites to track users, thereby eliminating persistent personalized ads based on browsing history.

Sales and Go-to-Market Strategy

Our go-to-market network includes direct sales forces and broad e-commerce capabilities, as well as indirect sales resources that support our global partner ecosystem. We also maintain strategic relationships with a number of original equipment manufacturers (OEMs), Internet service providers (ISPs), global service integrators (GSIs), wireless carriers, and retail and online stores through which we market and sell our products.

Enterprise

We sell and market our products and services to large enterprises, including business, government, and public-sector customers, through our field sales force and reseller channels. Our field sales team leverages our global partner ecosystem, primarily targeting senior executives and IT department personnel responsible for managing a company's highest-order IT and cyber security initiatives.

We also sell and market our products and services to small, medium, and large businesses through field sales and inside sales forces that leverage indirect sales partners around the world, who are specifically trained and certified to sell our solutions. These partners include national solution providers, regional solution providers, national account resellers, global/federal system integrators, and managed service providers.

Our enterprise products and services are also available on our e-commerce platform, as well as through authorized distributors, GSIs, and OEMs, who incorporate our technologies into their products, bundle our products with their offerings, or serve as authorized resellers of our products.

Consumer

We sell and market our consumer products and services to individuals, households, and small businesses globally. We bring these products to market through direct marketing and co-marketing programs supported by our e-commerce and tele-sales platforms. In addition, we utilize Internet-based resellers, system builders, ISPs, employee benefits providers, wireless carriers, retailers, and OEMs to distribute our offerings worldwide. We drive consumer business growth through global brand and demand campaigns, new customer acquisition, retention focused cross-selling, and customer success programs.

Research and Development

Symantec embraces a global research and development strategy to drive organic innovation and product integration across our portfolio. Our engineering and product management teams are focused on delivering new versions of existing product lines, as well as developing entirely new products and services to drive the company's leadership in cyber security. We also have a technology research organization focused on short, medium, and longer-term applied research projects, with the goal of transferring completed innovations into our product groups for commercialization.

Symantec's Security Technology and Response organization is a global team of security engineers, threat analysts, and researchers who provide the underlying functionality, content, and support for many of our solutions. These front-line security experts analyze threat telemetry collected through our vast cyber intelligence networks to protect our customers against current and emerging threats. Our research and development teams also leverage these vast data sets and insights to develop new technologies and approaches in order to improve security outcomes for our customers.

We believe that technical leadership is essential to our success, and we expect to continue to commit substantial resources to research and development.

Product and Technical Support

Symantec has support facilities throughout the world, staffed by technical product experts knowledgeable in the operating environments in which our products are deployed. Our support experts assist customers with both issue resolution and threat detection.

We provide Enterprise Security customers with various levels of technical support and customer success services. Our support program offers annual maintenance support contracts, including content, updates, and technical support. Our Essential Support includes: self-service options, assisted support delivered by telephone or electronically during contracted-for hours, immediate patches for severe problems, periodic software updates, and access to our technical knowledge base and frequently asked questions. Our Premium Support includes all Essential Support services with the addition of proactive health checks, assigned technical contacts, and other customer success activities.

Our Consumer Cyber Safety support includes self-help online services and phone, chat, and email support worldwide. Most of our Norton Security products come with automatic downloads of the latest virus definitions, application bug fixes, and patches, as well as a ''Virus Protection Promise,'' which in some markets provides free virus removal services to customers whose protected computers become infected. Our Consumer Cyber Safety service and support offerings come with 24x7x365 customer support, along with alert resolution, lost wallet protection, and restoration services during normal business hours.

Competition

Our markets are consolidating, highly competitive, and subject to rapid changes in technology. The competitive landscape has changed significantly over the past few years, with new competition arising. Some of the market growth has come from startups that focus on solving a particular issue or delivering a niche-oriented product, and from larger integration providers that increasingly seek to add to or extend their offerings. We focus on delivering comprehensive customer solutions, integrating across our broad product portfolio, and partnering with other technology providers to differentiate our offerings and platforms from the competition.

In addition to the competition we face from direct competitors, we face indirect or potential competition from retailers, application providers, operating system providers, network equipment manufacturers, and other OEMs who may provide various solutions and functions in their current and future offerings. We compete with these same parties to acquire technologies, products, or companies. We also compete with other software companies in our effort to place our products on the computer equipment sold to consumers and enterprises by OEMs. We compete for access to distribution channels and for spending at the retail level for our consumer offerings and in corporate accounts for our enterprise offerings.

Our Enterprise Security competitors vary by product category, geography, channel, and customer size:

- Endpoint security competitors include McAfee LLC (McAfee), Microsoft, CrowdStrike, Inc., and Carbon Black, Inc., as well as several point-product competitors, freeware providers, and regional security companies.

- Network security competitors include Palo Alto Networks Inc. (Palo Alto), FireEye Inc. (FireEye), Cisco Systems, Inc. (Cisco), McAfee, Forcepoint LLC (Forcepoint), and Zscaler, Inc., as well as other established and emerging companies.

- Cloud security competitors include Cisco, McAfee, Microsoft, and Netskope, Inc., as well as other established and emerging companies. We expect additional competition as the market for security-as-a-service continues to develop and expand.

- Email security competitors include Proofpoint, Inc. and Microsoft.

- Advanced threat protection competitors include McAfee, Palo Alto, FireEye, International Business Machines Corporation (IBM), and Dell EMC, as well as Niksun Inc. and Trend Micro Inc. (Trend Micro). As new IT budgets are created to address next-generation threats, we expect to compete with additional specialized vendors, as well as larger vendors that may continue to acquire or bundle their products.

- Information protection competitors include RSA (a Dell Technologies business), McAfee, Forcepoint, Digital Guardian, Inc., and Microsoft.

- Cyber security services and managed security services competitors include FireEye, IBM, and SecureWorks Corporation, as well as other additional established and emerging companies.

Our Consumer Cyber Safety competitors vary by product category, geography, and channel. Norton Security competitors include Avast Software s.r.o., McAfee, Microsoft, and Trend Micro. Consumer backup product competitors include Carbonite, Inc. LifeLock identity theft protection competitors include credit bureaus Experian PLC, Equifax Inc., and TransUnion, as well as others including Affinion Group, Inc., Anchor Free, Inc., Credit Karma, Inc., and Intersections, Inc.

We believe that the principal competitive factors necessary to be successful in our industry include product quality and effectiveness, time-to-market, price, reputation, financial stability, breadth of product offerings, customer support, brand recognition, and effective sales and marketing efforts.

Intellectual Property

Protective measures

Our intellectual property is an important and vital asset of the company that enables us to develop, market, and sell our products and services and enhance our competitive position. Intellectual property includes our proprietary business and technical know-how, inventions, works of authorship, and confidential information. To protect our intellectual property, we rely primarily upon legal rights in trade secrets, patents, copyrights, and trademarks, in addition to company policies and procedures, security practices, contracts, and relevant operational measures.

We protect the confidentiality of proprietary information by entering into non-disclosure agreements with our employees, contractors, and channel and business partners, and we enter into license agreements with respect to our software and proprietary information that include confidentiality terms. These agreements are generally non-transferable and have either a perpetual or time-limited term. We also publish company policies on trade secret protection and employ access controls and associated security measures to protect our facilities, equipment, and networks.

Patents, copyrights, trademarks, and licenses

We maintain an internal patent program with the objective of identifying inventions that provide the basis for new patent applications in areas of importance to our business. We have approximately 2,345 U.S. patents, in addition to foreign patents and pending U.S. and foreign patent applications, which relate to inventive aspects of our products and technology. The duration of our patents is determined by the laws of the issuing country. In the U.S., this is typically twenty years from the date of filing of the priority patent application resulting in the patent, which we believe is adequate relative to expected product lifecycles.

Our products, particularly our software and related documentation, are protected under U.S. and international copyright laws and laws related to the protection of intellectual property and proprietary rights. We employ procedures to label copyrightable works with the appropriate proprietary rights notices, and we actively enforce these rights in the U.S. and abroad. However, these measures may not provide adequate protection, and our intellectual property rights may be challenged.

Symantec, Norton, LifeLock, and associated logos, including the checkmark in a circle logo, are trademarks or registered trademarks of the company in the U.S. and other countries in which we conduct business. In addition, we have used, registered, or applied to register other trademarks and service marks to help distinguish our products and services from those of our competitors. We actively enforce our trademark, service mark, and trade name rights in the U.S. and abroad based on our rights under common law, and various U.S. and foreign laws and regulations, as well as rights under international treaties and conventions. The duration of our trademark registrations varies from country to country. In the U.S., we are generally able to maintain our trademark rights and renew trademark registrations for as long as the trademarks are in use.

In limited cases, we license intellectual property from third parties for use in our products and generally must rely on those third parties to protect the licensed rights. This can include open source software which is not subject to proprietary rights protection. While the ability to maintain and protect our intellectual property rights is important to our success, we believe our business is not materially dependent on any individual patent, copyright, trademark, trade secret, license, or other intellectual property right.

Seasonality

As is typical for many technology companies, our business is subject to seasonality. See our quarterly results of operations in ''Selected Quarterly Financial Data (Unaudited)'' included in Part II, Item 8 of this Annual Report on Form 10-K.

Corporate Responsibility

Our annual Corporate Responsibility Report can be found via the Symantec website at https://www.symantec.com/about/corporate-responsibility. The information contained, or referred to, on our website, including our Corporate Responsibility Report, is not part of this annual report unless expressly noted.

Employees

As of March 29, 2019, we employed more than 11,900 people worldwide.

Available information

Our Internet home page is located at www.symantec.com. We make available free of charge our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports as soon as reasonably practicable after we electronically file such material with the Securities and Exchange Commission (SEC) on our investor relations website located at www.symantec.com/invest. The information contained, or referred to, on our website is not part of this annual report unless expressly noted. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding our filings at http://www.sec.gov.

Item 1A. *Risk Factors*

A description of the risk factors associated with our business is set forth below. The list is not exhaustive, and you should carefully consider these risks and uncertainties before investing in our common stock.

A decrease in demand for our solutions could adversely affect our financial results.

We are subject to fluctuations in demand for our solutions due to a variety of factors, including market transitions, general economic conditions, competition, product obsolescence, technological change, shifts in buying patterns, the timing and duration of hardware refresh cycles, financial difficulties and budget constraints of our current and potential customers, public awareness of security threats to IT systems, and other factors. While such factors may, in some periods, increase product sales, fluctuations in demand can also negatively impact our sales. If demand for our solutions declines, whether due to general economic conditions, a shift in buying patterns or otherwise, our revenues and margins would likely be adversely affected.

Fluctuations in our quarterly financial results have affected the trading price of our outstanding securities in the past and could affect the trading price of our outstanding securities in the future.

Our quarterly financial results have fluctuated in the past and are likely to vary in the future due to a number of factors, many of which are outside of our control. If our quarterly financial results or our predictions of future financial results fail to meet our expectations or the expectations of securities analysts and investors, the trading price of our outstanding securities could be negatively affected. Volatility in our quarterly financial results may make it more difficult for us to raise capital in the future or pursue acquisitions. Our operating results for prior periods may not be effective predictors of our future performance.

Factors associated with our industry, the operation of our business, and the markets for our solutions may cause our quarterly financial results to fluctuate, including but not limited to:

- Fluctuations in our revenue due to the transition of our sales contracts to a higher mix of products subject to ratable versus point-in-time revenue recognition;
- Fluctuations in demand for our solutions;
- Entry of new competition into our markets;
- Our ability to achieve targeted operating income and margins and revenues;
- Competitive pricing pressure for one or more of our classes of our solutions;
- Our ability to timely complete the release of new or enhanced versions of our solutions;
- The number, severity, and timing of threat outbreaks (e.g. worms, viruses, malware, ransomware, and other malicious threats) and cyber security incidents (e.g., large scale data breaches);
- Our resellers making a substantial portion of their purchases near the end of each quarter;
- Customers’ tendency to negotiate licenses and other agreements near the end of each quarter;
- Cancellation, deferral, or limitation of orders by customers;
- Loss of customers or strategic partners;
- Changes in the mix or type of products and subscriptions sold and changes in the renewal rates for our subscriptions;
- The rate of adoption of new technologies, new releases of operating systems, and new business processes;

- Consumer confidence and spending changes, which could be impacted by market changes and general economic conditions, among other reasons;
- Political and military instability caused by war or other events, which could slow spending within our target markets, delay sales cycles, and otherwise adversely affect our ability to generate revenues and operate effectively;
- The timing, rate and pricing of customer purchases to replace older versions of our hardware products that have reached end of life;
- The impact of litigation, regulatory inquiries, or investigations;
- The timing and extent of significant restructuring charges;
- The impact of acquisitions and our ability to achieve expected synergies;
- Disruptions in our business operations or target markets caused by, among other things, terrorism or other intentional acts, outbreaks of disease, or earthquakes, floods, or other natural disasters;
- Fluctuations in foreign currency exchange rates;
- Movements in interest rates; and
- Changes in tax laws, rules, and regulations.

Any of the foregoing factors could cause the trading price of our outstanding securities to fluctuate significantly.

Our business depends on customers renewing their arrangements for maintenance, subscriptions, managed security services, and cloud-based (cloud) offerings.

A large portion of our Enterprise Security revenue is derived from arrangements for maintenance, subscriptions, managed security services, and cloud offerings, yet customers have no contractual obligation to purchase additional solutions after the initial subscription or contract period. In particular, term-based license subscriptions and cloud-based products are increasing as a percentage of our total revenues. While we believe our customers' renewal rates, in general, have been relatively stable in recent periods, customer retention and renewal rates may decline or fluctuate as a result of a number of factors, including our customers' level of satisfaction with our solutions or our customer support, customer budgets, and the pricing of our solutions compared with the solutions offered by our competitors, any of which may cause our revenue to grow more slowly than expected, or to decline. Accordingly, we must invest significant time and resources in providing ongoing value to our customers. If these efforts fail, if our customers do not renew for other reasons, or if our customers renew on terms less favorable to us, our revenue may decline, and our business will suffer.

If we are unable to develop new and enhanced solutions that achieve widespread market acceptance, or if we are unable to continually improve the performance, features, and reliability of our existing solutions or adapt our business model to keep pace with industry trends, our competitive position may weaken, and our business and operating results could be adversely affected.

Our future success depends on our ability to effectively respond to the rapidly changing needs of our customers, as well as competitive technological developments and industry changes, by developing or introducing new and enhanced solutions on a timely basis.

We have in the past incurred, and will continue to incur, significant research and development expenses as we strive to remain competitive. If we are unable to anticipate or react to competitive challenges or if existing or new competitors gain market share in any of our markets, our competitive position could weaken, and we could experience a decline in our sales that could adversely affect our business and operating results. Additionally, we must continually address the challenges of dynamic and accelerating market trends and competitive developments, such as the emergence of advanced persistent threats in the security space, the continued volatility in the PC market, the market shift towards mobility, and the increasing transition towards subscription and cloud-based solutions, all of which continue to make it more difficult for us to compete effectively. For example, although we have been investing heavily in solutions that address the cloud security market, we cannot be certain that it will develop at a rate or in the manner we expect or that we will be able to compete successfully with new entrants or more established competitors. Customers may require features and capabilities that our current solutions do not have. Our failure to develop new solutions and improve our existing solutions that satisfy customer preferences and effectively compete with other market offerings in a timely and cost-effective manner may harm our ability to renew our subscriptions with existing customers and to create or increase demand for our solutions, which may adversely impact our operating results. The development and introduction of new solutions involves a significant commitment of time and resources and are subject to a number of risks and challenges including but not limited to:

- Lengthy development cycles;
- Evolving industry standards and technological developments by our competitors and customers;
- Evolving platforms, operating systems, and hardware products, such as mobile devices, and related product and service interoperability challenges;
- Entering into new or unproven markets;
- Executing new product and service strategies;
- Trade compliance difficulties;
- Developing or expanding efficient sales channels; and
- Obtaining sufficient licenses to technology and technical access to operating system software.

If we are not successful in managing these risks and challenges, or if our new or improved solutions are not technologically competitive or do not achieve market acceptance, our business and operating results could be adversely affected.

If we are unable to attract and retain qualified employees, lose key personnel, fail to integrate replacement personnel successfully, or fail to manage our employee base effectively, we may be unable to develop new and enhanced solutions, effectively manage or expand our business, or increase our revenues.

Our future success depends upon our ability to recruit and retain key management, technical (including cyber-security experts), sales, marketing, finance, and other personnel. Our officers and other key personnel are employees-at-will and we generally do not have employment or non-compete agreements with our employees, and we cannot assure you that we will be able to retain them. Competition for people with the specific skills that we require is significant, especially in and around our headquarters in the Silicon Valley, and we face difficulties in attracting, retaining, and motivating employees as a result. In order to attract and retain personnel in a competitive marketplace, we must provide competitive pay packages, including cash and equity-based compensation. Additionally, changes in immigration laws could impair our ability to attract and retain highly qualified employees. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business, results of operations and future growth prospects could suffer. The volatility in our stock price may from time to time adversely affect our ability to recruit or retain employees. In addition, we may be unable to obtain required stockholder approvals of future increases in the number of shares required for issuance under our equity compensation plans. As a result, we may issue fewer equity-based incentives and may be impaired in our efforts to attract and retain necessary personnel. If we are unable to hire and retain qualified employees, or conversely, if we fail to manage employee performance or reduce staffing levels when required by market conditions, our business and operating results could be adversely affected.

Effective succession planning is also important to our long-term success. Failure to ensure effective transfer of knowledge and smooth transitions involving key employees could hinder our strategic planning and execution. From time to time, key personnel leave our company and the frequency and number of such departures has widely varied and have resulted in significant changes to our executive leadership team. For example, we are initiating a Chief Executive Officer transition process, and appointed an interim President and Chief Executive Officer. Additionally, our Chief Operating Officer resigned in November 2018 and, as previously disclosed, our Chief Financial Officer is stepping down and is being replaced by a new Chief Financial Officer as of the date hereof. Although we strive to reduce the negative impact of changes in our leadership, the loss of any key employee could result in significant disruptions to our operations, including adversely affecting the timeliness of product releases, the successful implementation and completion of company initiatives, the effectiveness of our disclosure controls and procedures, our internal control over financial reporting, and our results of operations. In addition, hiring, training, and successfully integrating replacement sales and other personnel could be time consuming and expensive, may cause additional disruptions to our operations, and may be unsuccessful, which could negatively impact future financial results.

We operate in a highly competitive environment, and our competitors may gain market share in the markets for our solutions that could adversely affect our business and cause our revenues to decline.

We operate in intensely competitive markets that experience rapid technological developments, changes in industry standards, changes in customer requirements, and frequent new product introductions and improvements. If we are unable to anticipate or react to these competitive challenges, or if existing or new competitors gain market share in any of our markets, our competitive position could weaken, and we could experience a decline in our sales that could adversely affect our business and operating results. To compete successfully, we must maintain an innovative research and development effort to develop new solutions and enhance our existing solutions, effectively adapt to changes in the technology or product rights held by our competitors, appropriately respond to competitive strategies, and effectively adapt to technological changes and changes in the ways that our information is accessed, used, and stored by our customers. If we are unsuccessful in responding to our competitors or to changing technological and customer demands, our competitive position and our financial results could be adversely affected.

Our competitors include software and cloud-based vendors that offer solutions that directly compete with our offerings. In addition to competing with these vendors directly for sales to end-users of our solutions, we compete with them for the opportunity to have our solutions bundled with the offerings of our strategic partners, such as computer hardware original equipment manufacturers (OEMs) and internet service providers (ISPs). Our competitors could gain market share from us if any of these strategic partners replace our solutions with those of our competitors or if these partners more actively promote our competitors' solutions than our own. In addition, software and cloud-based vendors who have bundled our solutions with theirs may choose to bundle their solutions with their own or other vendors' solutions or may limit our access to standard interfaces and inhibit our ability to develop solutions for their platform. In the future, further product development by these vendors could cause our solutions to become redundant, which could significantly impact our sales and financial results.

We face growing competition from network equipment, computer hardware manufacturers, large operating system providers, and other technology companies, as well as from companies in the identity threat protection space such as credit bureaus. Many of these competitors are increasingly developing and incorporating into their products data protection software that competes at some levels with our offerings. Our competitive position could be adversely affected to the extent that our customers perceive the functionality incorporated into these products as replacing the need for our solutions.

Security protection is also offered by some of our competitors at prices lower than our prices or, in some cases is offered free of charge. Some companies offer lower-priced or free security products within their computer hardware or software products. Our competitive position could be adversely affected to the extent that our customers perceive these lower cost or free security products as replacing the need for more effective, full featured solutions, such as those that we provide. The expansion of these competitive trends could have a significant negative impact on our sales and operating results by causing, among other things, price reductions of our solutions, reduced profitability, and loss of market share.

Many of our competitors have greater financial, technical, sales, marketing, or other resources than we do and consequently, may have the ability to influence customers to purchase their products instead of ours. Further consolidation within our industry or other changes in the competitive environment could result in larger competitors that compete with us on several levels. We also face competition from many smaller companies that specialize in particular segments of the markets in which we compete.

Our cloud offerings present execution and competitive risks.

Our cloud offerings are critical to our business. Our competitors are rapidly developing and deploying cloud offerings for consumers and business customers. Pricing and delivery models are evolving. Devices and form factors influence how users access services in the cloud. We have made and are continuing to make significant investments in, and devoting significant resources to develop and deploy, our own cloud strategies. We cannot assure you that our ongoing investments in and development of our cloud infrastructure and related cloud offerings will achieve the expected returns for us or that we will be able to compete successfully in the marketplace. In addition to software development costs, we are incurring significant costs to build, execute upon, and maintain the infrastructure needed to support our cloud offerings. These costs may reduce the operating margins we have previously achieved. Whether we are successful in this business model depends on our execution in a number of areas, including:

- Continuing to innovate and bring to market compelling cloud-based solutions that generate increasing traffic and market share; and
- Ensuring that our cloud offerings meet the reliability expectations of our customers and maintain the security of their data.

We invest in research and development activities in both the short and long term, and these investments may achieve delayed, or lower than expected, benefits which could harm our operating results.

While we continue to focus on managing our costs and expenses, we also continue to invest significantly in research and development activities, in both the short and long term, as we focus on organic growth through internal innovation in each of our business segments. We believe that we must continue to dedicate a significant amount of resources to our research and development efforts to maintain our competitive position, and that the level of these investments will increase in future periods. We recognize the costs associated with these research and development investments earlier than the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect. If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, our operating results may be adversely affected.

Changes in industry structure and market conditions could lead to charges related to discontinuance of certain of our products or businesses and asset impairments.

In response to changes in industry structure and market conditions, we may be required to strategically reallocate our resources and consider restructuring, disposing of, or otherwise exiting certain businesses. Any decision to limit investment in or dispose of or otherwise exit businesses may result in the recording of special charges, such as inventory and technology-related write-offs, workforce reduction costs, charges relating to consolidation of excess facilities, or claims from third parties who were resellers or users of discontinued products. Our estimates with respect to the useful life or ultimate recoverability of our carrying basis of assets, including purchased intangible assets, could change as a result of such assessments and decisions. Although in certain instances our supply agreements allow us the option to cancel, reschedule, and adjust our requirements based on our business needs prior to firm orders being placed, our loss contingencies may include liabilities for contracts that we cannot cancel, reschedule or adjust with contract manufacturers and suppliers.

Further, our estimates relating to the liabilities for excess facilities are affected by changes in real estate market conditions. Additionally, we are required to evaluate goodwill impairment on an annual basis and between annual evaluations in certain circumstances, and future goodwill impairment evaluations may result in a charge to earnings.

Matters relating to or arising from our completed Audit Committee Investigation, including regulatory investigations and proceedings, litigation matters, and potential additional expenses, may adversely affect our business and results of operations.

As previously disclosed in our public filings, the Audit Committee completed its internal investigation in September 2018. In connection with the Audit Committee Investigation, we voluntarily contacted the SEC. The SEC commenced a formal investigation, and we continue to cooperate with that investigation. The outcome of such an investigation is difficult to predict. If the SEC commences legal action, we could be required to pay significant penalties and become subject to injunctions, a cease and desist order, and other equitable remedies. We can provide no assurances as to the outcome of any governmental investigation.

We have incurred, and will continue to incur, significant expenses related to legal and other professional services in connection with the ongoing SEC investigation, which may continue to adversely affect our business and financial condition. In addition, securities class actions and other lawsuits have been filed against us, our directors, and officers (see also, ''We are subject to pending securities class action and stockholder derivative legal proceedings . . .'' below). The outcome of the securities class actions and other litigation and regulatory proceedings or government enforcement actions is difficult to predict, and the cost to defend, settle, or otherwise resolve these matters may be significant. Plaintiffs or regulatory agencies or authorities in these matters may seek recovery of very large or indeterminate amounts or seek to impose sanctions, including significant monetary penalties. The monetary and other impact of these litigations, proceedings, or actions may remain unknown for substantial periods of time. Further, an unfavorable resolution of litigations, proceedings or actions could have a material adverse effect on our business, financial condition, and results of operations and cash flows. Any future investigations or additional lawsuits may also adversely affect our business, financial condition, results of operations, and cash flows.

We are subject to pending securities class action and stockholder derivative legal proceedings that may adversely affect our business.

Several securities class action and purported derivative lawsuits have been filed against us arising out of the announcement of the Audit Committee Investigation. In addition, we have received demands from purported stockholders to inspect corporate books and records under Delaware law. No specific amounts of damages have been alleged in these lawsuits. We will continue to incur legal fees in connection with these pending cases, including expenses for the reimbursement of legal fees of present and former officers and directors under indemnification obligations. The expense of continuing to defend such litigation may be significant. We intend to defend these lawsuits vigorously, but there can be no assurance that we will be successful in any defense. If any of the lawsuits related to our Audit Committee Investigation are decided adversely, we may be liable for significant damages directly or under our indemnification obligations, which could adversely affect our business, results of operations and cash flows. Further, the amount of time that will be required to resolve these lawsuits is unpredictable, and these actions may divert management's attention from the day-to-day operations of our business, which could further adversely affect our business, results of operations, and cash flows.

The delayed filing of some of our periodic SEC reports has made us currently ineligible to use a registration statement on Form S-3 to register the offer and sale of securities, which could adversely affect our ability to raise future capital or complete acquisitions.

As a result of the delayed filing of some of our periodic reports with the SEC in connection with the completed Audit Committee Investigation, we will not be eligible to register the offer and sale of our securities using a registration statement on Form S-3 until December 2019, at the earliest. Registering the offer and sale of our securities prior to the time we are eligible to use Form S-3 may increase our transaction costs, and the amount of time required to complete the transaction could increase, making it more difficult to execute any such transaction successfully and potentially harming our financial condition.

Our indemnification obligations and limitations of our director and officer liability insurance may have a material adverse effect on our financial condition, results of operations, and cash flows.

Under Delaware law, our certificate of incorporation, our bylaws, and certain indemnification agreements to which we are a party, we have an obligation to indemnify, or we have otherwise agreed to indemnify, certain of our current and former directors and officers with respect to past, current, and future investigations and litigation.

The scope of our indemnification obligations may be broader than the coverage available under our directors' and officers' liability insurance, or there may be insufficient coverage available. Further, in the event the directors and officers are ultimately determined not to be entitled to indemnification, we may not be able to recover any amounts we previously advanced to them.

We cannot provide any assurances that future indemnification claims, including the cost of fees, penalties or other expenses, will not exceed the limits of our insurance policies, that such claims are covered by the terms of our insurance policies or that our insurance carrier will be able to cover such claims. Further, should a coverage dispute arise, we may also incur significant expenses in relation to litigating or attempting to resolve any such dispute. Accordingly, we may incur significant unreimbursed costs to satisfy our indemnification obligations, which may have a material adverse effect on our financial condition, results of operations or cash flows.

We may need to change our pricing models to compete successfully.

The intense competition we face, in addition to general and economic business conditions, can put pressure on us to change our prices. If our competitors offer deep discounts on certain solutions or develop products or support offerings that the marketplace considers more valuable, we may need to lower prices or offer other favorable terms in order to compete successfully. Any such changes may reduce margins and could adversely affect our operating results.

In addition, a weakening of economic conditions or significant uncertainty regarding the stability of financial markets could adversely impact our business, financial condition, and operating results in a number of ways. Impacts could include longer sales cycles, pressure to lower prices for our solutions, a reduction in the rate of adoption of our solutions by new customers, and a lower rate of current customers purchasing upgrades to our current solutions.

Any broad-based change to our prices and pricing policies could cause our revenues to decline or be delayed as our sales force implements and our customers adjust to the new pricing policies. We or our competitors may bundle solutions for promotional purposes or as a long-term go-to-market or pricing strategy or provide guarantees of prices. These practices could, over time, significantly constrain the prices that we can charge for certain of our offerings.

Defects, disruptions or risks related to our cloud offerings could impair our ability to deliver our services and could expose us to liability, damage our brand and reputation, or otherwise negatively impact our business.

Our cloud offerings may contain errors or defects that users identify after they begin using them that could result in unanticipated service interruptions, which could harm our reputation and our business. Since our customers use our cloud offerings for mission-critical protection from threats to electronic information, endpoint devices, and computer networks, any errors, defects, disruptions in service or other performance problems with our cloud offerings could significantly harm our reputation and may damage our customers' businesses. If any such performance problems occur, customers could elect not to renew, or delay or withhold payment to us, we could lose future sales or customers may make warranty or other claims against us, which could result in an increase in our provision for doubtful accounts or warranty, an increase in collection cycles for accounts receivable or the expense and risk of litigation.

We currently serve our cloud-based customers from hosting facilities, including third-party hosting facilities, located across the globe. Damage to, or failure of, any significant element of these hosting facilities could result in interruptions in our service, which could harm our customers and expose us to liability. The occurrence of a natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or other unanticipated problems could result in lengthy interruptions in the delivery of our solutions. Global climate change may result in certain natural disasters occurring more frequently or with greater intensity, such as drought, wildfires, storms, sea-level rise, and flooding. Interruptions or failures in our service delivery could cause customers to terminate their subscriptions with us, could adversely affect our renewal rates, and could harm our ability to attract new customers. Our business would also be harmed if our customers believe that our cloud offerings are unreliable.

Our solutions are complex and operate in a wide variety of environments, systems, applications, and configurations, which could result in failures of our solutions to function as designed.

Because we offer very complex solutions, undetected errors, failures or bugs may occur, especially when solutions are first introduced or when new versions are released. Our products are often installed and used in large-scale computing environments with different operating systems, system management software, and equipment and networking configurations, which may cause errors or failures in our solutions or may expose undetected errors, failures, or bugs in our solutions. Our customers' computing environments are often characterized by a wide variety of standard and non-standard configurations that make pre-release testing for programming or compatibility errors very difficult and time-consuming. In addition, despite testing by us and others, errors, failures, or bugs may not be found in new solutions or releases until after they are delivered to customers. In the past, we have discovered software errors, failures, and bugs in certain of our solutions after their introduction and, in some cases, have experienced delayed or lost revenues as a result of these errors.

Errors, failures, or bugs in solutions released by us could result in negative publicity, damage to our brand and reputation, returns, loss of or delay in market acceptance of our products, loss of competitive position, or claims by customers or others. Many of our end-user customers use our solutions in applications that are critical to their businesses and may have a greater sensitivity to defects in our solutions than to defects in other, less critical, software products. In addition, if an actual or perceived breach of information integrity, security, or availability occurs in one of our end-user customer's systems, regardless of whether the breach is attributable to our products, the market perception of the effectiveness of our solutions could be harmed. Alleviating any of these problems could require significant expenditures, our capital, and other resources and could cause interruptions, delays, or cessation of our licensing, which could cause us to lose existing or potential customers and could adversely affect our operating results.

Our products, solutions, cloud offerings, systems, and website may be subject to intentional disruption that could adversely impact our reputation and future sales.

Despite our precautions and significant ongoing investments to protect against security risks, data protection breaches, cyber-attacks, and other intentional disruptions of our solutions, we expect to be an ongoing target of attacks specifically designed to impede the performance and availability of our offerings and harm our reputation as a company. Similarly, experienced computer programmers or other sophisticated individuals or entities, including malicious hackers, state-sponsored organizations, and insider threats including actions by employees and third-party service providers, may attempt to penetrate our network security or the security of our systems and websites and misappropriate proprietary information or cause interruptions of our services, including the operation of our global civilian cyber intelligence threat network. Such attempts are increasing in number and in technical sophistication, and if successful could expose us and the affected parties, to risk of loss or misuse of proprietary or confidential information or disruptions of our business operations. While we invest and devote significant resources to maintain and continually enhance and update our methods to detect and alert us to such breaches, attacks, and disruptions, these efforts may not be sufficient, even with rapid detection, to prevent the damage such a breach of our products, solutions, cloud offerings, systems, and websites may cause.

Our inability to successfully recover from a disaster or other business continuity event could impair our ability to deliver our products and services and harm our business.

We are heavily reliant on our technology and infrastructure to provide our products and services to our customers. For example, we host many of our products using third-party data center facilities, and we do not control the operation of these facilities. These facilities are vulnerable to damage, interruption, or performance problems from earthquakes, hurricanes, floods, fires, power loss, telecommunications failures, and similar events. They are also subject to break-ins, computer viruses, sabotage, intentional acts of vandalism, and other misconduct. The occurrence of a natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or other unanticipated problems could result in lengthy interruptions in the delivery of our products and services.

Furthermore, our business administration, human resources, and finance services depend on the proper functioning of our computer, telecommunication, and other related systems and operations. A disruption or failure of these systems or operations because of a disaster or other business continuity event could cause data to be lost or otherwise delay our ability to complete sales and provide the highest level of service to our customers. In addition, we could have difficulty producing accurate financial statements on a timely basis, and deficiencies may arise in our internal control over financial reporting, which may impact our ability to certify our financial results, all of which could adversely affect the trading value of our stock. Although we endeavor to ensure there is redundancy in these systems and that they are regularly backed-up, there are no assurances that data recovery in the event of a disaster would be effective or occur in an efficient manner, including the operation of our global civilian cyber intelligence threat network. If these systems or their functionality do not operate as we expect them to, we may be required to expend significant resources to make corrections or find alternative sources for performing these functions.

Any errors, defects, disruptions, or other performance problems with our products and services could harm our reputation and may damage our customers' businesses. For example, we may experience disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints due to an overwhelming number of users accessing our websites simultaneously, fraud, or security attacks. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Interruptions in our products and services, including the operation of our global civilian cyber intelligence threat network, could impact our revenues or cause customers to cease doing business with us. In addition, our business would be harmed if any of the events of this nature caused our customers and potential customers to believe our services are unreliable. Our operations are dependent upon our ability to protect our technology infrastructure against damage from business continuity events that could have a significant disruptive effect on our operations. We could potentially lose customer data or experience material adverse interruptions to our operations or delivery of services to our clients in a disaster recovery scenario.

We collect, use, disclose, store, or otherwise process personal information, which subjects us to privacy and data security laws and contractual commitments, and our actual or perceived failure to comply with such laws and commitments could harm our business.

We collect, use, store or disclose (collectively, process) an increasingly large amount of personal information, including from employees and customers, in connection with the operation of our business, particularly in relation to our identity and information protection offerings. We process an increasingly high volume, variety, and velocity of personal information as a result of our identity and information protection offerings that rely on large data repositories of personal information and consumer transactions. The personal information we process is subject to an increasing number of federal, state, local, and foreign laws regarding privacy and data security, as well as contractual commitments. Any failure or perceived failure by us to comply with such obligations may result in governmental enforcement actions, fines, litigation, or public statements against us by consumer advocacy groups or others and could cause our customers to lose trust in us, which could have an adverse effect on our reputation and business.

Additionally, changes to applicable privacy or data security laws could impact how we process personal information and therefore limit the effectiveness of our solutions or our ability to develop new solutions. For example, the European Union General Data Protection Regulation imposes more stringent data protection requirements and provides for greater penalties for noncompliance of up to the greater of €20 million or four percent of worldwide annual revenues.

Data protection legislation is also becoming increasingly common in the U.S. at both the federal and state level. For example, in June 2018, the State of California enacted the California Consumer Privacy Act of 2018 (the CCPA), which will come into effect on January 1, 2020. The CCPA requires companies that process information on California residents to make new disclosures to consumers about their data collection, use, and sharing practices, allows consumers to opt out of certain data sharing with third parties, and provides a new cause of action for data breaches. However, California legislators have stated that they intend to propose amendments to the CCPA, and it remains unclear what, if any, modifications will be made to the CCPA or how it will be interpreted. Additionally, the Federal Trade Commission (the FTC) and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination, and security of data. The burdens imposed by the CCPA and other similar laws that may be enacted at the federal and state level may require us to modify our data processing practices and policies and to incur substantial expenditures in order to comply.

Global privacy and data protection legislation, enforcement, and policy activity are rapidly expanding and evolving, and may be inconsistent from jurisdiction to jurisdiction. We may be or become subject to data localization laws mandating that data collected in a foreign country be processed and stored only within that country. If any country in which we have customers were to adopt a data localization law, we could be required to expand our data storage facilities there or build new ones in order to comply. The expenditure this would require, as well as costs of compliance generally, could harm our financial condition.

Additionally, third parties with whom we work, such as vendors or developers, may violate applicable laws or our policies and such violations can place personal information of our customers at risk. In addition, our customers may also accidentally disclose their passwords or store them on a device that is lost or stolen, creating the perception that our systems are not secure against third-party access. This could have an adverse effect on our reputation and business. In addition, such third parties could be the target of cyberattack and other data breaches which could impact our systems or our customers' records.

Our acquisitions and divestitures create special risks and challenges that could adversely affect our financial results.

As part of our business strategy, we may acquire or divest businesses or assets. These activities can involve a number of risks and challenges, including:

- Complexity, time, and costs associated with managing these transactions, including the integration of acquired business operations, workforce, products, IT systems, and technologies;
- Diversion of management time and attention;

- Loss or termination of employees, including costs associated with the termination or replacement of those employees;
- Assumption of liabilities of the acquired business or assets, including pending or future litigation, investigations or claims related to the acquired business or assets;
- The addition of acquisition-related debt;
- Increased or unexpected costs and working capital requirements;
- Dilution of stock ownership of existing stockholders;
- Unanticipated delays or failure to meet contractual obligations; and
- Substantial accounting charges for acquisition-related costs, amortization of intangible assets, and higher levels of stock-based compensation expense.

We have invested and continue to invest and devote significant resources in the integration of businesses we acquire. The success of each acquisition depends in part on our ability to realize the anticipated business opportunities, including certain cost savings and operational efficiencies or synergies and growth prospects from integrating these businesses in an efficient and effective manner. If integration of our acquired businesses is not successful, we may not realize the potential benefits of an acquisition or suffer other adverse effects. To integrate acquired businesses, we must integrate and manage the personnel and business systems of the acquired operations. We also must effectively integrate the different cultures of acquired business organizations into our own in a way that aligns various interests and we may need to enter new markets in which we have no or limited experience and where competitors in such markets have stronger market positions. Moreover, to be successful, large complex acquisitions depend on large-scale product, technology, and sales force integrations that are difficult to complete on a timely basis or at all and may be more susceptible to the special risks and challenges described above.

In addition, we have in the past, and may in the future, divest businesses, product lines, or assets. Such initiatives may require significant separation activities that could result in the diversion of management's time and attention, loss of employees, substantial separation costs, and accounting charges for asset impairments.

Any of the foregoing, and other factors, could harm our ability to achieve anticipated levels of profitability or other financial benefits from our acquired or divested businesses, product lines or assets or to realize other anticipated benefits of divestitures or acquisitions.

If we fail to manage our sales and distribution channels effectively, or if our partners choose not to market and sell our solutions to their customers, our operating results could be adversely affected.

We sell our solutions to customers around the world through multi-tiered sales and distribution networks.

Sales through these different channels involve distinct risks, including the following:

Direct Sales. A portion of our revenues from enterprise products is derived from sales by our direct sales force to end-users. Risks associated with direct sales include:

- Longer sales cycles associated with direct sales efforts;
- Difficulty in hiring, retaining, and motivating our direct sales force, particularly through periods of transition in our organization;
- Substantial amounts of training for sales representatives to become productive in selling our solutions, including regular updates to our products, and associated delays and difficulties in recognizing the expected benefits of investments in new products and updates;

- Increased administrative costs in processing orders and increased credit risk in pursuing payment from each end user; and
- Increased responsibility for custom and export activities that may result in added costs.

Indirect Sales Channels. A portion of our revenues is derived from sales through indirect channels, including, but not limited to, distributors that sell our products to end-users and other resellers. This channel involves a number of risks, including:

- Our resellers and distributors are generally not subject to minimum sales requirements or any obligation to market our solutions to their customers;
- Our reseller and distributor agreements are generally nonexclusive and may be terminated at any time without cause;
- Our lack of control over the timing of delivery of our solutions to end-users;
- Our resellers and distributors may violate applicable law or regulatory requirements or otherwise cause damage to our reputation through their actions;
- Our resellers and distributors frequently market and distribute competing solutions and may, from time to time, place greater emphasis on the sale of these solutions due to pricing, promotions, and other terms offered by our competitors; and
- Any consolidation of electronics retailers can continue to increase their negotiating power with respect to software providers such as us.

OEM Sales Channels. A portion of our revenues is derived from sales through our OEM partners that incorporate our products into, or bundle our products with, their products. Our reliance on this sales channel involves many risks, including:

- Our lack of control over the volume of products delivered and the timing of such delivery;
- Most of our OEM partners are not subject to minimum sales requirements. Generally, our OEM partners do not have any obligation to market our products to their customers;
- Our OEM partners may terminate or renegotiate their arrangements with us and new terms may be less favorable due to competitive conditions in our markets and other factors;
- Sales through our OEM partners are subject to changes in general economic conditions, strategic direction, competitive risks, and other issues that could result in a reduction of OEM sales;
- The development work that we must generally undertake under our agreements with our OEM partners may require us to invest significant resources and incur significant costs with little or no assurance of ever receiving associated revenues;
- The time and expense required for the sales and marketing organizations of our OEM partners to become familiar with our solutions may make it more difficult to introduce those solutions to the market; and
- Our OEM partners may develop, market, and distribute their own solutions and market and distribute products of our competitors, which could reduce our sales.

If we fail to manage our sales and distribution channels successfully, these channels may conflict with one another or otherwise fail to perform as we anticipate, which could reduce our sales and increase our expenses as well as weaken our competitive position. Some of our distribution partners have experienced financial difficulties in the past, and if our partners suffer financial difficulties in the future because of general economic conditions or for other reasons, these partners may delay paying their obligations to us, and we may have reduced revenues or collections that could adversely affect our operating results. In addition, reliance on multiple channels subjects us to events that could cause unpredictability in demand, which could increase the risk that we may be unable to plan effectively for the future, and could adversely affect our operating results.

We face heightened regulation in our Consumer Cyber Safety segment, which could impede our ability to market and provide our solutions or adversely affect our business, financial position, and results of operations.

We are subject to heightened regulation in our Consumer Cyber Safety segment as a result of the sale of our identity and information protection products, which we sell as a result of our acquisition of LifeLock, including a wide variety of federal, state, and local laws and regulations, including the Fair Credit Reporting Act, the Gramm-Leach-Bliley Act, the Federal Trade Commission Act (FTC Act), and comparable state laws that are patterned after the FTC Act. Moreover, LifeLock entered into consent decrees and similar arrangements with the FTC and 35 states' attorneys general in 2010 and a settlement with the FTC in 2015 relating to allegations that certain of LifeLock's advertising and marketing practices constituted deceptive acts or practices in violation of the FTC Act, which impose additional restrictions on the LifeLock business, including prohibitions against making any misrepresentation of ''the means, methods, procedures, effects, effectiveness, coverage, or scope of'' LifeLock's identity theft protection services. Any of the laws and regulations that apply to our business are subject to revision or new or changed interpretations, and we cannot predict the impact of such changes on our business.

Additionally, the nature of our identity and information protection products subjects us to the broad regulatory, supervisory, and enforcement powers of the Consumer Financial Protection Bureau which may exercise authority with respect to our services, or the marketing and servicing of those services, by overseeing our financial institution or credit reporting agency customers and suppliers, or by otherwise exercising its supervisory, regulatory, or enforcement authority over consumer financial products and services.

Our international operations involve risks that could increase our expenses, adversely affect our operating results, and require increased time and attention of our management.

We derive a substantial portion of our revenues from customers located outside of the U.S., and we have significant operations outside of the U.S., including engineering, sales, customer support, and production. Our international operations are subject to risks in addition to those faced by our domestic operations, including:

- Potential loss of proprietary information due to misappropriation or laws that may be less protective of our intellectual property rights than U.S. laws or that may not be adequately enforced;
- Requirements of foreign laws and other governmental controls, including tariffs, trade barriers and labor restrictions, and related laws that reduce the flexibility of our business operations;
- Potential changes in trade relations arising from policy initiatives or other political factors;
- Regulations or restrictions on the use, import, or export of encryption technologies that could delay or prevent the acceptance and use of encryption products and public networks for secure communications;
- Local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anti-corruption laws and regulations;
- Central bank and other restrictions on our ability to repatriate cash from our international subsidiaries or to exchange cash in international subsidiaries into cash available for use in the U.S.;
- Fluctuations in currency exchange rates, economic instability, and inflationary conditions could reduce our customers' ability to obtain financing for our products or could make our products more expensive or could increase our costs of doing business in certain countries;

- Limitations on future growth or inability to maintain current levels of revenues from international sales if we do not invest sufficiently in our international operations;
- Longer payment cycles for sales in foreign countries and difficulties in collecting accounts receivable;
- Difficulties in staffing, managing, and operating our international operations;
- Difficulties in coordinating the activities of our geographically dispersed and culturally diverse operations;
- Seasonal reductions in business activity in the summer months in Europe and in other periods in other countries;
- Costs and delays associated with developing software and providing support in multiple languages; and
- Political unrest, war, or terrorism, or regional natural disasters, particularly in areas in which we have facilities.

A significant portion of our transactions outside of the U.S. is denominated in foreign currencies. Accordingly, our revenues and expenses will continue to be subject to fluctuations in foreign currency rates. We have in the past and expect in the future to be affected by fluctuations in foreign currency rates, especially if international sales grow as a percentage of our total sales or our operations outside the U.S. continue to increase.

For example, the United Kingdom's (U.K.) planned exit from the European Union (EU) (Brexit) has caused and may continue to cause significant volatility in global financial markets and will likely have an adverse impact on labor and trade in addition to creating further short-term uncertainty and currency volatility. In the absence of a future trade deal, the U.K.'s trade with the European Union and the rest of the world would be subject to tariffs and duties set by the World Trade Organization. Any adjustments we make to our business and operations as a result of Brexit could result in significant time and expense to complete. While we have not experienced any material financial impact from Brexit on our business to date, we cannot predict its future implications. Any impact from Brexit on our business and operations over the long term will depend, in part, on the outcome of tariff, tax treaties, trade, regulatory, and other negotiations the U.K. conducts.

If we do not protect our proprietary information and prevent third parties from making unauthorized use of our products and technology, our financial results could be harmed.

Most of our software and underlying technology is proprietary. We seek to protect our proprietary rights through a combination of confidentiality agreements and procedures and through copyright, patent, trademark, and trade secret laws. However, these measures afford only limited protection and may be challenged, invalidated, or circumvented by third parties. Third parties may copy all or portions of our products or otherwise obtain, use, distribute, and sell our proprietary information without authorization.

Third parties may also develop similar or superior technology independently by designing around our patents. Our shrink-wrap license agreements are not signed by licensees and therefore may be unenforceable under the laws of some jurisdictions. Furthermore, the laws of some foreign countries do not offer the same level of protection of our proprietary rights as the laws of the U.S., and we may be subject to unauthorized use of our products in those countries. The unauthorized copying or use of our products or proprietary information could result in reduced sales of our products. Any legal action to protect proprietary information that we may bring or be engaged in with a strategic partner or vendor could adversely affect our ability to access software, operating system, and hardware platforms of such partner or vendor, or cause such partner or vendor to choose not to offer our products to their customers. In addition, any legal action to protect proprietary information that we may bring or be engaged in, could be costly, may distract management from day-to-day operations, and may lead to additional claims against us, which could adversely affect our operating results.

From time to time we are a party to lawsuits and investigations, which typically require significant management time and attention and result in significant legal expenses, and which could negatively impact our business, financial condition, results of operations, and cash flows.

We have initiated and been named as a party to lawsuits, including patent litigation, class actions, and governmental claims, and we may be named in additional litigation. The expense of initiating and defending, and in some cases settling, such litigation may be costly and divert management's attention from the day-to-day operations of our business, which could adversely affect our business, results of operations, and cash flows. In addition, an unfavorable outcome in such litigation could result in significant fines, settlements, monetary damages, or injunctive relief that could negatively impact our ability to conduct our business, results of operations, and cash flows.

Third parties claiming that we infringe their proprietary rights could cause us to incur significant legal expenses and prevent us from selling our products.

From time to time, third parties may claim that we have infringed their intellectual property rights, including claims regarding patents, copyrights, and trademarks. Because of constant technological change in the segments in which we compete, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents, it is possible that the number of these claims may grow. In addition, former employers of our former, current, or future employees may assert claims that such employees have improperly disclosed to us confidential or proprietary information of these former employers. Any such claim, with or without merit, could result in costly litigation and distract management from day-to-day operations. If we are not successful in defending such claims, we could be required to stop selling, delay shipments of, or redesign our products, pay monetary amounts as damages, enter into royalty or licensing arrangements, or satisfy indemnification obligations that we have with some of our customers. We cannot assure you that any royalty or licensing arrangements that we may seek in such circumstances will be available to us on commercially reasonable terms or at all. We have made and expect to continue making significant expenditures to investigate, defend, and settle claims related to the use of technology and intellectual property rights as part of our strategy to manage this risk.

In addition, we license and use software from third parties in our business. These third-party software licenses may not continue to be available to us on acceptable terms or at all and may expose us to additional liability. This liability, or our inability to use any of this third-party software, could result in delivery delays or other disruptions in our business that could materially and adversely affect our operating results.

Changes to our effective tax rate could increase our income tax expense and reduce (increase) our net income (loss).

Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including:

- Changes to the U.S. federal income tax laws, including impacts of the Tax Cuts and Jobs Act (H.R.1) (the 2017 Tax Act) arising from future interpretations of the 2017 Tax Act;
- Changes to other tax laws, regulations, and interpretations in multiple jurisdictions in which we operate, including actions resulting from the Organisation for Economic Co-operation and

Development's base erosion and profit shifting project, proposed actions by international bodies such as digital services taxation, as well as the requirements of certain tax rulings;
- Changes in the relative proportions of revenues and income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates;
- The tax effects of purchase accounting for acquisitions and restructuring charges that may cause fluctuations between reporting periods; and
- Tax assessments, or any related tax interest or penalties, that could significantly affect our income tax expense for the period in which the settlements take place.

We report our results of operations based on our determination of the aggregate amount of taxes owed in the tax jurisdictions in which we operate. From time to time, we receive notices that a tax authority in a particular jurisdiction believes that we owe a greater amount of tax than we have reported to such authority. We are regularly engaged in discussions and sometimes disputes with these tax authorities. If the ultimate determination of our taxes owed in any of these jurisdictions is for an amount in excess of the tax provision we have recorded or reserved for, our operating results, cash flows, and financial condition could be adversely affected.

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

Adverse economic conditions or a change in our business performance may make it more difficult to obtain financing for our operations, investing activities (including potential acquisitions or divestitures), or financing activities. Any required financing may not be available on terms acceptable to us, or at all. If we raise additional funds by obtaining loans from third parties, the terms of those financing arrangements may include negative covenants or other restrictions on our business that could impair our financial or operational flexibility and would also require us to fund additional interest expense. If additional financing is not available when required or is not available on acceptable terms, we may be unable to successfully develop or enhance our software and services through acquisitions in order to take advantage of business opportunities or respond to competitive pressures, which could have a material adverse effect on our software and services offerings, revenues, results of operations, and financial condition.

Failure to maintain our credit ratings could adversely affect our liquidity, capital position, ability to hedge certain financial risks, borrowing costs, and access to capital markets.

Our credit risk is evaluated by the major independent rating agencies, and such agencies have in the past and could in the future downgrade our ratings. We cannot assure you that we will be able to maintain our current credit ratings, and any additional actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, may have a negative impact on our liquidity, capital position, ability to hedge certain financial risks, and access to capital markets. In addition, changes by any rating agency to our outlook or credit rating could increase the interest we pay on outstanding or future debt.

There are risks associated with our outstanding and future indebtedness that could adversely affect our financial condition.

As of March 29, 2019, we had an aggregate of $4.5 billion of outstanding indebtedness that will mature in calendar years 2020 through 2025, including approximately $4.0 billion in aggregate principal amount of existing senior notes and $0.5 billion of outstanding term loans under our senior credit facilities, and we may incur additional indebtedness in the future and/or enter into new financing arrangements. In addition, as of March 29, 2019, we had $1.0 billion available for borrowing under our revolving credit facility. Our ability to meet expenses, to remain in compliance with the covenants under our debt instruments, and to pay interest and repay principal for our substantial level of indebtedness depends on, among other things, our operating performance, competitive developments, and financial market conditions, all of which are significantly affected by financial, business, economic, and other factors. We are not able to control many of these factors. Accordingly, our cash flow may not be sufficient to allow us to pay principal and interest on our debt, including the notes, and meet our other obligations.

Our level of indebtedness could have important consequences, including the following:

- We must use a substantial portion of our cash flow from operations to pay interest and principal on the term loans and revolving credit facility, our existing senior notes, and other indebtedness, which reduces funds available to us for other purposes such as working capital, capital expenditures, other general corporate purposes, and potential acquisitions;
- We may be unable to refinance our indebtedness or to obtain additional financing for working capital, capital expenditures, acquisitions, or general corporate purposes;
- We are exposed to fluctuations in interest rates because borrowings under our senior credit facilities bear interest at variable rates;
- Our leverage may be greater than that of some of our competitors, which may put us at a competitive disadvantage and reduce our flexibility in responding to current and changing industry and financial market conditions;
- We may be more vulnerable to an economic downturn and adverse developments in our business;
- We may be unable to comply with financial and other covenants in our debt agreements, which could result in an event of default that, if not cured or waived, may result in acceleration of certain of our debt and would have an adverse effect on our business and prospects and could force us into bankruptcy or liquidation; and
- Changes by any rating agency to our outlook or credit rating could negatively affect the value of our debt and/or our common stock, adversely affect our access to debt markets, and increase the interest we pay on outstanding or future debt.

There can be no assurance that we will be able to manage any of these risks successfully.

In addition, we conduct a significant portion of our operations through our subsidiaries, which are generally not guarantors of our debt. Accordingly, repayment of our indebtedness will be dependent in part on the generation of cash flow by our subsidiaries and their ability to make such cash available to us by dividend, debt repayment, or otherwise. In general, our subsidiaries will not have any obligation to pay amounts due on our debt or to make funds available for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness. Each subsidiary is a distinct legal entity, and under certain circumstances legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. In the event that we do not receive distributions from our subsidiaries, we may be unable to make the required principal and interest payments on our indebtedness.

Our existing credit agreements impose operating and financial restrictions on us.

The existing credit agreements contain covenants that limit our ability and the ability of our restricted subsidiaries to:

- Incur additional debt;
- Create liens on certain assets to secure debt;

- Enter into certain sale and leaseback transactions;
- Pay dividends on or make other distributions in respect of our capital stock or make other restricted payments; and
- Consolidate, merge, sell or otherwise dispose of all or substantially all of our assets.

All of these covenants may adversely affect our ability to finance our operations, meet or otherwise address our capital needs, pursue business opportunities, react to market conditions, or otherwise restrict activities or business plans. A breach of any of these covenants could result in a default in respect of the related indebtedness. If a default occurs, the relevant lenders could elect to declare the indebtedness, together with accrued interest and other fees, to be immediately due and payable and, to the extent such indebtedness is secured in the future, proceed against any collateral securing that indebtedness.

Some of our products contain ''open source'' software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business.

Certain of our products are distributed with software licensed by its authors or other third parties under so-called ''open source'' licenses, which may include, by way of example, the GNU General Public License, GNU Lesser General Public License, the Mozilla Public License, the BSD License, and the Apache License.

Some of these licenses contain requirements that we make available source code for modifications or derivative works we create based upon the open source software and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties certain rights of further use. By the terms of certain open source licenses, we could be required to release the source code of our proprietary software if we combine our proprietary software with open source software in a certain manner. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on origin of the software. We have established processes to help alleviate these risks, including a review process for screening requests from our development organizations for the use of open source, but we cannot be sure that all open source is submitted for approval prior to use in our products. In addition, many of the risks associated with usage of open source cannot be eliminated and could, if not properly addressed, negatively affect our business.

Our contracts with the U.S. government include compliance, audit, and review obligations. Any failure to meet these obligations could result in civil damages and/or penalties being assessed against us by the government.

We sell products and services through government contracting programs directly and via partners, though we no longer hold a GSA contract. In the ordinary course of business, sales under these government contracting programs may be subject to audit or investigation by the U.S. government. Noncompliance identified as a result of such reviews (as well as noncompliance identified on our own) could subject us to damages and other penalties, which could adversely affect our operating results and financial condition.

Item 1B. ***Unresolved Staff Comments***

There are no unresolved issues with respect to any Commission staff's written comments that were received at least 180 days before the end of our fiscal year to which this report relates and that relate to our periodic or current reports under the Exchange Act.

Item 2. ***Properties***

Not applicable.

Item 3. ***Legal Proceedings***

Information with respect to this Item may be found under the heading ''Litigation contingencies'' in Note 16 to the Consolidated Financial Statements in this Annual Report on Form 10-K which information is incorporated into this Item 3 by reference.

Item 4. ***Mine Safety Disclosures***

Not applicable.

PART II

Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

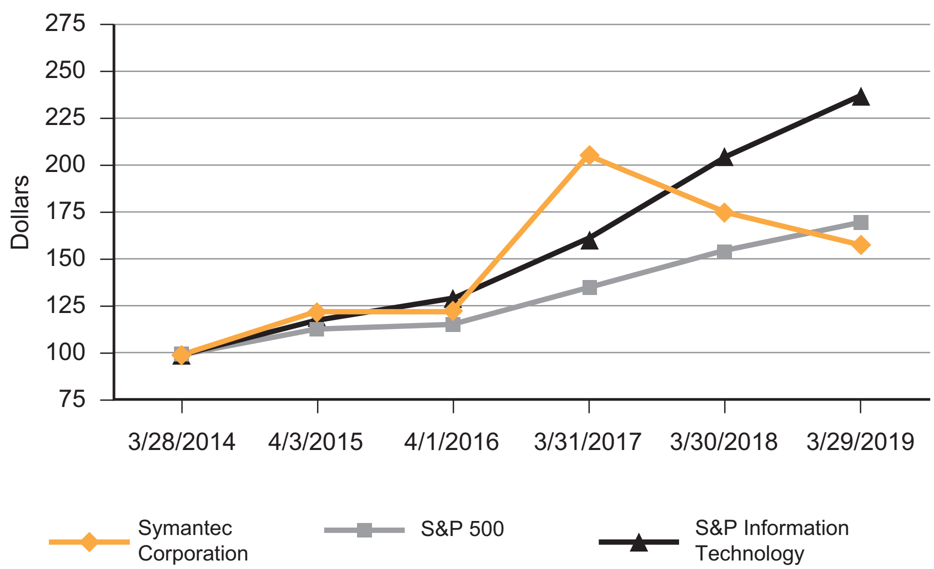
Stockholders of record

Our common stock is traded on the Nasdaq Global Select Market under the symbol ''SYMC.'' As of March 29, 2019, there were 1,601 stockholders of record.

Stock performance graph

The graph below compares the cumulative total stockholder return on our common stock with the cumulative total return on the S&P 500 Composite Index and the S&P Information Technology Index for the five fiscal years ended March 29, 2019 (assuming the initial investment of $100 in our common stock and in each of the other indices on the last day of trading for fiscal 2014 and the reinvestment of all dividends). The comparisons in the graph below are based on historical data and are not indicative of, nor intended to forecast the possible future performance of our common stock.

COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN
Among Symantec Corporation, the S&P 500 Index
and the S&P Information Technology Index



This performance graph shall not be deemed ''filed'' for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of Symantec under the Securities Act or the Exchange Act.

Dividends

During fiscal 2019 and 2018, we declared and paid aggregate cash dividends and dividend equivalents of $217 million or $0.30 per common share, and $211 million or $0.30 per common share, respectively. All future dividends are subject to the approval of our Board of Directors.

Repurchases of our equity securities

Through our stock repurchase programs we have repurchased shares of our common stock since the fourth quarter of fiscal 2004. Under these programs, shares may be repurchased on the open market and through accelerated stock repurchase transactions. In January 2019, our Board of Directors increased their authorization by $500 million. As of March 29, 2019, we have $1,048 million remaining authorized to be completed in future periods with no expiration date. Stock repurchases during the three months ended March 29, 2019, were as follows:

(In millions, except per share data)	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
December 29, 2018 to January 25, 2019	-	$ -	-	$ 800
January 26, 2019 to February 22, 2019	-	$ -	-	$ 1,300
February 23, 2019 to March 29, 2019	11	$ 22.68	11	$ 1,048
Total number of shares repurchased	11		11	

(1) The number of shares purchased is reported on trade date. As of March 29, 2019, approximately 1 million share repurchases at the average price per share of $22.95 were executed but not settled until April 2019.

Item 6. *Selected Financial Data*

The following selected consolidated financial data is derived from our Consolidated Financial Statements. This data should be read in conjunction with our Consolidated Financial Statements and related notes included in this annual report and with Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*. Historical results may not be indicative of future results.

Five-Year Summary

Summary of Operations:

	Year Ended (1)				
(In millions, except per share data)	**March 29, 2019 (2)**	**March 30, 2018 (3)**	**March 31, 2017 (4)**	**April 1, 2016 (5)**	**April 3, 2015**
Net revenues	$ 4,731	$ 4,834	$ 4,019	$ 3,600	$ 3,956
Operating income (loss)	$ 380	$ 49	$ (100)	$ 457	$ 154
Income (loss) from continuing operations (3)	$ 16	$ 1,127	$ (236)	$ (821)	$ 109
Income from discontinued operations, net of income taxes (5)	$ 15	$ 11	$ 130	$ 3,309	$ 769
Net income (loss)	$ 31	$ 1,138	$ (106)	$ 2,488	$ 878
Income (loss) per share — basic: (6)					
Continuing operations	$ 0.03	$ 1.83	$ (0.38)	$ (1.23)	$ 0.16
Discontinued operations	$ 0.02	$ 0.02	$ 0.21	$ 4.94	$ 1.12
Net income (loss) per share — basic	$ 0.05	$ 1.85	$ (0.17)	$ 3.71	$ 1.27
Income (loss) per share — diluted: (6)					
Continuing operations	$ 0.02	$ 1.69	$ (0.38)	$ (1.23)	$ 0.16
Discontinued operations	$ 0.02	$ 0.02	$ 0.21	$ 4.94	$ 1.10
Net income (loss) per share — diluted	$ 0.05	$ 1.70	$ (0.17)	$ 3.71	$ 1.26
Cash dividends declared per common share	$ 0.30	$ 0.30	$ 0.30	$ 4.60	$ 0.60

Consolidated Balance Sheets Data:

(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**	**April 1, 2016**	**April 3, 2015**
Cash, cash equivalents and short-term investments	$ 2,043	$ 2,162	$ 4,256	$ 6,025	$ 3,860
Total assets	$ 15,938	$ 15,759	$ 18,174	$11,767	$13,233
Long-term debt	$ 3,961	$ 5,026	$ 6,876	$ 2,207	$ 1,746
Total stockholders' equity	$ 5,738	$ 5,023	$ 3,487	$ 3,676	$ 5,935

(1) We have a 52/53-week fiscal year. Our fiscal 2019, 2018, 2017, and 2016 each consisted of 52 weeks, whereas fiscal 2015 was a 53-week year.

(2) We adopted the new revenue recognition accounting standard on a modified retrospective basis during the first quarter of fiscal 2019. The results for fiscal 2019 are presented under the new revenue recognition accounting standard, while prior years are not adjusted.

(3) In fiscal 2018, we sold Website Security (WSS) and Public Key Infrastructure (PKI) solutions and recognized a gain of $653 million before income taxes associated with the sale (see Note 4 to the Consolidated Financial Statements), and we recognized an income tax benefit of $659 million as a result of the enactment of the Tax Cuts and Jobs Act (H.R.1) (the 2017 Tax Act) (see Note 11 to the Consolidated Financial Statements).

(4) In fiscal 2017, we acquired Blue Coat and LifeLock, and the results of operations of those entities were included from their respective dates of acquisition (see Note 4 to the Consolidated Financial Statements).

(5) In fiscal 2016, we recorded $1.1 billion in income tax expense related to unremitted earnings of foreign subsidiaries from the proceeds of the sale of our Veritas information management business. This charge was presented in loss from continuing operations in the Consolidated Statements of Operations. As a result of the sale, a net gain of $3.0 billion was presented as part of income from discontinued operations, net of income taxes.

(6) Net income per share amounts may not add due to rounding.

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Please read the following discussion and analysis of our financial condition and results of operations together with our Consolidated Financial Statements and related Notes thereto included under Item 15 of this Annual Report on Form 10-K.

OVERVIEW

Symantec Corporation is a global leader in cyber security. We provide cyber security products, services, and solutions to organizations and individuals worldwide. Founded in 1982, we have operations in more than 45 countries.

Our segments consist of:

- *Enterprise Security*. Our Enterprise Security segment focuses on providing our Integrated Cyber Defense solutions to help business and government customers unify cloud and on-premises security to deliver a more effective cyber defense solution, while driving down cost and complexity.

- *Consumer Cyber Safety*. Our Consumer Cyber Safety segment focuses on providing cyber safety solutions under our Norton LifeLock brand to help consumers protect their devices, online privacy, identities, and home networks.

For additional information about our offerings, see the discussion in Item 1. *Business*, under the heading ''Products and Services.''

Fiscal calendar and basis of presentation

We have a 52/53-week fiscal year ending on the Friday closest to March 31. Fiscal 2019, 2018, and 2017 in this report refers to fiscal year ended March 29, 2019, March 30, 2018, and March 31, 2017, respectively, each of which was a 52-week year.

Our financial results for fiscal 2019 are presented in accordance with the new revenue standard that was adopted under the modified retrospective method at the beginning of fiscal 2019. Prior period results have not been restated. Refer to Note 2 of our notes to Consolidated Financial Statements for further details about our recent adoption of this accounting guidance.

Key financial metrics

The following table provides our key financial metrics for fiscal 2019 compared with fiscal 2018:

(In millions, except for percentages and per share amounts)	**Fiscal 2019**	**Fiscal 2018**
Net revenues	$ 4,731	$ 4,834
Operating income	$ 380	$ 49
Net income	$ 31	$ 1,138
Net income per share — diluted	$ 0.05	$ 1.70
Net cash provided by operating activities	$ 1,495	$ 950

	As of	
	March 29, 2019	March 30, 2018
Cash, cash equivalents and short-term investments	$ 2,043	$ 2,162
Contract liabilities	$ 3,056	$ 3,103

- Net revenues decreased 2% primarily due to the divestiture of our website security (WSS) and public key infrastructure (PKI) solutions in fiscal 2018, partially offset by increased revenue from our identity and information protection solutions.

- Operating income increased $331 million primarily due to increased revenue from our identity and information protection solutions in our Consumer Cyber Safety segment, lower stock-based compensation expense, and lower restructuring, transition, and other costs, partially offset by the negative impact to Enterprise Security segment operating income due to the fiscal 2018 divestiture of WSS and PKI solutions.

- Net income and diluted net income per share decreased primarily due to the absence in fiscal 2019 of the gain on the divestiture of WSS and PKI solutions and a net income tax benefit as a result of the passage of the 2017 Tax Act, both of which occurred during fiscal 2018.

- Net cash provided by operating activities increased $545 million due to higher net income adjusted for non-cash items, partially offset by unfavorable net changes in operating assets and liabilities.

- Cash, cash equivalents and short-term investments decreased $119 million compared to March 30, 2018, primarily due to cash used for repayment of debt, stock repurchases, and payments of dividends, partially offset by cash from operations.

- Contract liabilities decreased $47 million compared to March 30, 2018, primarily due to a decrease of $169 million in the March 30, 2018 balances as a result of the adoption of the new revenue recognition standard, partially offset by higher billings versus recognized revenue during fiscal 2019.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of our Consolidated Financial Statements and related notes in accordance with generally accepted accounting principles in the U.S. (GAAP) requires us to make estimates, including judgments and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. We have based our estimates on historical experience and on various assumptions that we believe to be reasonable under the circumstances. We evaluate our estimates on a regular basis and make changes accordingly. Management believes that the accounting estimates employed, and the resulting amounts are reasonable; however, actual results may differ from these estimates. Making estimates and judgments about future events is inherently unpredictable and is subject to significant uncertainties, some of which are beyond our control. Should any of these estimates and assumptions change or prove to have been incorrect, it could have a material impact on our results of operations, financial position, and cash flows.

A summary of our significant accounting policies is included in Note 1 of the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, if different estimates reasonably could have been used, or if changes in the estimate that are reasonably possible could materially impact the financial statements. Management believes the following critical accounting policies reflect the significant estimates and assumptions used in the preparation of our Consolidated Financial Statements.

Revenue recognition

We recognize revenue primarily pursuant to the requirements under the authoritative guidance on contracts with customers. Revenue recognition requirements are very complex and require us to make estimates and assumptions.

We enter into arrangements with multiple performance obligations, which may include hardware, software licenses, cloud services, support and maintenance, and professional services. We allocate revenue to each performance obligation on a relative fair value basis based on management's estimate of stand-alone selling price (SSP). Judgments are required to determine the SSP for each performance obligation. The determination of SSP is made by taking into consideration observable prices in historical transactions. When observable prices in historical transactions are not available or are inconsistent, we estimate SSP based on observable prices in historical transactions of similar products, pricing discount practices, product margins, and other factors that may vary over time depending upon the unique facts and circumstances related to each performance obligation. Changes to the performance obligations in an arrangement, the judgments required to estimate the SSP for the respective performance obligations, and increasing variability in contractual arrangements could materially impact the amount and timing of revenue recognition.

Valuation of goodwill, intangible assets, and long-lived assets

Business combinations. We allocate the purchase price of acquired businesses to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition date. Any residual purchase price is recorded as goodwill. Goodwill is allocated to reporting units expected to benefit from the business combination. The allocation of purchase price requires management to make significant estimates and assumptions in determining the fair values of the assets acquired and liabilities assumed especially with respect to intangible assets.

Critical estimates in valuing intangible assets include, but are not limited to, future expected cash flows from customer relationships, developed technology, trade names, and acquired patents; and discount rates. Management estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. Unanticipated events and circumstances may occur which may affect the accuracy or validity of such assumptions, estimates, or actual results.

Income taxes

We are subject to tax in multiple U.S. and foreign tax jurisdictions. We are required to estimate the current tax exposure as well as assess the temporary differences between the accounting and tax treatment of assets and liabilities, including items such as accruals and allowances not currently deductible for tax purposes. We apply judgment in the recognition and measurement of current and deferred income taxes which includes the following critical accounting estimates.

We use a two-step process to recognize liabilities for uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. If we determine that the tax position will more likely than not be sustained on audit, the second step requires us to estimate and measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. It is inherently difficult and subjective to estimate such amounts, as this requires us to determine the probability of various outcomes. We re-evaluate these uncertain tax positions on a quarterly basis. This evaluation is based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, and new audit activity. Such a change in recognition or measurement would result in the recognition of a tax benefit or an additional charge to the tax provision in the period.

As of December 28, 2018, we have completed our accounting for the effects of the enactment of the 2017 Tax Act in accordance with U.S. Securities and Exchange Commission Staff Accounting Bulletin No. 118, and the amounts are no longer considered provisional. We continue to evaluate any new guidance from the U.S. Department of Treasury and the IRS as issued.

Stock-based compensation

Stock-based compensation expense is measured at the grant date based on the fair value of the award. We recognize stock-based compensation cost over the award's requisite service period on a straight-line basis except for performance-based restricted stock units (PRUs) with graded vesting which we recognize on a graded basis. For awards with performance conditions, the amount of compensation cost we recognize over the requisite service period is based on the actual achievement of the performance condition or management's best estimate of the achievement if not yet known. No compensation cost is ultimately recognized for forfeited awards in which employees do not render the requisite service. We estimate the number of stock-based awards that will be forfeited due to employee turnover. Our forfeiture assumption is primarily based on historical experience.

The fair value of each restricted stock unit (RSU) and PRU that does not contain a market condition is equal to the market value of our common stock on the date of grant. The fair value of each PRU that contains a market condition is estimated using the Monte Carlo simulation option pricing model. The fair values of RSUs and PRUs are not discounted by the dividend yield because our RSUs and PRUs are entitled to dividend equivalents to be paid in the form of cash upon vesting for each share of the underlying unit.

We use the Black-Scholes model to determine the fair value of unvested stock options assumed in acquisitions. The determination of the fair value of awards using the Black-Scholes model is affected by our stock price as well as assumptions regarding a number of complex and subjective variables. If the acquired companies lack sufficient historical exercise data to provide a reasonable basis upon which to estimate expected term, we estimate the expected life of assumed options using the ''simplified method''. For vested options, this represents the midpoint between the valuation date and the contractual term. For unvested options, this represents the midpoint between the average vesting time and full contractual term. Expected volatility is based on the average of historical volatility over the most recent period commensurate with the expected life of the option and the implied volatility of traded options. The risk-free interest rate is equal to the U.S. Treasury rates for the period equal to the expected life. The options assumed are without dividend equivalents, and their fair values are discounted by our dividend yield.

We will continue to use judgment in evaluating the assumptions related to our stock-based compensation on a prospective basis. As we continue to accumulate additional data related to our common stock, we may have refinements to our estimates which could materially impact our future stock-based compensation expense.

Loss contingencies

We are subject to contingencies that expose us to losses, including various legal and regulatory proceedings, asserted and potential claims that arise in the ordinary course of business. An estimated loss from such contingencies is recognized as a charge to income if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Judgment is required in both the determination of probability and the determination as to whether a loss is reasonably estimable. We review the status of each significant matter quarterly, and we may revise our estimates. Until the final resolution of such matters, there may be an exposure to loss in excess of the amount recorded, and such amounts could be material. Should any of our estimates and assumptions change or prove to have been incorrect, it could have a material impact on our consolidated financial statements for that reporting period.

RESULTS OF OPERATIONS

Pursuant to instruction 1 of the instructions to paragraph 303(a) of Regulation S-K, discussion of the results of operations from fiscal year 2018 to fiscal year 2017 has been omitted. Such omitted discussion can be found under Item 7 of our annual report on Form 10-K for the fiscal year ended March 30, 2018, filed with the Commission on October 26, 2018.

Fiscal 2019 compared to fiscal 2018

The following table sets forth our Consolidated Statements of Operations data as a percentage of net revenues for the periods indicated:

	Fiscal Year	
	2019	**2018**
Net revenues	100%	100%
Cost of revenues	22	21
Gross profit	78	79
Operating expenses:		
Sales and marketing	32	33
Research and development	19	20
General and administrative	9	12
Amortization of intangible assets	4	5
Restructuring, transition and other costs	5	8
Total operating expenses	70	78
Operating income	8	1
Interest expense	(4)	(5)
Gain on divestiture	—	14
Other expense, net	(1)	—
Income from continuing operations before income taxes	2	9
Income tax expense (benefit)	2	(14)
Income from continuing operations	—	23
Income from discontinued operations, net of income taxes	—	—
Net income	1%	24%

Note: The percentages may not add due to rounding.

Net revenues

(In millions, except for percentages)	Fiscal Year 2019	Fiscal Year 2018	Variance in Dollars	Variance in Percent
Net revenues	$4,731	$4,834	$ (103)	(2)%

Net revenues decreased primarily due to a $231 million decrease from our Enterprise Security segment as a result of the divestiture of our WSS and PKI solutions, partially offset by an increase of $128 million from our Consumer Cyber Safety segment. The adoption of the new revenue accounting standard had a favorable impact of $47 million on our fiscal 2019 revenues.

Net revenues by geographical region

Percentage of revenue by geographic region as presented below is based on the billing location of the customer.

	Fiscal Year 2019	Fiscal Year 2018
Americas	64%	63%
EMEA	21%	22%
APJ	15%	16%

Percentages may not add to 100% due to rounding.

The Americas include U.S., Canada, and Latin America; EMEA includes Europe, Middle East, and Africa; APJ includes Asia Pacific and Japan.

Cost of revenues

(In millions, except for percentages)	Fiscal Year 2019	Fiscal Year 2018	Variance in Dollars	Variance in Percent
Cost of revenues	$1,050	$1,032	$ 18	2%

Our cost of revenues increased primarily due to a $51 million increase in our Consumer Cyber Safety segment, partially offset by a $37 million decrease from the divestiture of our WSS and PKI solutions.

Operating expenses

(In millions, except for percentages)	Fiscal Year 2019	Fiscal Year 2018	Variance in Dollars	Variance in Percent
Sales and marketing	$1,493	$1,593	$(100)	(6)%
Research and development	913	956	(43)	(4)%
General and administrative	447	574	(127)	(22)%
Amortization of intangible assets	207	220	(13)	(6)%
Restructuring, transition and other costs	241	410	(169)	(41)%
Total	$3,301	$3,753	$(452)	(12)%

Sales and marketing expense decreased primarily due to a $51 million decrease in stock-based compensation expense and a $41 million decrease as a result of the divestiture of our WSS and PKI solutions.

Research and development expense decreased primarily due to a $66 million decrease in stock-based compensation expense.

General and administrative expense decreased primarily due to a $130 million decrease in stock-based compensation expense.

Amortization of intangible assets decreased primarily due to the intangible assets sold with the divestiture of WSS and PKI solutions.

Restructuring, transition and other costs reflect a decrease of $70 million in fiscal 2019 compared to fiscal 2018 in severance and other restructuring costs. In addition, fiscal 2018 costs included $88 million of transition related costs related to our fiscal 2018 divestiture of our WSS and PKI solutions compared to $3 million in fiscal 2019.

Non-operating income (expense), net

(In millions)	Fiscal Year 2019	Fiscal Year 2018	Variance in Dollars
Interest expense	$(208)	$(256)	$ 48
Gain on divestiture	—	653	(653)
Interest income	42	24	18
Loss from equity interest	(101)	(26)	(75)
Foreign exchange loss	(18)	(28)	10
Other	13	21	(8)
Total other income (expense), net	$(272)	$ 388	$ (660)

Non-operating income (expense), net, decreased primarily due to the absence of the fiscal 2018 $653 million gain on the divestiture of our WSS and PKI solutions. In addition, our loss from our equity interest received in connection with the divestiture of our WSS and PKI solutions increased $75 million, which was partially offset by a $48 million decrease in interest expense as a result of lower outstanding borrowings due to repayments.

Provision for income taxes

We are a U.S.-based multinational company subject to tax in multiple U.S. and international tax jurisdictions. A substantial portion of our international earnings were generated from subsidiaries organized in Ireland and Singapore. Our results of operations would be adversely affected to the extent that our geographical mix of income becomes more weighted toward jurisdictions with higher tax rates and would be favorably affected to the extent the relative geographic mix shifts to lower tax jurisdictions. Any change in our mix of earnings is dependent upon many factors and is therefore difficult to predict.

(In millions, except for percentages)	Fiscal Year 2019	Fiscal Year 2018
Income from continuing operations before income taxes	$108	$ 437
Provision for (benefit from) income taxes	$ 92	$(690)
Effective tax rate on income from continuing operations	85%	(158)%

The increase in our effective tax rate in fiscal 2019 compared to fiscal 2018 was primarily due to one-time benefits from the 2017 Tax Act in fiscal 2018. In addition, increases in tax expense in fiscal 2019 are attributable to the valuation allowance on capital losses for which we cannot yet recognize a tax benefit.

Segment operating results

We do not allocate certain operating expenses to our operating segments that we manage separately at the corporate level and that are not used in evaluating the results of, or in allocating resources to, our segments. These unallocated expenses primarily consist of stock-based compensation expense, amortization of intangible assets, restructuring, transition and other costs, and acquisition-related costs in all periods presented. See Note 15 for more information.

Enterprise Security segment

	Fiscal Year		Variance in	
(In millions, except for percentages)	2019	2018	Dollars	Percent
Net revenues	$2,323	$2,554	$ (231)	(9)%
Percentage of total net revenues	49%	53%		
Operating income	$ 269	$ 473	$ (204)	(43)%
Operating margin	12%	19%		

Revenue decreased primarily due to a $238 million decrease as a result of the fiscal 2018 divestiture of our WSS and PKI solutions, partially offset by a $47 million favorable impact from the adoption of the new revenue recognition standard. Operating income decreased primarily due to the divestiture of our WSS and PKI solutions which contributed $141 million to segment operating income in fiscal 2018.

Consumer Cyber Safety segment

	Fiscal Year		Variance in	
(In millions, except for percentages)	2019	2018	Dollars	Percent
Net revenues	$2,408	$2,280	$ 128	6%
Percentage of total net revenues	51%	47%		
Operating income	$1,145	$1,111	$ 34	3%
Operating margin	48%	49%		

Revenue increased primarily due to a $161 million increase in revenue from sales of our identity and information protection products, partially offset by a $33 million decrease in revenue from sales of our consumer security solutions. Operating income increased primarily due to increased revenue, partially offset by higher allocated corporate costs and increased cost of revenues.

Performance Metrics

We regularly monitor a number of metrics in order to measure our current performance and estimate our future performance. Our metrics may be calculated in a manner different than similar metrics used by other companies.

The following table summarizes supplemental key performance metrics for our Consumer Cyber Safety segment:

(In millions, except for per user amounts and percentages)	Fiscal 2019	Fiscal 2018
Average direct customer count	20.7	21.2
Direct average revenue per user (ARPU)	$ 8.74	$7.99/$8.23 (1)
Annual retention rate	85%	83%

(1) Represents a non-GAAP financial measure. Estimated net revenue generated from direct customers during fiscal year 2018 used in the calculation of ARPU excluded a reduction in revenue related to contract liability purchase accounting adjustments required by GAAP, as further discussed below.

Average direct customer count presents the average of the total number of direct customers at the end of the most recently completed fiscal quarter and the end of the corresponding period in the prior fiscal year. We define direct customers as those customers in our Consumer Cyber Safety segment who have a direct billing relationship with us, including online acquisition and retention, affiliates, co-marketing, and original contract manufacturer channels.

ARPU is calculated as estimated direct customer revenues for the period divided by the average direct customer count for the same period, expressed as a monthly figure. We estimate direct customer net revenues to be $2.2 billion on a GAAP basis and $2.1 billion on a non-GAAP basis in fiscal year 2019 and 2018, respectively. Non-GAAP fiscal 2018 estimated direct customer revenues used in the calculation of ARPU is adjusted only to exclude a reduction in revenue of $60 million related to purchase accounting adjustments related to the February 2017 acquisition of LifeLock. ARPU for fiscal 2018 would have been $7.99 without this adjustment. We believe the adjustment is useful to investors to reflect ARPU trends in our business by improving the comparability of ARPU between periods. Fiscal 2019 did not include any adjustments to estimated direct customer revenue as the purchase accounting adjustments were fully amortized prior to that period. Non-GAAP estimated direct customer revenues and ARPU have limitations as analytical tools and should not be considered in isolation or as a substitute for GAAP estimated direct customer revenues or other GAAP measures. We monitor APRU because it helps us understand the rate at which we are monetizing our consumer customer base.

Annual retention rate is defined as the number of direct customers who have more than a one-year tenure as of the end of the most recently completed fiscal period divided by the total number of direct customers as of the end of the period from one year ago. We monitor annual retention rate to evaluate the effectiveness of our strategies to improve renewals of subscriptions.

Fiscal 2018 compared to fiscal 2017

The following table summarizes our continuing operations for fiscal 2018 compared with fiscal 2017:

(In millions, except for percentages and per share amounts)	**Fiscal 2018**	**Fiscal 2017**
Net revenues	$ 4,834	$ 4,019
Operating income (loss)	$ 49	$ (100)
Income (loss) from continuing operations	$ 1,127	$ (236)
Income (loss) per share from continuing operations — diluted	$ 1.69	$ (0.38)
Net cash provided by (used in) continuing operating activities	$ 957	$ (145)

	As of	
	March 30, 2018	**March 31, 2017**
Cash, cash equivalents and short-term investments	$ 2,162	$ 4,256
Deferred revenue	$ 3,103	$ 2,787

- Net revenues grew 20% in fiscal 2018 compared to fiscal 2017 primarily as a result of the inclusion of revenue from our Consumer Cyber Safety segment identity and information protection products acquired through our LifeLock acquisition at the end of fiscal 2017 for a full year and increased revenues from sales of our Enterprise Security segment network and web security solutions which included products acquired in our fiscal 2017 acquisition of Blue Coat, partially offset by a decrease in revenue as a result of the divestiture of our Enterprise Security segment WSS and PKI solutions.

- Operating income increased primarily as a result of increased net revenues and our cost reduction initiatives and integration synergy program we announced in fiscal 2017. This increase was partially offset by increased operating expenses as a result of our fiscal 2017 acquisitions, including stock-based compensation, amortization of intangible assets, and advertising and promotional expenses. The increase in operating income was also partially offset by increased transition costs primarily due to costs related to our enterprise resource planning and supporting systems and separation costs related to the divestiture of our WSS and PKI solutions.

- Income from continuing operations and diluted income per share from continuing operations increased primarily as a result of the $653 million gain on the divestiture of our WSS and PKI solutions and a net tax benefit of $690 million primarily as a result of the 2017 Tax Act. Partially offsetting the increase in the diluted income per share from continuing operations was a higher diluted share count due to including the dilutive effect of potentially issuable common shares under our equity award programs and convertible debt. Such potentially issuable common shares were excluded from our net loss per share computation in fiscal 2017 as they would have been anti-dilutive.

- Cash, cash equivalents and short-term investments decreased primarily as a result of our $3.2 billion of debt repayments as part of our plan to deleverage our balance sheet and $401 million paid for acquisitions, partially offset by $933 million in net cash proceeds from the divestiture of our WSS and PKI solutions and cash flow from continuing operating activities of $957 million.

- Cash flow from continuing operating activities increased primarily due to a one-time tax payment of $887 million related to the gain on sale from the divestiture of our Veritas information management business in fiscal 2017 and an increase in deferred revenue.

- Deferred revenue increased $316 million primarily due to our shift in sales contracts to a higher mix of solutions subject to ratable versus point in time revenue recognition and longer contract duration in our Enterprise Security segment, which resulted in less in-period revenue recognized, and due to higher billings towards the end of the fiscal year, reflecting seasonal sales cycles in that segment. These factors were partially offset by a decrease of $319 million in deferred revenue as a result of the divestiture of our WSS and PKI solutions.

Segment operating results

Enterprise Security segment

(In millions, except for percentages)	Fiscal Year 2018	Fiscal Year 2017	Variance in Dollars	Variance in Percent
Net revenues	$2,554	$2,355	$ 199	8%
Percentage of total net revenues	53%	59%		
Operating income	$ 473	$ 187	$ 286	153%
Operating margin	19%	8%		

Revenue increased $199 million primarily due to increases of $331 million in revenue from sales of our network and web security solutions and $36 million from sales of endpoint and information protection solutions, partially offset by a $184 million decrease in revenue as a result of the divestiture of our WSS and PKI solutions. Revenue during fiscal 2018 was also unfavorably affected by a shift in the mix of sales towards subscription and cloud-delivered solutions subject to ratable revenue recognition, which resulted in less in-period recognized revenue and more revenue deferred to the balance sheet as compared to fiscal 2017. Operating income increased $286 million primarily due to higher revenue discussed above, a $51 million decrease in sales and marketing expenses and a $38 million decrease in cost of revenues.

Consumer Cyber Safety segment

(In millions, except for percentages)	Fiscal Year 2018	Fiscal Year 2017	Variance in Dollars	Variance in Percent
Net revenues	$2,280	$1,664	$ 616	37%
Percentage of total net revenues	47%	41%		
Operating income	$1,111	$ 839	$ 272	32%
Operating margin	49%	50%		

Revenue increased $616 million due to a $639 million increase in revenue from sales of our identity and information protection products acquired at the end of fiscal 2017, offset by a $23 million decrease in revenue related to our consumer security products. Our revenue growth reflects the benefit of the shift to subscription-based contracts and bundling of our consumer products, which is helping to mitigate the trend of declining revenues from sales of stand-alone security products. Operating income increased $272 million primarily due to sales of our identity and information protection products, partially offset by higher related cost of sales and operating expenses.

LIQUIDITY, CAPITAL RESOURCES AND CASH REQUIREMENTS

Liquidity

We have historically relied on cash generated from operations, borrowings under credit facilities, issuances of debt, and proceeds from divestitures for our liquidity needs.

As of March 29, 2019, we had cash, cash equivalents and short-term investments of $2.0 billion, of which $0.5 billion was held by our foreign subsidiaries. Our cash, cash equivalents and short-term investments are managed with the objective to preserve principal, maintain liquidity, and generate investment returns. The participation exemption system under current U.S. federal tax regulations generally allows us to make distributions of non-U.S. earnings to the U.S. without incurring additional U.S. federal tax, however these distributions may be subject to applicable state or non-U.S. taxes. We have not recognized deferred income taxes for local country income and withholding taxes that could be incurred on distributions of certain non-U.S. earnings or for outside basis differences in our subsidiaries, because we plan to indefinitely reinvest such earnings and basis differences.

We also have an undrawn credit facility of $1.0 billion which expires in May 2021.

Our principal cash requirements are primarily to meet our working capital needs, support on-going business activities, including the payment of taxes, fund capital expenditures, service existing debt, and invest in business acquisitions. As a part of our plan to deleverage our balance sheet, we may from time to time make optional repayments of our debt obligations, which may include repurchases of our outstanding debt, depending on various factors such as market conditions.

Our capital allocation strategy is to balance driving stockholder returns, managing financial risk, and preserving our flexibility to pursue strategic options, including acquisitions. Historically this has included a quarterly cash dividend, the repayment of debt and the repurchase of our common stock.

Cash flows

The following table summarizes our cash flow activities in fiscal 2019 compared to fiscal 2018.

	Fiscal Year	
(In millions)	**2019**	**2018**
Net cash provided by (used in):		
Operating activities	$ 1,495	$ 957
Investing activities	$ (241)	$ (21)
Financing activities	$(1,209)	$(3,475)
Increase (decrease) in cash and cash equivalents	$ 17	$(2,473)

Our cash flow activities in fiscal 2018 compared to fiscal 2017 were discussed under Liquidity, Capital Resources and Cash Requirement in Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations* included in our Annual Report on Form 10-K for the fiscal year ended March 30, 2018.

Cash from operating activities

Our cash flows for fiscal 2019 reflected net income of $31 million adjusted by non-cash items, including amortization and depreciation of $615 million, stock-based compensation of $352 million, and loss from equity interest of $101 million.

Changes in operating assets and liabilities during fiscal 2019 consisted primarily of the following:

Accounts receivable decreased $113 million, reflecting lower billings and higher collections in the last months of fiscal 2019 compared to the corresponding period in fiscal 2018. Days sales outstanding (DSO) decreased to 54 days in the fourth quarter of fiscal 2019, compared to 61 days in the corresponding period in fiscal 2018. DSO is calculated by dividing ending accounts receivable by revenue per day for a given quarter.

Contract liabilities increased $215 million, reflecting higher billings versus recognized revenue.

Our cash flows for fiscal 2018 reflected net income of $1.1 billion adjusted by non-cash amortization and depreciation of $640 million, stock-based compensation of $610 million, offset by a deferred tax benefit of $1.8 billion, primarily as a result of the enactment of the 2017 Tax Act in December 2017, and a gain on divestiture of $653 million.

Changes in operating assets and liabilities during fiscal 2018 consisted primarily of the following:

Accounts receivable increased $170 million, reflecting higher billings in the last months of fiscal 2018 and our shift in sales to solutions with ratable revenue recognition in our Enterprise Security segment.

Contract liabilities increased $541 million, reflecting our shift in sales contracts to a higher mix of solutions subject to ratable versus point in time revenue recognition and longer contract duration in our Enterprise Security segment, which resulted in less in-period revenue recognized, and higher billings towards the end of the fiscal year, reflecting seasonal sales cycles in that segment. These factors were partially offset by a decrease of $319 million in divestiture of our WSS and PKI solutions.

Income taxes payable increased $880 million, reflecting the one-time transition tax of $896 million under the 2017 Tax Act.

Cash from investing activities

Our cash flows from investing activities consisted primarily of capital expenditures of $207 million, payments for acquisitions of $180 million, partially offset by proceeds from maturities and sales of short-term investments of $139 million. Our investing activities in fiscal 2018 primarily included $933 million in net proceeds from divestiture of our WSS and PKI solutions, partially offset by $401 million paid for acquisitions and net purchases of $387 million of short-term investments.

Cash from financing activities

Our financing activities in fiscal 2019 primarily consisted of debt repayments of $600 million, repurchases of common stock of $234 million, payments of dividends and dividend equivalents of $217 million, and tax payments related to the vesting of equity awards of $173 million. Our financing activities in fiscal 2018 primarily consisted of debt repayments of $3.2 billion.

Cash requirements

Debt - As of March 29, 2019, our total outstanding principal amount of indebtedness was $4.5 billion, summarized as follows. See Note 8 to the Consolidated Financial Statements for further information on our debt.

(In millions)	March 29, 2019
Senior Term Loans	$ 500
Senior Notes	2,250
Convertible Senior Notes	1,750
Total debt	$ 4,500

Debt covenant compliance - The Senior Term Loan A-5 agreement contains customary representations and warranties, non-financial covenants for financial reporting, affirmative and negative covenants, including a covenant that we maintain a ratio of consolidated funded debt to consolidated adjusted earnings before interest, taxes, depreciation, and amortization of not more than 6.00 to 1.0 through December 31, 2018, then 5.25 to 1.0 thereafter, and restrictions on subsidiary indebtedness, liens, stock repurchases and dividends (with exceptions permitting our regular quarterly dividend). As of March 29, 2019, we were in compliance with all debt covenants.

Dividends - On May 9, 2019, we announced a cash dividend of $0.075 per share of common stock to be paid in June 2019. Any future dividends will be subject to the approval of our Board of Directors.

Stock repurchases - Under our stock repurchase program, we may purchase shares of our outstanding common stock through open market and through accelerated stock repurchase transactions, open market transactions (including through trading plans intended to qualify under Rule 10b5-1 under the Exchange Act), and privately-negotiated transactions. As of March 29, 2019, the remaining balance of our stock repurchase authorization is $1,048 million and does not have an expiration date. The timing and actual number of shares repurchased will depend on a variety of factors, including price, general business and market conditions, and other investment opportunities.

Contractual obligations

The following is a schedule of our significant contractual obligations as of March 29, 2019:

	Payments Due by Period				
(In millions)	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	Over 5 Years
Debt (1)	$4,500	$ -	$ 3,000	$ 400	$ 1,100
Interest payments on debt (2)	609	170	239	118	82
Purchase obligations (3)	1,071	525	320	217	9
Long-term income taxes payable (4)	703	65	134	294	210
Operating leases (5)	244	55	89	58	42
Total	$7,127	$ 815	$ 3,782	$ 1,087	$ 1,443

(1) See Note 8 to the Consolidated Financial Statements for further information on our debt.

(2) Interest payments were calculated based on the contractual terms of the related Senior Notes, Convertible Senior Notes, and Senior Term Facility. Interest on variable rate debt was calculated using the interest rate in effect as of March 29, 2019. See Note 8 to the Consolidated Financial Statements for further information on the Senior Notes, Convertible Senior Notes, and Senior Term Facility.

(3) These amounts are associated with agreements for purchases of goods or services generally including agreements that are enforceable and legally binding and that specify all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum, or variable price provisions; and the approximate timing of the transaction. The table above also includes agreements to purchase goods or services that have cancellation provisions requiring little or no payment. The amounts under such contracts are included in the table above because management believes that cancellation of these contracts is unlikely, and we expect to make future cash payments according to the contract terms or in similar amounts for similar materials.

(4) These amounts represent the transition tax on previously untaxed foreign earnings of foreign subsidiaries under the 2017 Tax Act which may be paid through July 2025. See Note 11 to the Consolidated Financial Statements for further information on our income taxes and the impact from the recently enacted legislation.

(5) We have entered into various non-cancelable operating lease agreements that expire on various dates through fiscal 2029. The amounts in the table above exclude expected sublease income.

Due to the uncertainty with respect to the timing of future cash flows associated with our unrecognized tax benefits and other long-term taxes as of March 29, 2019, we are unable to make reasonably reliable estimates of the period of cash settlement with the respective taxing authorities. Therefore, $373 million in long-term income taxes payable has been excluded from the contractual obligations table. See Note 11 to the Consolidated Financial Statements for further information.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners, subsidiaries, and other parties with respect to certain matters, including, but not limited to, losses arising out of our breach of agreements or representations and warranties made by us. Refer to Note 16 to the Consolidated Financial Statements for further information on our indemnifications.

Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

We are exposed to various market risks related to fluctuations in interest rates and foreign currency exchange rates. We may use derivative financial instruments to mitigate certain risks in accordance with our investment and foreign exchange policies. We do not use derivatives or other financial instruments for trading or speculative purposes.

Interest rate risk

Our short-term investments primarily consist of corporate bonds. An increase in interest could have an adverse impact on its market value. As of March 29, 2019, the fair value of our short-term investments was $252 million. A hypothetical increase in the corporate bonds' yield curve of 50 basis points would not result in a significant reduction in fair value.

As of March 29, 2019, we had $4.0 billion in aggregate principal amount of fixed-rate Senior Notes and Convertible Senior Notes outstanding, with a carrying amount and a fair value of $4.0 billion, based on Level 2 inputs. Since these notes bear interest at fixed rates, they do not result in any financial statement risk associated with changes in interest rates. However, the fair value of these notes fluctuates when interest rates change.

As of March 29, 2019, we also had $500 million outstanding debt with variable interest rates based on the London InterBank Offered Rate (LIBOR). A reasonably possible hypothetical adverse change of 50 basis points in LIBOR would not result in a significant increase in interest expense on an annualized basis.

In addition, we have a $1.0 billion revolving credit facility that if drawn bears interest at a variable rate based on LIBOR and would be subject to the same risks associated with adverse changes in LIBOR.

Foreign currency exchange rate risk

We conduct business in numerous currencies through our worldwide operations, and our entities hold monetary assets or liabilities, earn revenues, or incur costs in currencies other than the entity's functional currency primarily in Euro, Japanese Yen, and British Pound. In addition, we charge our international subsidiaries for their use of intellectual property and technology and for certain corporate services we provide. Our cash flow, results of operations and certain of our intercompany balances that are exposed to foreign exchange rate fluctuations may differ materially from expectations, and we may record significant gains or losses due to foreign currency fluctuations and related hedging activities. As a result, we are exposed to foreign exchange gains or losses which impacts our operating results.

We have a foreign exchange exposure management program designed to identify material foreign currency exposures, manage these exposures, and reduce the potential effects of currency fluctuations on our reported consolidated cash flows and results of operations through which we enter into foreign exchange forward contracts on our assets and liabilities denominated in currencies other than the functional currency of our subsidiaries with up to twelve months in duration. We do not use derivative financial instruments for speculative trading purposes, nor do we hedge our foreign currency exposure in a manner that entirely offsets the effects of the changes in foreign exchange rates. The gains and losses on these foreign exchange contracts are recorded in interest and other, net in our statement of operations.

As of March 29, 2019, we had open foreign currency forward contracts with notional amounts of $1.1 billion to hedge foreign currency balance sheet exposure, with an insignificant fair value. A hypothetical ten percent depreciation of foreign currency would result in a reduction in fair value of our forward contracts of $84 million for fiscal 2019. This analysis disregards the possibilities that the rates can move in opposite directions and that losses from one geographic area may be offset by gains from another geographic area.

In addition, to help protect the net investment in a foreign operation from adverse changes in foreign currency exchange rates, during fiscal 2019, we initiated a program under which we may enter into foreign currency forward and option contracts to offset the changes in the carrying amounts of these investments due to fluctuations in foreign currency exchange rates. As of March 29, 2019, the notional amount of the related outstanding forward contracts was $116 million, and their fair value was not significant. These contracts reduce, but do not entirely eliminate, the impact of currency exchange rate movements on investments in foreign operations. The foreign currency gains and losses on these contracts are recorded in other comprehensive income.

For additional details related to our derivative instruments, please see ''Note 9 - Derivatives'' to our Consolidated Financial Statements included in this report.

Item 8. *Financial Statements and Supplementary Data*

The Consolidated Financial Statements and related disclosures included in Part IV, Item 15 of this annual report are incorporated by reference into this Item 8.

Selected Quarterly Financial Data (Unaudited)

	Fiscal 2019				Fiscal 2018			
(In millions, except per share data)	**Fourth Quarter**	**Third Quarter**	**Second Quarter**	**First Quarter**	**Fourth Quarter**	**Third Quarter [1]**	**Second Quarter**	**First Quarter**
Net revenues	$ 1,189	$ 1,211	$ 1,175	$ 1,156	$ 1,210	$ 1,209	$ 1,240	$ 1,175
Gross profit	910	945	919	907	946	960	978	918
Operating income (loss)	107	169	102	2	6	96	(9)	(44)
Income tax expense (benefit)	22	38	36	(4)	(7)	(606)	(53)	(24)
Income (loss) from continuing operations	30	59	(8)	(65)	(58)	1,311	(16)	(110)
Income (loss) from discontinued operations, net of income taxes	4	6	-	5	(1)	31	4	(23)
Net income (loss)	34	65	(8)	(60)	(59)	1,342	(12)	(133)
Income (loss) per share — basic: [2]								
Continuing operations	$ 0.05	$ 0.09	$ (0.01)	$ (0.10)	$ (0.09)	$ 2.12	$ (0.03)	$ (0.18)
Discontinued operations	$ 0.01	$ 0.01	$ -	$ 0.01	$ (0.00)	$ 0.05	$ 0.01	$ (0.04)
Net income (loss) per share — basic	$ 0.05	$ 0.10	$ (0.01)	$ (0.10)	$ (0.10)	$ 2.17	$ (0.02)	$ (0.22)
Income (loss) per share — diluted: [2]								
Continuing operations	$ 0.05	$ 0.09	$ (0.01)	$ (0.10)	$ (0.09)	$ 1.97	$ (0.03)	$ (0.18)
Discontinued operations	$ 0.01	$ 0.01	$ -	$ 0.01	$ (0.00)	$ 0.05	$ 0.01	$ (0.04)
Net income (loss) per share — diluted	$ 0.05	$ 0.10	$ (0.01)	$ (0.10)	$ (0.10)	$ 2.01	$ (0.02)	$ (0.22)

(1) During the third quarter of fiscal 2018, we recognized a gain on divestiture of our WSS and PKI solutions of $658 million and an income tax benefit of $810 million as a result of the enactment of the 2017 Tax Act.

(2) Net income (loss) per share amounts may not add due to rounding.

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

a) Evaluation of Disclosure Controls and Procedures

The SEC defines the term ''disclosure controls and procedures'' to mean a company's controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms. ''Disclosure controls and procedures'' include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are designed to provide reasonable assurance that such information is accumulated and communicated to our management. Our management (with the participation of our Chief Executive Officer and Chief Financial Officer) has conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act). Based on such evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of the end of the period covered by this report.

b) Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) for Symantec. Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has conducted an evaluation of the effectiveness of our internal control over financial reporting as of March 29, 2019, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Our management has concluded that, as of March 29, 2019, our internal control over financial reporting was effective at the reasonable assurance level based on these criteria.

The effectiveness of our internal control over financial reporting as of March 29, 2019 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report, which is included in Part IV, Item 15 of this Annual Report on Form 10-K.

c) Changes in Internal Control over Financial Reporting

Effective March 31, 2018, we adopted ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Changes were made to the relevant business processes and the related control activities, including information systems, in order to monitor and maintain appropriate controls over financial reporting. There were no changes in our internal control over financial reporting that occurred during the quarter ended March 29, 2019, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

d) Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

Item 9B. *Other Information*

Our Board of Directors has scheduled our 2019 Annual Meeting of Stockholders, or the 2019 Annual Meeting, to be held on September 10, 2019. The record date, time and location of the 2019 Annual Meeting will be as set forth in our proxy statement for the 2019 Annual Meeting.

The 2019 Annual Meeting is being held more than 30 days before the anniversary of our most recent Annual Meeting of Stockholders, which was held on December 3, 2018. As a result, we have set a new deadline for the receipt of any stockholder proposals submitted pursuant to Rule 14a-8 under the Exchange Act for inclusion in our proxy materials for the 2019 Annual Meeting. The new deadline for the submission of such stockholder proposals is the close of business on June 3, 2019.

In addition, in accordance with our Bylaws, because the scheduled date of the 2019 Annual Meeting is more than 30 calendar days before the one-year anniversary of the previous year's Annual Meeting of Stockholders, if a stockholder desires to make a proposal from the floor during the 2019 Annual Meeting, or if an eligible stockholder or group of stockholders wants to submit nominees for inclusion in our proxy materials for the 2019 Annual Meeting pursuant to the proxy access provisions of our Bylaws, our Bylaws provide that the stockholder or group of stockholders must provide timely written notice to our Corporate Secretary no later than the close of business on June 3, 2019.

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

The information required by this item will be included under the caption ''Directors, Executive Officers, and Corporate Governance'' in our proxy statement for the 2019 Annual Meeting to be filed with the SEC within 120 days of the fiscal year ended March 29, 2019 (the 2019 Proxy Statement) and is incorporated herein by reference.

Item 11. *Executive Compensation*

The information required by this item will be included under the caption ''Executive Compensation'' in our 2019 Proxy Statement and is incorporated herein by reference.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this item will be included under the caption ''Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters'' in our 2019 Proxy Statement and is incorporated herein by reference.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this item will be included under the caption ''Certain Relationships and Related Transactions, and Director Independence'' in our 2019 Proxy Statement and is incorporated herein by reference.

Item 14. *Principal Accounting Fees and Services*

The information required by this item will be included under the caption ''Principal Accountant Fees and Services'' in our 2019 Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. ***Exhibits, Financial Statement Schedules***

(a)

1. Financial Statements

Upon written request, we will provide, without charge, a copy of this annual report, including the Consolidated Financial Statements and financial statement schedule. All requests should be sent to:

Symantec Corporation
Attn: Investor Relations
350 Ellis Street
Mountain View, California 94043
(650) 527-8000

The following documents are filed as part of this report:

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Symantec Corporation:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of Symantec Corporation and subsidiaries (the Company) as of March 29, 2019 and March 30, 2018, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the years in the three-year period ended March 29, 2019 and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of March 29, 2019, based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 29, 2019 and March 30, 2018, and the results of their operations and their cash flows for each of the years in the three-year period ended March 29, 2019, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 29, 2019, based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company has changed its method of accounting for revenue from contracts with customers in fiscal year 2019 due to the adoption of Accounting Standards Update 2014-09 ''Revenue from Contracts with Customers (Topic 606)''.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting under Item 9A. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

We have served as the Company's auditor since 2002.
Santa Clara, California
May 24, 2019

SYMANTEC CORPORATION

CONSOLIDATED BALANCE SHEETS

(In millions, except par value per share amounts)

	March 29, 2019	March 30, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,791	$ 1,774
Short-term investments	252	388
Accounts receivable, net	708	809
Other current assets	435	522
Total current assets	3,186	3,493
Property and equipment, net	790	778
Intangible assets, net	2,250	2,643
Goodwill	8,450	8,319
Other long-term assets	1,262	526
Total assets	$ 15,938	$ 15,759
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 165	$ 168
Accrued compensation and benefits	257	262
Current portion of long-term debt	491	-
Contract liabilities	2,320	2,368
Other current liabilities	533	372
Total current liabilities	3,766	3,170
Long-term debt	3,961	5,026
Long-term contract liabilities	736	735
Deferred income tax liabilities	577	592
Long-term income taxes payable	1,076	1,126
Other long-term liabilities	84	87
Total liabilities	10,200	10,736
Commitments and contingencies (Note 16)		
Stockholders' equity:		
Preferred stock, $0.01 par value: 1 shares authorized; 0 shares issued and outstanding	-	-
Common stock and additional paid-in capital, $0.01 par value: 3,000 shares authorized; 630 and 624 shares issued and outstanding as of March 29, 2019 and March 30, 2018, respectively	4,812	4,691
Accumulated other comprehensive income (loss)	(7)	4
Retained earnings	933	328
Total stockholders' equity	5,738	5,023
Total liabilities and stockholders' equity	$ 15,938	$ 15,759

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share amounts)

	Year Ended		
	March 29, 2019	March 30, 2018	March 31, 2017
Net revenues	$ 4,731	$ 4,834	$ 4,019
Cost of revenues	1,050	1,032	853
Gross profit	3,681	3,802	3,166
Operating expenses:			
Sales and marketing	1,493	1,593	1,459
Research and development	913	956	823
General and administrative	447	574	564
Amortization of intangible assets	207	220	147
Restructuring, transition and other costs	241	410	273
Total operating expenses	3,301	3,753	3,266
Operating income (loss)	380	49	(100)
Interest expense	(208)	(256)	(208)
Gain on divestiture	-	653	-
Other income (expense), net	(64)	(9)	46
Income (loss) from continuing operations before income taxes	108	437	(262)
Income tax expense (benefit)	92	(690)	(26)
Income (loss) from continuing operations	16	1,127	(236)
Income from discontinued operations, net of income taxes	15	11	130
Net income (loss)	$ 31	$ 1,138	$ (106)
Income (loss) per share — basic:			
Continuing operations	$ 0.03	$ 1.83	$ (0.38)
Discontinued operations	$ 0.02	$ 0.02	$ 0.21
Net income (loss) per share — basic	$ 0.05	$ 1.85	$ (0.17)
Income (loss) per share — diluted:			
Continuing operations	$ 0.02	$ 1.69	$ (0.38)
Discontinued operations	$ 0.02	$ 0.02	$ 0.21
Net income (loss) per share — diluted[1]	$ 0.05	$ 1.70	$ (0.17)
Weighted-average shares outstanding:			
Basic	632	616	618
Diluted	661	668	618

(1) Net income (loss) per share amounts may not add due to rounding.

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)

	Year Ended		
	March 29, 2019	March 30, 2018	March 31, 2017
Net income (loss)	$ 31	$ 1,138	$ (106)
Other comprehensive income (loss), net of taxes:			
Foreign currency translation adjustments:			
Translation adjustments	(13)	(4)	(8)
Reclassification adjustments for net loss included in net income (loss)	-	5	-
Net foreign currency translation adjustments	(13)	1	(8)
Unrealized gain (loss) on available-for-sale securities:			
Unrealized gain (loss)	3	(5)	(2)
Reclassification adjustments for gain included in net income (loss)	-	(4)	-
Net unrealized gain (loss) on available-for-sale securities	3	(9)	(2)
Other comprehensive loss from equity method investee	(1)	-	-
Other comprehensive loss, net of taxes	(11)	(8)	(10)
Comprehensive income (loss)	$ 20	$ 1,130	$ (116)

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In millions, except per share amounts)

	Common Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount			
Balance as of April 1, 2016	612	$ 4,309	$ 22	$ (655)	$ 3,676
Net loss	-	-	-	(106)	(106)
Other comprehensive loss	-	-	(10)	-	(10)
Common stock issued under employee stock incentive plans	17	95	-	-	95
Shares withheld for taxes related to vesting of restricted stock units	(3)	(65)	-	-	(65)
Common stock issued in connection with acquisitions	3	38	-	-	38
Equity awards assumed in acquisitions	-	112	-	-	112
Repurchases of common stock	(21)	(500)	-	-	(500)
Cash dividends declared ($0.30 per share of common stock) and dividend equivalents accrued	-	(191)	-	-	(191)
Equity component of convertible notes issued	-	12	-	-	12
Stock-based compensation	-	410	-	-	410
Income tax benefit from employee stock incentive plans	-	11	-	-	11
Other	-	5	-	-	5
Balance as of March 31, 2017	608	4,236	12	(761)	3,487
Net income	-	-	-	1,138	1,138
Other comprehensive loss	-	-	(8)	-	(8)
Common stock issued under employee stock incentive plans	22	121	-	-	121
Shares withheld for taxes related to vesting of restricted stock units	(4)	(107)	-	-	(107)
Equity awards assumed in acquisitions	-	1	-	-	1
Repurchases of common stock	(2)	-	-	-	-
Cash dividends declared ($0.30 per share of common stock) and dividend equivalents accrued	-	(144)	-	(49)	(193)
Stock-based compensation	-	584	-	-	584
Balance as of March 30, 2018	624	4,691	4	328	5,023
Cumulative effect from adoption of accounting standards	-	-	-	939	939
Net income	-	-	-	31	31
Other comprehensive loss	-	-	(11)	-	(11)
Common stock issued under employee stock incentive plans	24	19	-	-	19
Shares withheld for taxes related to vesting of restricted stock units	(8)	(173)	-	-	(173)
Repurchases of common stock	(10)	(84)	-	(168)	(252)
Cash dividends declared ($0.30 per share of common stock) and dividend equivalents accrued	-	-	-	(197)	(197)
Stock-based compensation	-	359	-	-	359
Balance as of March 29, 2019	630	$ 4,812	$ (7)	$ 933	$ 5,738

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)

	Year Ended		
	March 29, 2019	March 30, 2018	March 31, 2017
OPERATING ACTIVITIES:			
Net income (loss)	$ 31	$ 1,138	$ (106)
Income from discontinued operations, net of income taxes	(15)	(11)	(130)
Adjustments:			
Amortization and depreciation	615	640	492
Impairments of long-lived assets	10	81	49
Stock-based compensation expense	352	610	440
Loss from equity interest	101	26	—
Deferred income taxes	(70)	(1,848)	(168)
Gain on divestiture	-	(653)	-
Other	(14)	45	32
Changes in operating assets and liabilities, net of acquisitions and divestiture:			
Accounts receivable, net	113	(170)	45
Accounts payable	6	(4)	(67)
Accrued compensation and benefits	2	(33)	20
Contract liabilities	215	541	125
Income taxes payable	67	880	(871)
Other assets	(32)	(199)	84
Other liabilities	114	(86)	(90)
Net cash provided by (used in) continuing operating activities	1,495	957	(145)
Net cash used in discontinued operating activities	-	(7)	(64)
Net cash provided by (used in) operating activities	1,495	950	(209)
INVESTING ACTIVITIES:			
Purchases of property and equipment	(207)	(142)	(70)
Payments for acquisitions, net of cash acquired	(180)	(401)	(6,736)
Proceeds from divestiture, net of cash contributed and transaction costs	-	933	7
Purchases of short-term investments	-	(436)	-
Proceeds from maturities and sales of short-term investments	139	49	31
Proceeds from sale of property	26	-	-
Other	(19)	(24)	2
Net cash used in investing activities	(241)	(21)	(6,766)
FINANCING ACTIVITIES:			
Repayments of debt	(600)	(3,210)	(90)
Proceeds from issuance of debt, net of issuance costs	-	-	6,069
Net proceeds from sales of common stock under employee stock incentive plans	19	121	95
Tax payments related to restricted stock units	(173)	(107)	(65)
Dividends and dividend equivalents paid	(217)	(211)	(222)
Repurchases of common stock	(234)	-	(500)
Payment for dissenting LifeLock shareholder settlement	-	(68)	-
Other	(4)	-	(7)
Net cash provided by (used in) financing activities	(1,209)	(3,475)	5,280
Effect of exchange rate fluctuations on cash and cash equivalents	(28)	73	(41)
Change in cash and cash equivalents	17	(2,473)	(1,736)
Beginning cash and cash equivalents	1,774	4,247	5,983
Ending cash and cash equivalents	$ 1,791	$ 1,774	$ 4,247

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

Notes to the Consolidated Financial Statements

Note 1. Description of Business and Significant Accounting Policies

Business

Symantec Corporation is a global leader in cyber security. We provide cyber security products, services, and solutions. Our Integrated Cyber Defense Platform helps business and government customers unify cloud and on-premises security to deliver a more effective cyber defense solution, while driving down cost and complexity. Our Cyber Safety solutions under our Norton LifeLock brand help consumers protect their devices, online privacy, identities, and home networks.

Principles of consolidation

The accompanying consolidated financial statements of Symantec and our wholly-owned subsidiaries are prepared in conformity with generally accepted accounting principles in the United States (GAAP). All significant intercompany accounts and transactions have been eliminated in consolidation.

Fiscal calendar

We have a 52/53-week fiscal year ending on the Friday closest to March 31. Our fiscal years 2019, 2018, and 2017 were each 52-week years.

Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Estimates are based upon historical factors, current circumstances, and the experience and judgment of management. Management evaluates its assumptions and estimates on an ongoing basis and may engage outside subject matter experts to assist in its valuations. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include determination of stand-alone selling price for performance obligations, valuation of business combinations including acquired intangible assets and goodwill, loss contingencies, valuation of stock-based compensation, and the recognition and measurement of current and deferred income taxes, including the measurement of uncertain tax positions.

Significant Accounting Policies

Accounting Standards in Fiscal 2019

With the exception of those discussed in Note 2, there have been no recent changes in accounting pronouncements issued by the Financial Accounting Standards Board (FASB) or adopted by us during the fiscal 2019 that are applicable to us.

Revenue recognition

On March 31, 2018, the first day of our fiscal 2019, we adopted the new revenue standard, *Revenue Recognition — Contracts with Customers*, on a modified retrospective basis, applying the practical expedient to all uncompleted contracts as of March 31, 2018, and as a result, results of our fiscal 2019 are presented under the new revenue recognition guidance, while prior period amounts are not adjusted and continue to be reported under the prior revenue recognition guidance. See Notes 2 and 3 for further discussion on our revenue recognition policies and the impacts of the new guidance.

Fair value measurements

For assets and liabilities measured at fair value, fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value, we consider the principal or most advantageous market in which we would transact, and we consider assumptions that market participants would use when pricing the asset or liability.

The three levels of inputs that may be used to measure fair value are:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in less active markets or model-derived valuations. All significant inputs used in our valuations, such as discounted cash flows, are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities.
- Level 3: Unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of assets or liabilities. We monitor and review the inputs and results of these valuation models to help ensure the fair value measurements are reasonable and consistent with market experience in similar asset classes.

Assets measured and recorded at fair value

Cash equivalents. We consider all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents. Cash equivalents are carried at amounts that approximate fair value due to the short period of time to maturity.

Short-term investments. Short-term investments consist primarily of corporate bonds. They are classified as available-for-sale and recognized at fair value using Level 1 and Level 2 inputs, which are quoted using market prices, independent pricing vendors, or other sources, to determine the fair value. Unrealized gains and losses, net of tax, are included in Accumulated other comprehensive income (loss). We regularly review our investment portfolio to identify and evaluate investments that have indications of impairment. Factors considered in determining whether a loss is other-than-temporary include: the length of time and extent to which the fair value has been lower than the cost basis, the financial condition and near-term prospects of the investee, credit quality, likelihood of recovery, and our ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Derivatives. We have entered into foreign exchange forward contracts with up to 12 months in duration to mitigate our foreign currency risk. The forward contracts designated as net investment hedges are used to hedge net investments in certain foreign subsidiaries whose functional currency is the local currency. Gain or loss on these forward contracts are recognized in the translation adjustments component of Accumulated other comprehensive income (loss) (AOCI) and is reclassified to net earnings in the period in which the hedged subsidiary is either sold or substantially liquidated.

The foreign exchange forward contracts not designated as hedges are used to hedge foreign currency balance sheet exposure. These forward contracts are recognized at fair value using Level 2 inputs to determine the fair value.

Non-marketable investments

Our non-marketable investments consist of equity investments in privately-held companies without a readily determinable fair value. Beginning March 31, 2018, we measure these investments at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer. Gains and losses on these investments, whether realized or unrealized, are recognized in Other income (expense), net in our Consolidated Statements of Operations.

We account for the investment in common stock of DigiCert Parent Inc. (DigiCert) that we received as a portion of the net consideration in the sale of our website security (WSS) and public key infrastructure (PKI) solutions under the equity method. We record our interest in the net earnings (loss) of DigiCert based on the most recently available financial statements of DigiCert, which are provided to us on a three-month lag, along with adjustments for amortization of basis differences, in Other income (expense), net in our Consolidated Statements of Operations.

We assess the recoverability of our non-marketable investments by reviewing various indicators of impairment. If indicators are present, a fair value measurement is made by performing a discounted cash flow analysis of the investment. We immediately recognize the impairment to our non-marketable equity investments if the carrying value exceeds the fair value. For our equity method investment, if a decline in value is determined to be other than temporary, impairment is recognized and included in Other income (expense), net in our Consolidated Statements of Operations.

Accounts receivable

Accounts receivable are recorded at the invoiced amount and are not interest bearing. We maintain an allowance for doubtful accounts to reserve for potentially uncollectible receivables. We review our accounts receivables by aging category to identify specific customers with known disputes or collectability issues. In addition, we maintain an allowance for all other receivables not included in the specific reserve by applying specific percentages of projected uncollectible receivables to the various aging categories. In determining these percentages, we use judgment based on our historical collection experience and current economic trends. We also offset deferred revenue against accounts receivable when channel inventories are in excess of specified levels and for transactions where collection of a receivable is not considered probable.

Contract acquisition costs

Sales commissions that are incremental to obtaining a customer contract for which revenue is deferred are accrued and capitalized and subsequently amortized to sales and marketing expense on a straight-line basis over three years, the expected period of benefit. In arriving at the average period of benefit, we evaluate both qualitative and quantitative factors which include historical customer renewal rates, anticipated renewal periods, and the estimated useful life of the underlying product sold as part of the transaction. Commissions paid on renewals of support and maintenance are not commensurate with the initial commissions paid, and therefore the amortization period of commissions for initial contracts considers the estimated term of specific anticipated renewal contracts over the life of the customer.

Property and equipment

Property, equipment, and leasehold improvements are stated at cost, net of accumulated depreciation. Depreciation is provided on a straight-line basis over the estimated useful lives. Estimated useful lives for financial reporting purposes are as follows: buildings, 20 to 30 years; building improvements, 7 to 20 years; leasehold improvements, the lesser of the life of the improvement or the initial lease term, computer hardware and software, and office furniture and equipment, 3 to 5 years.

Software development costs

The costs for the development of new software products and substantial enhancements to existing software products are expensed as incurred until technological feasibility has been established, at which time any additional costs would be capitalized in accordance with the accounting guidance for software. Because our current process for developing software is essentially completed concurrently with the establishment of technological feasibility, which occurs upon the completion of a working model, no costs have been capitalized for any of the periods presented.

Internal-use software development costs

We capitalize qualifying costs incurred during the application development stage related to software developed for internal-use and enterprise cloud computing services and amortize them over the estimated useful life of 3 years. We expense costs incurred related to the planning and post-implementation phases of development as incurred. As of March 29, 2019 and March 30, 2018, capitalized costs, net of amortization, were $104 million and $100 million, respectively.

Business combinations

We use the acquisition method of accounting under the authoritative guidance on business combinations. We allocate the purchase price of our acquisitions to the assets acquired and liabilities assumed based on their estimated fair values. The excess of the purchase price over the fair values of these identifiable assets and liabilities is recorded as goodwill. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred. Each acquired company's operating results are included in our Consolidated Financial Statements starting on the date of acquisition.

Goodwill

Goodwill is recorded when consideration paid for an acquisition exceeds the fair value of net tangible and intangible assets acquired.

We perform an impairment assessment of goodwill at the reporting unit level at least annually in the fourth quarter of each fiscal year, or more frequently if events or changes in circumstances indicate that the asset may be impaired. For purpose of testing goodwill for impairment, we established reporting units based on our current reporting structure, and our goodwill was allocated to the Enterprise Security and Consumer Cyber Safety (Previously Consumer Digital Safety) reporting units. The accounting guidance gives us the option to perform a qualitative assessment to determine whether further impairment testing is necessary. The qualitative assessment considers events and circumstances that might indicate that a reporting unit's fair value is less than its carrying amount. If it is determined, as a result of the qualitative assessment, that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, a quantitative test is performed.

In fiscal 2019, based on our qualitative assessments, we concluded that it is more likely than not that the fair values are more than their carrying values. Accordingly, there was no indication of impairment, and further quantitative testing was not required.

Long-lived assets

In connection with our acquisitions, we generally recognize assets for customer relationships, developed technology, finite-lived trade names, patents, and indefinite-lived trade names. Finite-lived intangible assets are carried at cost less accumulated amortization. Such amortization is provided on a straight-line basis over the estimated useful lives of the respective assets, generally from 1 to 11 years. Amortization for developed technology is recognized in cost of revenue. Amortization for customer relationships and certain trade names is recognized in operating expenses. Indefinite-lived intangible assets are not subject to amortization but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Long-lived assets, including finite-lived intangible assets and property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. The evaluation is performed at the lowest level of identifiable cash flows independent of other assets. An impairment loss is recognized when estimated undiscounted future cash flows generated from the assets are less than their carrying amount. Measurement of an impairment loss is based on the excess of the carrying amount of the asset group over its fair value.

Contract liabilities

Contract liabilities consist of deferred revenue and customer deposit liabilities and represent cash payments received or due in advance of fulfilling our performance obligations. Deferred revenue represents billings under non-cancelable contracts before the related product or service is transferred to the customer. Certain arrangements in our Consumer Cyber Safety segment include terms that allow the end user to terminate the contract and receive a pro-rata refund for a period of time. In these arrangements, we have concluded there are no enforceable rights and obligations during the period in which the option to cancel is exercisable by the customer, and therefore the consideration received or due from the customer is recorded as a customer deposit liability.

Debt

Our debt includes senior unsecured notes, senior term loans, convertible senior notes, and a senior unsecured revolving credit facility. Our senior unsecured notes are recorded at par value at issuance less a discount representing the amount by which the face value exceeds the fair value at the date of issuance and an amount which represents issuance costs. Our senior term loans are recorded at par value less debt issuance costs, which are recorded as a reduction in the carrying value of the debt. Our convertible senior notes are recorded at par value less the fair value of the equity component of the notes, at their issuance date, determined using Level 2 inputs and less any issuance costs. The discount and issuance costs associated with the various notes are amortized using the effective interest rate method over the term of the debt as a non-cash charge to interest expense. Borrowings under our revolving credit facility, if any, are recognized at principal balance plus accrued interest based upon stated interest rates. Debt maturities are classified as current liabilities on our Consolidated Balance Sheets if we are contractually obligated to repay them in the next twelve months or, prior to the balance sheet date, we have the authorization and intent to repay them prior to their contractual maturities and within the next twelve months.

Treasury stock

We account for treasury stock under the cost method. Shares repurchased under our share repurchase program are retired. Upon retirement, we allocate the value of treasury stock between Paid-in capital and Retained earnings.

Restructuring

Restructuring actions generally include significant actions involving employee-related severance charges and contract termination costs. Employee-related severance charges are largely based upon substantive severance plans, while some charges result from mandated requirements in certain foreign jurisdictions. These charges are reflected in the period when both the actions are probable, and the amounts are estimable. Contract termination costs for leased facilities primarily reflect costs that will continue to be incurred under the contract for its remaining term without economic benefit to us. These charges are reflected in the period when the facility ceases to be used.

Income taxes

We compute the provision for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating losses and tax credit carryforwards in each jurisdiction in which we operate. We measure deferred tax assets and liabilities using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled.

We also assess the likelihood that deferred tax assets will be realized from future taxable income and based on this assessment establish a valuation allowance, if required. The determination of our valuation allowance involves assumptions, judgments, and estimates, including forecasted earnings, future taxable income, and the relative proportions of revenue and income before taxes in the various domestic and international jurisdictions in which we operate. To the extent we establish a valuation allowance or change the valuation allowance in a period, we reflect the change with a corresponding increase or decrease to our tax expense.

We record accruals for uncertain tax positions when we believe that it is not more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. We adjust these accruals when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. The provision for income taxes includes the effects of adjustments for uncertain tax positions as well as any related interest and penalties.

Stock-based compensation

We measure and recognize stock-based compensation for all stock-based awards, including restricted stock units (RSU), performance-based restricted stock units (PRU), stock options, and rights to purchase shares under our employee stock purchase plan (ESPP), based on their estimated fair value on the grant date. We recognize the costs in our financial statements on a straight-line basis over the award’s requisite service period except for PRUs with graded vesting, for which we recognize the costs on a graded basis. For awards with performance conditions, the amount of compensation cost we recognize over the requisite service period is based on the actual or estimated achievement of the performance condition. We estimate the number of stock-based awards that will be forfeited due to employee turnover.

The fair value of each RSU and PRU that does not contain a market condition is equal to the market value of our common stock on the date of grant. The fair value of each PRU that contains a market condition is estimated using the Monte Carlo simulation option pricing model. The fair values of RSUs and PRUs are not discounted by the dividend yield because our RSUs and PRUs include dividend-equivalent rights. We use the Black-Scholes model to determine the fair value of unvested stock options assumed in acquisitions and the fair value of rights to acquire shares of common stock under our ESPP. The Black-Scholes valuation model incorporates a number of variables, including our expected stock price volatility over the expected life of the awards, actual and projected employee exercise and forfeiture behaviors, risk-free interest rates, and expected dividends.

We have certain liability-classified stock-based compensation awards for which the service inception date precedes the grant date. For these awards, we recognize stock-based compensation expense on a straight-line basis over the service period. The liability is reclassified to Additional paid-in capital in our Consolidated Balance Sheets when the award is granted. There is no substantive future service period that exists at the grant date for these awards.

Foreign currency

For foreign subsidiaries whose functional currency is the local currency, assets and liabilities are translated to U.S. dollars at exchange rates in effect at the balance sheet date. Gains and losses resulting from translation of these foreign currency financial statements into U.S. dollars are recorded in AOCI. Remeasurement adjustments are recorded in Other income (expense), net.

Concentrations of risk

A significant portion of our revenue is derived from international sales and independent agents and distributors. Fluctuations of the U.S. dollar against foreign currencies, changes in local regulatory or economic conditions, piracy, or nonperformance by independent agents or distributors could adversely affect our operating results.

Financial instruments that potentially subject us to concentrations of risk consist principally of cash and cash equivalents, short-term investments, and trade accounts receivable. Our investment policy limits the amount of credit risk exposure to any one issuer and to any one country. The credit risk in our trade accounts receivable is substantially mitigated by our credit evaluation process, reasonably short collection terms, and the geographical dispersion of sales transactions. Customers which are distributors that accounted for over 10% of our net accounts receivable, are as follows:

	March 29, 2019	March 30, 2018
Customer A	16%	22%
Customer B	15%	15%

Advertising and other promotional costs

Advertising and other promotional costs are charged to operations as incurred and included in sales and marketing expenses. These costs totaled $331 million, $360 million, and $212 million for fiscal 2019, 2018, and 2017, respectively.

Contingencies

We evaluate contingent liabilities including threatened or pending litigation in accordance with the authoritative guidance on contingencies. We assess the likelihood of any adverse judgments or outcomes from potential claims or proceedings, as well as potential ranges of probable losses, when the outcomes of the claims or proceedings are probable and reasonably estimable. A determination of the amount of an accrual required, if any, for these contingencies is made after the analysis of each separate matter. Because of uncertainties related to these matters, we base our estimates on the information available at the time of our assessment. As additional information becomes available, we reassess the potential liability related to our pending claims and litigation and may revise our estimates.

Note 2. Recent Accounting Standards

Recently adopted authoritative guidance

Revenue Recognition — Contracts with Customers. In May 2014, the FASB issued new authoritative guidance for revenue from contracts with customers. The standard's core principle is that a company recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration that the company expects to receive in exchange for those goods or services. In addition, companies are required to capitalize certain contract acquisition costs, including commissions paid, when contracts are signed. The asset recognized from capitalized incremental and recoverable acquisition costs is amortized on a straight-line basis consistent with the timing of transfer of the products or services to which the asset relates.

As a result of the adoption of the new revenue recognition guidance, our net revenue for fiscal 2019 increased $47 million, and our operating expenses decreased $12 million. See Note 3 for additional information related to the impact of the new guidance on the timing and amounts of revenues recognized in fiscal 2019.

The effects of the adoption of the new revenue recognition guidance on our March 29, 2019 Consolidated Balance Sheets were as follows:

	As of March 29, 2019		
(In millions)	**As Reported**	**Balances Without Adoption of New Standard**	**Effect of Change**
Accounts receivable, net	$ 708	$ 657	$ 51
Other current assets [(1)]	$ 435	$ 421	$ 14
Other long-term assets [(2)]	$ 1,262	$ 1,213	$ 49
Total assets	$ 15,938	$ 15,824	$ 114
Short-term contract liabilities	$ 2,320	$ 2,437	$ (117)
Other current liabilities	$ 533	$ 494	$ 39
Long-term contract liabilities	$ 736	$ 837	$ (101)
Deferred income tax liabilities	$ 577	$ 526	$ 51
Total liabilities	$ 10,200	$ 10,328	$ (128)
Accumulated other comprehensive loss	$ (7)	$ (2)	$ (5)
Retained earnings	$ 933	$ 686	$ 247
Total stockholders' equity	$ 5,738	$ 5,496	$ 242

(1) As reported includes short-term deferred commissions of $92 million. The balance without adoption of new standard includes short-term deferred commissions of $81 million.

(2) As reported includes long-term deferred commissions of $93 million. The balance without adoption of new standard includes long-term deferred commissions of $44 million.

The adoption of the new revenue recognition guidance had no impact on our Condensed Consolidated Statements of Cash Flows.

Financial Instruments — Recognition and Measurement. In January 2016, the FASB issued new authoritative guidance on financial instruments. The new guidance enhances the reporting model for financial instruments, which includes amendments to address aspects of recognition, measurement, presentation, and disclosure. We adopted this new guidance in the first quarter of fiscal 2019. Substantially all of our equity investments that were not accounted for under the equity method were previously accounted for under the cost method and are now accounted for using the measurement alternative defined as cost, less impairments, adjusted for observable price changes. Based on the composition of our investment portfolio, the adoption of this guidance did not have a material impact on our Consolidated Financial Statements.

Income Taxes — Intra-Entity Asset Transfers Other Than Inventory. In October 2016, the FASB issued new authoritative guidance that requires entities to immediately recognize the tax consequences of intercompany asset transfers, excluding inventory, at the transaction date, rather than deferring the tax consequences under legacy GAAP. We adopted this new guidance in the first quarter of fiscal 2019 using a modified retrospective transition method. The adoption resulted in a cumulative-effect adjustment of a $742 million increase to retained earnings. This cumulative-effect adjustment primarily consisted of additional deferred tax assets related to an intra-entity sale of intangible assets in periods prior to adoption, partially offset by the write-off of income tax consequences deferred from pre-adoption intra-entity transfers and other liabilities for amounts not recognized under legacy GAAP.

Opening Balance Sheet Adjustments

The following summarizes the effect of adopting the above new accounting standards:

(in millions)	Balance as of March 30, 2018	Revenue Recognition Guidance	Accounting for Income Taxes Guidance	Opening Balance as of March 31, 2018
Accounts receivable, net	$ 809	$ 24	$ —	$ 833
Other current assets [(1)]	$ 522	$ (8)	$ (8)	$ 506
Other long-term assets [(2)]	$ 526	$ 57	$ 750	$ 1,333
Total assets	$ 15,759	$ 73	$ 742	$ 16,574
Short-term contract liabilities	$ 2,368	$ (107)	$ —	$ 2,261
Other current liabilities	$ 372	$ (2)	$ —	$ 370
Long-term contract liabilities	$ 735	$ (62)	$ —	$ 673
Deferred income tax liabilities	$ 592	$ 47	$ —	$ 639
Total liabilities	$ 10,736	$ (124)	$ —	$ 10,612
Retained earnings	$ 328	$ 197	$ 742	$ 1,267

(1) The balance as of March 30, 2018, includes income tax receivable and prepaid income taxes of $107 million and short-term deferred commissions of $94 million. The opening balance as of March 31, 2018, includes income tax receivable and prepaid income taxes of $99 million and short-term deferred commissions of $86 million.

(2) The balance as of March 30, 2018, includes long-term deferred commissions of $35 million, long-term income tax receivable and prepaid income taxes of $61 million and deferred income tax assets of $46 million. The opening balance as of March 31, 2018, includes long-term deferred commissions of $92 million, long-term income tax receivable and prepaid income taxes of $29 million, and deferred income tax assets of $828 million.

Recently issued authoritative guidance not yet adopted

Leases. In February 2016, the FASB issued new guidance on lease accounting which will require lessees to recognize assets and liabilities on their balance sheet for the rights and obligations created by operating leases and will also require disclosures designed to give users of financial statements information on the amount, timing, and uncertainty of cash flows arising from leases. The new guidance will be effective for us in our first quarter of fiscal 2020. We expect to adopt the new guidance on a modified retrospective basis. We have selected and are in the process of implementing a lease accounting system and finalizing our accounting policy and use of optional practical expedients. We are continuing to evaluate the impact of this new standard on our Consolidated Financial Statements and disclosures. We expect that most of our operating lease commitments will be subject to the new standard and recognized as lease liabilities and right-of-use assets upon adoption, which will increase the total assets and total liabilities we report. We are evaluating the impact to our Consolidated Financial Statements as it relates to other aspects of the business.

Credit Losses. In June 2016, the FASB issued new authoritative guidance on credit losses which changes the impairment model for most financial assets and certain other instruments. For trade receivables and other instruments, we will be required to use a new forward-looking ''expected loss'' model. Additionally, for available-for-sale debt securities with unrealized losses, we will measure credit losses in a manner similar to today, except that the losses will be recognized as allowances rather than reductions in the amortized cost of the securities. The standard will be effective for us in our first quarter of fiscal 2021. We are currently evaluating the impact of the adoption of this guidance on our Consolidated Financial Statements.

Internal-Use Software. In August 2018, the FASB issued new guidance that clarifies the accounting for implementation costs in a cloud computing arrangement. The new guidance aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The standard will be effective for us in our first quarter of fiscal 2021, with early adoption permitted. We are currently evaluating the adoption date and the impact of the adoption of this guidance on our Consolidated Financial Statements and disclosures.

Although there are several other new accounting pronouncements issued or proposed by the FASB that we have adopted or will adopt, as applicable, we do not believe any of these accounting pronouncements has had, or will have, a material impact on our consolidated financial position, operating results or disclosures.

Note 3. Revenues

General

We recognize revenue when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for the goods or services. Revenue is recognized net of allowances for returns, discounts, distributor incentives, and end-user rebates, and any taxes collected from customers and subsequently remitted to governmental authorities.

For arrangements with multiple performance obligations, which may include hardware, software licenses, cloud services, support and maintenance, and professional services, we allocate revenue to each performance obligation on a relative fair value basis based on management's estimate of stand-alone selling price (SSP). Judgment is required to determine the SSP for each performance obligation. The determination of SSP is made by taking into consideration observable prices in historical transactions. When observable prices in historical transactions are not available or are inconsistent, we estimate SSP based on observable prices in historical transactions of similar products, pricing discount practices, product margins, and other factors that may vary over time depending upon the unique facts and circumstances related to each performance obligation.

Enterprise Security

Revenue for our Enterprise Security products is earned from arrangements that can include various combinations of software licenses, cloud services, hardware, support and maintenance, and professional services, which are sold directly to end-users or through a multi-tiered distribution channel. Performance periods generally range from one to three years, and payment terms are generally between thirty and sixty days. Contracts generally do not contain significant financing components or variable consideration.

We generally do not offer rights of return for Enterprise Security products, and the distribution channel does not hold inventory. As a result, historical returns and related reserves have been insignificant. We offer channel rebates and marketing programs for our Enterprise Security products. Our estimated reserves for channel volume incentive rebates are based on distributors' and resellers' performance compared to the terms and conditions of volume incentive rebate programs, which are typically entered into quarterly. We had reserves for Enterprise Security rebates and marketing programs of $6 million recorded in Other current liabilities as of March 29, 2019 and $6 million recorded against Accounts receivable, net as of March 30, 2018.

Consumer Cyber Safety

We sell consumer products and services directly to end-users and consumer packaged software products through a multi-tiered distribution channel. Performance periods are generally one year or less, and payments are generally collected up front.

We offer various channel and end-user rebates for our Consumer Cyber Safety products. Our estimated reserves for channel volume incentive rebates are based on distributors' and resellers' performance compared to the terms and conditions of volume incentive rebate programs, which are typically entered into quarterly. Our reserves for end-user rebates are estimated based on the terms and conditions of the promotional program, actual sales during the promotion, the amount of redemptions received, historical redemption trends by product and by type of promotional program, and the value of the rebate. We record estimated reserves for channel and end-user rebates as an offset to revenue or contract liabilities. We had reserves for Consumer Cyber Safety rebates of $11 million recorded in Other current liabilities as of March 29, 2019 and $21 million recorded against Accounts receivable, net as of March 30, 2018. For consumer products that include content updates, rebates are recognized as a ratable offset to revenue or contract liabilities over the term of the subscription.

Performance obligations

At contract inception, we assess the products and services promised in the contract to identify each performance obligation and evaluate whether the performance obligations are capable of being distinct and are distinct within the context of the contract. Performance obligations that are not both capable of being distinct and distinct within the context of the contract are combined and treated as a single performance obligation in determining the allocation and recognition of revenue. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. In determining whether products and services are considered distinct performance obligations, we assess whether the customer can benefit from the products and services on their own or together with other readily available resources and whether our promise to transfer the product or service to the customer is separately identifiable from other promises in the contract.

Our typical performance obligations include the following:

Performance Obligation	When Performance Obligations are Typically Satisfied
Products and services transferred at a point in time:	
License with distinct deliverables	When software activation keys have been made available for download
Hardware with distinct deliverables	When control of the product passes to the customer, typically upon shipment
Products and services transferred over time:	
License with interrelated deliverables	Primarily term-based license subscriptions recognized over the expected performance term, beginning on the date that software activation keys are made available to the customer
Cloud hosted solutions	Over the contract term, beginning on the date that service is made available to the customer
Support and maintenance	Ratably over the course of the service term
Professional services	As the services are provided

Timing of revenue recognition

As a result of the adoption of the new revenue recognition guidance, the timing of recognition of certain of our performance obligations has changed. For example, certain term-based licenses with distinct performance obligations have a portion of revenue recognized up front when the software activation keys have been made available for download, whereas these arrangements were previously recognized over time. In addition, allocating the transaction price for perpetual software licenses and support on a relative standalone selling price basis under the new guidance has generally resulted in more revenue allocated to the upfront license compared to the residual method of allocation under the previous guidance. Conversely, certain of our perpetual licenses are not distinct from their accompanying support and maintenance under the new guidance and are now recognized over time.

The following table provides our revenue disaggregated by the timing of recognition under both the new guidance and the legacy guidance during our fiscal 2019:

(In millions)	As Reported	Amounts Without Adoption of New Standard	Effect of Change
Enterprise Security:			
Products and services transferred at a point in time	$ 462	$ 266	$ 196
Products and services transferred over time	$ 1,861	$ 2,010	$ (149)
Consumer Cyber Safety:			
Products and services transferred at a point in time	$ 49	$ 48	$ 1
Products and services transferred over time	$ 2,359	$ 2,360	$ (1)
Total			
Products and services transferred at a point in time	$ 511	$ 314	$ 197
Products and services transferred over time	$ 4,220	$ 4,370	$ (150)

Contract liabilities

Contract liabilities by segment were as follows:

(In millions)	March 29, 2019	March 30, 2018
Enterprise Security	$ 2,002	$ 2,010
Consumer Cyber Safety	1,054	1,093
Total	$ 3,056	$ 3,103

During fiscal 2019, we recognized $2,211 million of revenue from our beginning fiscal 2019 contract liabilities balance.

Contract acquisition costs

During fiscal 2019, 2018, and 2017, we recognized $100 million, $102 million, and $85 million, respectively, of amortization expense of capitalized contract acquisition costs. There were no impairment losses recognized during fiscal 2019.

Remaining performance obligations

Remaining performance obligations represent contracted revenue that has not been recognized, which include contract liabilities and amounts that will be billed and recognized as revenue in future periods. As of March 29, 2019, we had $2,608 million of remaining performance obligations, which does not include customer deposit liabilities of approximately $505 million, and the approximate percentages expected to be recognized as revenue in the future are as follows:

(In millions, except percentages)	Total Remaining Performance Obligations	Percent Expected to be Recognized as Revenue			
		0 - 12 Months	13 - 24 Months	25 - 36 Months	Over 36 Months
Enterprise Security	$ 2,059	65%	24%	10%	2%
Consumer Cyber Safety	549	95%	4%	1%	-%
Total	$ 2,608	71%	19%	8%	1%

Percentages may not add to 100% due to rounding.

Note 4. Acquisitions and Divestiture

Fiscal 2019 acquisitions

Luminate Security acquisition

In February 2019, we completed our acquisition of Israel-based Luminate Security (Luminate). Luminate's technology provides enterprises with a cloud-delivered secure application access service that supports the zero trust security architecture that many enterprises are moving towards. The total aggregate consideration for the acquisition, primarily consisting of cash, was $139 million, net of $5 million cash acquired.

Our preliminary allocation of the aggregate purchase price for the acquisition as of February 11, 2019, was as follows:

(In millions, except useful lives)	Fair Value	Weighted-Average Estimated Useful Life
Developed technology	$ 30	3.0 years
Customer relationships	3	5.0 years
Goodwill	112	
Other liabilities	(6)	
Total purchase price	$ 139	

The allocation of the purchase price was based upon a preliminary valuation, and our estimates and assumptions are subject to refinement within the measurement period (up to one year from the close date). Adjustments to the purchase price allocation may require adjustments to goodwill prospectively. The primary areas of the preliminary purchase price allocation that are not yet finalized are certain tax matters.

The preliminary goodwill arising from the acquisition is attributed to the expected synergies, including revenue benefits that are expected to be generated by combining Luminate with Symantec. A portion of the goodwill recognized is expected to be deductible for tax purposes. See Note 5 for more information on goodwill.

Other fiscal 2019 acquisitions

During fiscal 2019, we completed acquisitions of other companies for an aggregate purchase price of $42 million, net of $3 million cash acquired. The purchase prices were primarily allocated to goodwill and intangible assets.

Pro forma results of operations for our fiscal 2019 acquisitions have not been presented because they were not material to our consolidated results of operations, either individually or in the aggregate.

Fiscal 2018 acquisitions

Fireglass Ltd. and Skycure Ltd. acquisitions

In July 2017, we completed our acquisitions of Israel-based Fireglass Ltd. (Fireglass) and Skycure Ltd. (Skycure). Fireglass provides agentless isolation solutions that prevent ransomware, malware, and phishing threats in real-time from reaching user endpoints or the corporate network.

With this acquisition, we further strengthened our enterprise security strategy to deliver an Integrated Cyber Defense platform and extended our participation in the Secure Web Gateway and Email protection markets delivered both on premises and in the cloud. Skycure provides mobile threat defense for devices running modern operating systems, including iOS and Android. This acquisition extends our endpoint security capabilities. With the addition of Skycure, our Integrated Cyber Defense Platform now enables visibility into and control over all endpoint devices, including mobile devices, whether corporate owned or bring your own device. The total aggregate consideration for these acquisitions, primarily consisting of cash, was $345 million, net of $15 million cash acquired.

Our allocation of the aggregate purchase price for these two acquisitions as of July 24, 2017, was as follows:

(In millions, except useful lives)	Fair Value	Weighted-Average Estimated Useful Life
Developed technology	$ 123	5.5 years
Customer relationships	11	7.0 years
Goodwill	247	
Deferred income tax liabilities	(35)	
Other liabilities	(1)	
Total purchase price	$ 345	

The goodwill arising from the acquisitions is attributed to the expected synergies, including revenue benefits that are expected to be generated by combining Fireglass and Skycure with Symantec. A portion of the goodwill recognized is expected to be deductible for tax purposes. See Note 5 for more information on goodwill.

Other fiscal 2018 acquisitions

During fiscal 2018, in addition to the acquisitions mentioned above, we completed acquisitions of other companies for an aggregate purchase price of $66 million, net of $1 million cash acquired. Of the aggregate purchase price, $48 million was recorded to goodwill.

Pro forma results of operations for our fiscal 2018 acquisitions have not been presented because they were not material to our consolidated results of operations, either individually or in the aggregate.

Fiscal 2017 acquisitions

On August 1, 2016, we acquired all of the outstanding common stock of Blue Coat, Inc. (Blue Coat), a provider of advanced web security solutions for global enterprises and governments. The addition of Blue Coat's suite of network and cloud security products to our innovative Enterprise Security product portfolio has enhanced our threat protection and information protection products while providing us with complementary products, such as advanced web and cloud security solutions, that address the network and cloud security needs of enterprises.

On February 9, 2017, we completed the acquisition of LifeLock, Inc. (LifeLock) a provider of proactive identity theft protection services for consumers and consumer risk management services for enterprises. LifeLock's services are provided on a monthly or annual subscription basis and provide identification and notification of identity-related and other events and assist users in remediating their impact.

The total consideration for the acquisitions, net of cash acquired, consisted of the following:

(In millions)	Blue Coat	LifeLock	Total
Goodwill	$ 4,084	$ 1,397	$ 5,481
Intangible assets	1,608	1,247	2,855
Net liabilities assumed	(1,019)	(361)	(1,380)
Total purchase price	$ 4,673	$ 2,283	$ 6,956

Fiscal 2018 Divestiture

Website Security and Public Key Infrastructure solutions

On October 31, 2017, we completed the sale of our WSS and PKI solutions of our Enterprise Security segment to DigiCert. In accordance with the terms of the agreement, we received aggregate consideration of $1.1 billion, consisting of approximately $951 million in cash and shares of common stock representing an approximate 28% interest in the outstanding common stock of DigiCert valued at $160 million as of October 31, 2017.

We determined the estimated fair value of our equity investment with the assistance of valuations performed by third-party specialists and estimates made by management. We utilized a combination of the income approach based on a discounted cash flow method and market approach based on the guideline public company method that focuses on comparing DigiCert to reasonably similar publicly traded companies. See Note 7 for additional information regarding our equity investment.

As of the transaction close date, the carrying amounts of the major classes of assets and liabilities associated with the divestiture of our WSS and PKI solutions were as follows:

(In millions)	
Assets:	
Cash and cash equivalents	$ 2
Accounts receivable, net	34
Goodwill and intangible assets, net	670
Other assets	40
Total assets	746
Liabilities:	
Deferred revenue	285
Other liabilities	11
Total liabilities	$ 296

As of the transaction close date, we also had $8 million in cumulative currency translation losses related to subsidiaries that were sold, which was reclassified from AOCI to the gain on divestiture. In addition, we incurred direct costs of $8 million, which was netted against the gain on divestiture, and tax expense of $123 million.

The following table presents the gain before income taxes associated with the divestiture:

(In millions)	
Gain on sale of short-term investment	$ 7
Gain on sale of other assets and liabilities	646
Total gain on divestiture	$ 653

The gain on sale of short-term investment represents the gain on the sale of a short-term investment that was included in the transaction and resulted in the reclassification on the transaction close date of $7 million of unrealized gains from AOCI to the gain on divestiture.

The following table presents the income before income taxes for our WSS and PKI solutions for the periods indicated:

	Year Ended	
(In millions)	March 30, 2018	March 31, 2017
Income before income taxes	$ 66	$ 206

Note 5. Goodwill and Intangible Assets

Goodwill

The changes in the carrying amount of goodwill by segment are as follows:

(In millions)	Enterprise Security	Consumer Cyber Safety	Total
Balance as of March 31, 2017	$ 6,078	$ 2,549	$8,627
Acquisitions	256	39	295
Divestiture of WSS and PKI solutions	(606)	-	(606)
Other adjustments	6	(3)	3
Balance as of March 30, 2018	5,734	2,585	8,319
Acquisitions	132	6	138
Other adjustments	(5)	(2)	(7)
Balance as of March 29, 2019	$ 5,861	$ 2,589	$8,450

Intangible assets, net

	March 29, 2019			March 30, 2018		
(In millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	$ 1,425	$ (515)	$ 910	$ 1,462	$ (357)	$ 1,105
Developed technology	1,039	(555)	484	1,037	(361)	676
Finite-lived trade names and other	6	(2)	4	13	(8)	5
Total finite-lived intangible assets	2,470	(1,072)	1,398	2,512	(726)	1,786
Indefinite-lived trade names	852	-	852	852	-	852
In-process research and development	-	-	-	5	-	5
Total intangible assets	$ 3,322	$ (1,072)	$ 2,250	$ 3,369	$ (726)	$ 2,643

Amortization expense for purchased intangible assets is summarized below:

(In millions)	Year Ended March 29, 2019	Year Ended March 30, 2018	Year Ended March 31, 2017	Statements of Operations Classification
Customer relationships and other	$ 207	$ 220	$ 147	Operating expenses
Developed technology	236	233	145	Cost of revenues
Total	$ 443	$ 453	$ 292	

As of March 29, 2019, future amortization expense related to intangible assets that have finite lives is as follows by fiscal year:

(In millions)	March 29, 2019
2020	$ 448
2021	338
2022	275
2023	224
2024	110
Thereafter	3
Total	$ 1,398

See Note 4 for more information on our acquisitions and divestiture.

Note 6. Supplementary Information

Cash and cash equivalents:

(In millions)	March 29, 2019	March 30, 2018
Cash	$ 376	$ 1,016
Cash equivalents	1,415	758
Total cash and cash equivalents	$ 1,791	$ 1,774

Accounts receivable, net:

(In millions)	March 29, 2019	March 30, 2018
Accounts receivable	$ 713	$ 814
Allowance for doubtful accounts	(5)	(5)
Accounts receivable, net	$ 708	$ 809

Other current assets:

(In millions)	March 29, 2019	March 30, 2018
Prepaid expenses	$ 162	$ 177
Income tax receivable and prepaid income taxes	61	107
Value-added tax receivable and other tax receivables	69	24
Short-term deferred commissions	92	94
Assets held for sale	-	26
Other	51	94
Total other current assets	$ 435	$ 522

In fiscal 2019, we completed the sale of certain land and buildings that were reported as assets held for sale as of March 30, 2018 for a sales price of $26 million, net of selling costs, which was equal to their carrying value.

Property and equipment, net:

(In millions)	March 29, 2019	March 30, 2018
Land	$ 66	$ 66
Computer hardware and software	1,159	1,081
Office furniture and equipment	118	110
Buildings	364	365
Leasehold improvements	372	339
Construction in progress	30	29
Total property and equipment, gross	2,109	1,990
Accumulated depreciation and amortization	(1,319)	(1,212)
Total property and equipment, net	$ 790	$ 778

Depreciation and amortization expense was $172 million, $187 million, and $199 million in fiscal 2019, 2018, and 2017, respectively.

Other long-term assets:

(In millions)	March 29, 2019	March 30, 2018
Cost method investments	$ 184	$ 175
Equity method investment	32	134
Long-term income tax receivable and prepaid income taxes	34	61
Deferred income tax assets	830	46
Long-term deferred commissions	93	35
Other	89	75
Total other long-term assets	$ 1,262	$ 526

Short-term contract liabilities:

(In millions)	March 29, 2019	March 30, 2018
Deferred revenue	$ 1,815	$ 2,368
Customer deposit liabilities	505	-
Total short-term contract liabilities	$ 2,320	$ 2,368

Long-term income taxes payable:

(In millions)	March 29, 2019	March 30, 2018
Deemed repatriation tax payable	$ 703	$ 824
Uncertain tax positions (including interest and penalties)	373	302
Total long-term income taxes payable	$ 1,076	$ 1,126

Other income (expense), net:

	Year Ended		
(In millions)	March 29, 2019	March 30, 2018	March 31, 2017
Interest income	$ 42	$ 24	$ 21
Loss from equity interest	(101)	(26)	-
Foreign exchange loss	(18)	(28)	(2)
Other	13	21	27
Total other income (expense), net	$ (64)	$ (9)	$ 46

Non-cash investing and financing activities and supplemental cash flow information:

	Year Ended		
(In millions)	March 29, 2019	March 30, 2018	March 31, 2017
Non-cash Investing and Financing Activities:			
Purchases of property and equipment in current liabilities	$ 23	$ 26	$ 33
Equity investment received as consideration in divestitures	$ -	$ 160	$ -
Fair value of equity awards assumed in acquisitions	$ -	$ 1	$ 112
Common stock issued in connection with acquisitions	$ -	$ -	$ 38
Supplemental Cash Flow Information:			
Income taxes paid, net of refunds	$ 112	$ 354	$ 1,081
Interest expense paid	$ 183	$ 199	$ 143

Note 7. Financial Instruments and Fair Value Measurements

The following table summarizes our assets and liabilities measured at fair value on a recurring basis:

	March 29, 2019			March 30, 2018		
(In millions)	**Fair Value**	**Level 1**	**Level 2**	**Fair Value**	**Level 1**	**Level 2**
Assets:						
Cash equivalents:						
Money market funds	$ 1,415	$ 1,415	$ -	$ 679	$ 679	$ -
Certificates of deposit	-	-	-	79	-	79
Short-term investments:						
Corporate bonds	251	-	251	374	-	374
Commercial paper	-	-	-	2	-	2
Certificates of deposit	1	-	1	12	-	12
Total	$ 1,667	$ 1,415	$ 252	$ 1,146	$ 679	$ 467

The following table presents the contractual maturities of our investments in debt securities as of March 29, 2019:

(In millions)	**Fair Value**
Due in one year or less	$ 79
Due after one year through five years	173
Total	$ 252

Actual maturities may differ from the contractual maturities because borrowers may have the right to call or prepay certain obligations.

Financial instruments not recorded at fair value on a recurring basis include non-marketable equity investments, equity method investment, and our long-term debt.

Non-marketable equity investments

As of March 29, 2019 and March 30, 2018, the carry value of our non-marketable equity investments was $184 million and $175 million, respectively.

Equity method investment

Our investment in equity securities that is accounted for using the equity method is included in Other long-term assets in our Consolidated Balance Sheets. As of March 29, 2019 and March 30, 2018, our equity investment in DigiCert represented an approximately 27% interest in the outstanding common stock of DigiCert and had a carrying value of $32 million and $134 million, respectively.

We recorded a loss from our equity method investment of $101 million and $26 million during fiscal 2019 and fiscal 2018, respectively, in Other income (expense), net in the Consolidated Statements of Operations, which consisted of our share of DigiCert’s net loss of $93 million and $24 million, respectively, and basis difference amortization of $8 million and $2 million, respectively. These losses were reflected as a reduction in the carrying amount of our investments in equity interests in our Consolidated Balance Sheets.

The following table summarizes DigiCert's financial data which was provided to us on a three-month lag. Prior year period commenced on October 31, 2017 when we acquired the investment.

(In millions)	December 31, 2018	December 31, 2017
Current assets	$ 168	$ 261
Long-term assets	$ 1,641	$ 1,810
Current liabilities	$ 331	$ 246
Long-term liabilities	$ 1,862	$ 1,868

(In millions)	Year Ended December 31, 2018	Two Months Ended December 31, 2017
Revenue	$ 313	$ 38
Gross profit	$ 250	$ 33
Net loss	$ (342)	$ (90)

Current and long-term debt

As of March 29, 2019 and March 30, 2018, the total fair value of our current and long-term fixed rate debt was $3,964 million and $3,935 million, respectively. The fair value of our variable rate debt approximated its carrying value. The fair value of all our debt obligations was based on Level 2 inputs on a non-recurring basis.

Note 8. Debt

The following table summarizes components of our debt:

(In millions, except percentages)	March 29, 2019	March 30, 2018	Effective Interest Rate
Senior Term Loan A-2 due August 1, 2019	$ -	$ 600	LIBOR plus[1]
4.2% Senior Notes due September 15, 2020	750	750	4.25%
2.5% Convertible Senior Notes due April 1, 2021	500	500	3.76%
Senior Term Loan A-5 due August 1, 2021	500	500	LIBOR plus[1]
2.0% Convertible Senior Notes due August 15, 2021	1,250	1,250	2.66%
3.95% Senior Notes due June 15, 2022	400	400	4.05%
5.0% Senior Notes due April 15, 2025	1,100	1,100	5.23%
Total principal amount	4,500	5,100	
Less: unamortized discount and issuance costs	(48)	(74)	
Total debt	4,452	5,026	
Less: current portion	(491)	-	
Total long-term portion	$ 3,961	$ 5,026	

(1) The senior term facilities bear interest at a rate equal to the London InterBank Offered Rate (LIBOR) plus a margin based on the current debt rating of our non-credit-enhanced, senior unsecured long-term debt, and our underlying loan agreements. The interest rates for the outstanding senior term loans are as follows:

	March 29, 2019	March 30, 2018
Senior Term Loan A-2 due August 1, 2019	N/A	3.31%
Senior Term Loan A-5 due August 1, 2021	4.24%	3.54%

As of March 29, 2019, the future contractual maturities of debt by fiscal year are as follows:

(In millions)	
2020	$ -
2021	1,250
2022	1,750
2023	400
2024	-
Thereafter	1,100
Total future maturities of debt	$ 4,500

Senior Term Loan A-2

On July 18, 2016, we borrowed $800 million under a 3-year term loan (the Senior Term Loan A-2) credit facility, as amended. The Senior Term Loan A-2 bore interest at a floating rate of interest plus an applicable margin which was based on our senior unsecured credit agency rating. During fiscal 2019 and 2018, we prepaid principal amounts of $600 million and $200 million, respectively. As of March 29, 2019, there were no borrowings outstanding under our Senior Term Loan A-2.

Senior Term Loan A-5

On August 1, 2016, we entered into a term loan agreement that provides for a 5-year term loan (the Senior Term Loan A-5) that bears interest at a floating rate of interest plus an applicable margin, which is based on our senior unsecured credit agency rating. For the duration of Senior Term Loan A-5, quarterly payments are due in aggregate annual amounts equal to 10% of the original principal amount. We may voluntarily repay outstanding principal balances under the Senior Term Loan A-5 at any time without premium or penalty, and prepayments must be applied to reduce the subsequent scheduled and outstanding required payments.

The Senior Term Loan A-5 agreement contains customary representations and warranties, non-financial covenants for financial reporting, affirmative and negative covenants, including a covenant that we maintain a ratio of consolidated funded debt to consolidated adjusted earnings before interest, taxes, depreciation, and amortization of not more than 6.00 to 1.0 through December 31, 2018, then 5.25 to 1.0 thereafter, and restrictions on subsidiary indebtedness, liens, stock repurchases, and dividends (with exceptions permitting our regular quarterly dividend). As of March 29, 2019, we were in compliance with all debt covenants.

Senior Notes

On February 9, 2017, we issued $1.1 billion aggregate principal amount of our 5.0% Senior Notes due April 15, 2025 (the 5.0% Senior Notes). The 5.0% Senior Notes bear interest at a rate of 5.00% per year, payable semiannually in arrears on April 15 and October 15 of each year, beginning on October 15, 2017.

We may redeem some or all of the 5.0% Senior Notes at any time prior to April 15, 2020 at a price equal to 100% of the principal amount of the 5.0% Senior Notes redeemed, plus accrued and unpaid interest, if any, and a premium, as described in the supplemental indenture to the 5.0% Senior Notes. On or after April 15, 2020, we may redeem some or all of the 5.0% Senior Notes at the applicable redemption prices set forth in the supplemental indenture, plus accrued and unpaid interest.

In addition, we had two series of senior notes, the 4.2% Senior Notes and 3.95% Senior Notes that are senior unsecured obligations that rank equally in right of payment with all of our existing and future senior, unsecured, unsubordinated obligations and may be redeemed at any time, subject to the make-whole provisions contained in the applicable indenture relating to such series of notes. Interest on each series of these notes is payable semi-annually in arrears, on September 15 and March 15 for the 4.2% Senior Notes, and June 15 and December 15 for the 3.95% Senior Notes.

Convertible Senior Notes

As of March 29, 2019 and March 30, 2018, we had two outstanding issuances of convertible notes which are senior unsecured obligations and rank equal in right of payment to all other senior, unsecured, unsubordinated indebtedness. On March 4, 2016, we issued $500 million of convertible notes which mature on April 1, 2021 and bear interest at an annual rate of 2.5% (2.5% Convertible Notes). On August 1, 2016, we issued an additional $1.25 billion of convertible notes which mature on August 15, 2021 and bear interest at an annual rate of 2.0% (2.0% Convertible Notes). Both the 2.5% Convertible Notes and the 2.0% Convertible Notes (collectively, Convertible Senior Notes) have coupon interest payable semiannually in arrears in cash. Interest payments on the Convertible Senior Notes are due on October 1 and April 1 of each year in the case of the 2.5% Convertible Notes, and February 15 and August 15 in the case of the 2.0% Convertible Notes. The fair value of the equity component of our Convertible Senior Notes of $41 million, net of tax was recorded in additional paid-in capital and is being amortized as interest expense.

Holders of the Convertible Senior Notes may convert the notes into our common stock at any time up to the maturity date of each note. The conversion rate for the 2.0% Convertible Notes is 48.9860 shares of common stock per $1,000 principal amount of the notes, which represents an initial conversion price of approximately $20.41 per share. The conversion rate for the 2.5% Convertible Notes is 59.6341 shares of common stock per $1,000 principal amount of the notes, which represents an initial conversion price of approximately $16.77 per share. If holders of the Convertible Senior Notes convert them in connection with a fundamental change, we may be required to provide a make-whole premium in the form of an increased conversion rate, subject to a maximum amount, based on the effective date of the fundamental change as set forth in a table contained in the indenture governing each of the Convertible Senior Notes. A fundamental change, as defined, includes a sale of substantially all our assets, a change of the control of Symantec, or a plan for our liquidation or dissolution. The conversion rates under the Convertible Senior Notes are subject to customary anti-dilution adjustments. If the holders request a conversion, we have the option to settle the par amount of the Convertible Senior Notes using cash, shares of our common stock, or a combination of cash and shares with the cash settlement not exceeding the principal amount and accrued and unpaid interest of the Convertible Senior Notes.

As long as the holders of the Convertible Senior Notes each own at least 4% of our common stock on an as-converted basis, they are entitled to nominate one director to our Board of Directors. As of March 29, 2019, the holders' percentage interest in our common stock exceeded this threshold.

On or after the 4-year anniversary of the issuance date, holders of the 2.5% Convertible Senior Notes have the option to require us to repurchase the notes, in cash, equal to the principal amount and accrued and unpaid interest of the 2.5% Convertible Senior Notes. Therefore, as of March 29, 2019, the principal amount and associated unamortized discount and issuance costs of the 2.5% Convertible Senior Notes were classified as Current portion of long-term debt in our Consolidated Balance Sheet.

We may redeem all or part of the principal of the 2.5% Convertible Senior Notes, at our option, at a purchase price equal to the principal amount plus accrued interest on or after the 4-year anniversary of the issuance date of the 2.5% Convertible Senior Notes, if the closing trading price of our common stock exceeds 150% of the then-current conversion price for 20 or more trading days in the 30 consecutive trading-day period preceding our exercise of the redemption right (including the last three such trading days) and provided that we have satisfied all regulatory common stock registration requirements. The 2.0% Convertible Senior Notes are not redeemable at our option.

Based on the closing price of our common stock of $22.99 on March 29, 2019, the if-converted values of our 2.5% and 2.0% Convertible Senior Notes exceed the principal amount by approximately $185 million and $158 million, respectively.

The following table sets forth total interest expense recognized related to our 2.5% and 2.0% Convertible Senior Notes:

	Year Ended		
(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**
Contractual interest expense	$ 38	$ 38	$ 29
Amortization of debt discount and issuance costs	$ 16	$ 16	$ 13

Revolving Credit Facility

We have an unsecured revolving credit facility to borrow up to $1.0 billion through May 10, 2021. Borrowings under the revolving facility bear interest at a floating rate of interest plus an applicable margin which is based on our senior unsecured credit agency rating. We are obligated to pay commitment fees on the daily amount of the unused revolving commitment at a rate based on our debt ratings. We may request incremental commitments up to $500 million, subject to customary conditions. The revolving credit facility is subject to the same covenants as our Senior Term Loans. As of March 29, 2019 and March 30, 2018, there were no borrowings outstanding under this revolving facility.

Note 9. Derivatives

We conduct business in numerous currencies throughout our worldwide operations, and our entities hold monetary assets or liabilities, earn revenues, or incur costs in currencies other than the entity's functional currency. As a result, we are exposed to foreign exchange gains or losses which impacts our operating results. As part of our foreign currency risk mitigation strategy, we have entered into foreign exchange forward contracts with up to twelve months in duration. We do not use derivative financial instruments for speculative trading purposes, nor do we hedge our foreign currency exposure in a manner that entirely offsets the effects of the changes in foreign exchange rates.

During fiscal 2019, to help protect the net investment in a foreign operation from adverse changes in foreign currency exchange rates, we initiated a program under which we may enter into foreign currency forward and option contracts to offset the changes in the carrying amounts of these investments due to fluctuations in foreign currency exchange rates. As of March 29, 2019, the fair value of these contracts was insignificant. During fiscal 2019, the net gain recognized in AOCI was insignificant.

We also enter into foreign currency forward contracts to hedge foreign currency balance sheet exposure. These forward contracts are not designated as hedging instruments. As of March 29, 2019 and March 30, 2018, the fair value of these contracts was insignificant. The related gain (loss) recognized in Other income (expense), net in our Consolidated Statements of Operations was as follows:

	Year Ended		
(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**
Foreign exchange forward contracts gain (loss)	$ (37)	$ 25	$ (17)

The fair value of our foreign exchange forward contracts is presented on a gross basis in our Condensed Consolidated Balance Sheets. To mitigate losses in the event of nonperformance by counterparties, we have entered into master netting arrangements with our counterparties that allow us to settle payments on a net basis. The effect of netting on our derivative assets and liabilities was not material as of March 29, 2019 and March 30, 2018.

The notional amount of our outstanding foreign exchange forward contracts in U.S. dollar equivalent was as follows:

(In millions)	**March 29, 2019**	**March 30, 2018**
Net investment hedges		
Foreign exchange forward contracts sold	$ 116	$ —
Balance sheet contracts		
Foreign exchange forward contracts purchased	$ 963	$ 697
Foreign exchange forward contracts sold	$ 122	$ 151

Note 10. Restructuring, Transition and Other Costs

Our restructuring, transition and other costs consist primarily of severance, facilities, transition, and other related costs. Severance costs generally include severance payments, outplacement services, health insurance coverage, and legal costs. Included in other exit and disposal costs are advisory fees incurred in connection with restructuring events and facilities exit costs, which generally include rent expense and lease termination costs, less estimated sublease income. Transition costs are incurred in connection with Board of Directors approved discrete strategic information technology transformation initiatives and primarily consist of consulting charges associated with our enterprise resource planning and supporting systems and costs to automate business processes. In addition, transition costs include expenses associated with divestitures of our product lines.

Fiscal 2019 Plan

In August 2018, we announced a restructuring plan (the Fiscal 2019 Plan) under which we will initiate targeted reductions of up to approximately 8% of our global workforce. We estimate that we will incur total costs in connection with the Fiscal 2019 Plan of approximately $50 million, primarily for severance and termination benefits and facilities exit costs. These actions are expected to be completed in fiscal 2020. As of March 29, 2019, we have incurred costs of $22 million related to our Fiscal 2019 Plan.

Fiscal 2017 Plan

We initiated a restructuring plan in the first quarter of fiscal 2017 to reduce complexity by means of long-term structural improvements (the Fiscal 2017 Plan), under which we reduced headcount and closed certain facilities. These actions were completed in fiscal 2019 at a cumulative cost of $289 million.

Our restructuring, transition and other costs are presented in the table below:

(In millions)	Year Ended March 29, 2019	Year Ended March 30, 2018	Year Ended March 31, 2017
Severance and termination benefit costs	$ 28	$ 61	$ 76
Other exit and disposal costs	15	52	80
Asset write-offs	2	25	23
Transition costs	196	272	94
Total restructuring, transition and other costs	$ 241	$ 410	$ 273

Included in our fiscal 2018 other exit and disposal costs is a $29 million impairment charge related to certain land and buildings previously reported as property and equipment that were reclassified to assets held for sale.

As of March 29, 2019, the restructuring liabilities were not significant.

Note 11. Income Taxes

Pre-tax income from international operations was $214 million, $890 million, and $353 million for fiscal 2019, 2018, and 2017, respectively.

The components of income tax expense (benefit) recorded in continuing operations are as follows:

(In millions)	Year Ended March 29, 2019	Year Ended March 30, 2018	Year Ended March 31, 2017
Current:			
Federal	$ 73	$ 1,011	$ 108
State	15	40	6
International	74	107	68
Total	162	1,158	182
Deferred:			
Federal	(52)	(1,664)	(177)
State	(2)	(151)	(17)
International	(16)	(33)	(14)
Total	(70)	(1,848)	(208)
Income tax expense (benefit)	$ 92	$ (690)	$ (26)

As of December 28, 2018, we have completed our accounting for the effects of the enactment of the Tax Cuts and Jobs Act (H.R.1) (the 2017 Tax Act) in accordance with U.S. Securities and Exchange Commission (SEC) Staff Accounting Bulletin No. 118, and the amounts are no longer considered provisional. We will continue to evaluate any new guidance from the U.S. Department of Treasury and the Internal Revenue Service (IRS) as issued.

The U.S. federal statutory income tax rates we have applied for fiscal 2019, 2018, and 2017 are as follows:

	Year Ended		
	March 29, 2019	March 30, 2018	March 31, 2017
U.S. federal statutory income tax rate	21.0%	31.6%	35.0%

The difference between our effective income tax and the federal statutory income tax is as follows:

	Year Ended		
(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**
Federal statutory tax expense (benefit)	$ 22	$ 138	$ (92)
Foreign earnings not considered indefinitely reinvested, net	3	—	12
State taxes, net of federal benefit	(2)	(26)	(11)
Foreign earnings taxed at other than the federal rate	17	(156)	34
Transition tax	(57)	893	—
Federal research and development credit	(9)	(12)	(9)
Valuation allowance increase (decrease)	31	7	(1)
Change in uncertain tax positions	53	(6)	(24)
Nondeductible transaction costs	—	—	11
Write-off of tax attributes due to restructuring	—	—	52
Stock-based compensation	17	(44)	—
Effect of tax rate change on deferred taxes	—	(131)	—
Re-assessment of deferred taxes on foreign earnings	—	(1,420)	—
Nondeductible officer compensation	3	11	7
Nondeductible goodwill	—	59	—
Other U.S. permanent differences	5	—	—
Return to provision adjustment	5	—	—
Other, net	4	(3)	(5)
Income tax expense (benefit)	$ 92	$ (690)	$ (26)

The principal components of deferred tax assets and liabilities are as follows:

(In millions)	As of March 29, 2019	As of March 30, 2018
Deferred tax assets:		
Tax credit carryforwards	$ 54	$ 30
Net operating loss carryforwards of acquired companies	51	32
Other accruals and reserves not currently tax deductible	64	66
Deferred revenue	54	94
Intangible assets	384	—
Loss on investments not currently tax deductible	35	9
Stock-based compensation	87	141
Other	25	18
Gross deferred tax assets	754	390
Valuation allowance	(105)	(19)
Deferred tax assets, net of valuation allowance	$ 649	$ 371
Deferred tax liabilities:		
Property and equipment	$ (17)	$ (5)
Goodwill	(13)	(20)
Intangible assets	—	(459)
Unremitted earnings of foreign subsidiaries	(316)	(396)
Prepaids and deferred expenses	(43)	(23)
Discount on convertible debt	(7)	(14)
Deferred tax liabilities	(396)	(917)
Net deferred tax assets (liabilities)	$ 253	$ (546)

The valuation allowance provided against our deferred tax assets as of March 29, 2019, increased primarily due to a corresponding increase in unrealized capital losses from equity investments, certain acquired tax loss and tax credits carryforwards, and California research and development credits. Based on our current operations, these attributes are not expected to be realized, and a valuation allowance has been recorded to offset them.

As of March 29, 2019, we have U.S. federal net operating losses attributable to various acquired companies of approximately $147 million, which, if not used, will expire between fiscal 2020 and 2037. We have U.S. federal research and development credits of approximately $11 million. The research and development credits, if not used, will expire between fiscal 2020 and 2036. $89 million of the net operating loss carryforwards and $11 million of the U.S. federal research and development tax credits are subject to limitations which currently prevent their use, and therefore these attributes are not expected to be realized. The remaining net operating loss carryforwards and U.S. federal research and development tax credits are subject to an annual limitation under U.S. federal tax regulations but are expected to be fully realized. We have $3 million of foreign tax credits which, if not used, will expire beginning in fiscal 2028. Furthermore, we have U.S. state net operating loss and credit carryforwards attributable to various acquired companies of approximately $68 million and $51 million, respectively. If not used, our U.S. state net operating losses will expire between fiscal 2020 and 2037, and the majority of our U.S. state credit carryforwards can be carried forward indefinitely. In addition, we have foreign net operating loss carryforwards attributable to various foreign companies of approximately $118 million, $24 million of which relate to Japan, and will expire beginning in fiscal 2028, and the rest of which, under current applicable foreign tax law, can be carried forward indefinitely.

In assessing the ability to realize our deferred tax assets, we considered whether it is more likely than not that some portion or all the deferred tax assets will not be realized. We considered the following: we have historical cumulative book income, as measured by the current and prior two years; we have strong, consistent taxpaying history; we have substantial U.S. federal income tax carryback potential; and we have substantial amounts of scheduled future reversals of taxable temporary differences from our deferred tax liabilities. We have concluded that this positive evidence outweighs the negative evidence and, thus, that the deferred tax assets as of March 29, 2019 are realizable on a ''more likely than not'' basis.

The aggregate changes in the balance of gross unrecognized tax benefits were as follows:

	Year Ended		
(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**
Balance at beginning of year	$ 378	$ 248	$ 197
Settlements with tax authorities	(3)	(4)	(23)
Lapse of statute of limitations	(17)	(3)	(9)
Increase related to prior period tax positions	16	35	21
Decrease related to prior period tax positions	(11)	—	(9)
Increase related to current year tax positions	75	98	38
Increase due to acquisition	8	4	33
Net increase	68	130	51
Balance at end of year	$ 446	$ 378	$ 248

There was a change of $68 million in gross unrecognized tax benefits during fiscal 2019. This gross liability does not include offsetting tax benefits associated with the correlative effects of potential transfer pricing adjustments, interest deductions, and state income taxes.

Of the total unrecognized tax benefits at March 29, 2019, $361 million, if recognized, would favorably affect our effective tax rate.

We recognize interest and/or penalties related to uncertain tax positions in income tax expense. At March 29, 2019, before any tax benefits, we had $43 million of accrued interest and penalties on unrecognized tax benefits. Interest included in our provision for income taxes was an expense of approximately $17 million for fiscal 2019. If the accrued interest and penalties do not ultimately become payable, amounts accrued will be reduced in the period that such determination is made and reflected as a reduction of the overall income tax provision.

We file income tax returns in the U.S. on a federal basis and in many U.S. state and foreign jurisdictions. Our most significant tax jurisdictions are the U.S., Ireland, and Singapore. Our tax filings remain subject to examination by applicable tax authorities for a certain length of time following the tax year to which those filings relate. Our fiscal years 2014 through 2019 remain subject to examination by the IRS for U.S. federal tax purposes. Our fiscal years prior to 2014 have been settled and closed with the IRS. Our 2015 through 2019 fiscal years remain subject to examination by the appropriate governmental agencies for Irish tax purposes, and our 2014 through 2019 fiscal years remain subject to examination by the appropriate governmental agencies for Singapore tax purposes.

The timing of the resolution of income tax examinations is highly uncertain, and the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Although potential resolution of uncertain tax positions involves multiple tax periods and jurisdictions, it is reasonably possible that the gross unrecognized tax benefits related to these audits could decrease (whether by payment, release, or a combination of both) in the next 12 months by $26 million. Depending on the nature of the settlement or expiration of statutes of limitations, we estimate $26 million could affect our income tax provision and therefore benefit the resulting effective tax rate.

We continue to monitor the progress of ongoing income tax controversies and the impact, if any, of the expected tolling of the statute of limitations in various taxing jurisdictions.

Note 12. Stockholders' Equity

Preferred stock

Our Board of Directors has the authority to issue up to 1 million shares of preferred stock and to determine the price, rights, preferences, privileges, and restrictions, including voting rights, of those shares without any further vote or action by the stockholders. As of March 29, 2019 and March 30, 2018, there were no shares outstanding.

Dividends

On May 9, 2019, we announced a cash dividend of $0.075 per share of common stock to be paid in June 2019. All shares of common stock issued and outstanding and all RSUs and PRUs as of the record date will be entitled to the dividend and dividend equivalents, respectively. Any future dividends and dividend equivalents will be subject to the approval of our Board of Directors.

Stock repurchase program

Under our stock repurchase program, we may purchase shares of our outstanding common stock through open market and through accelerated stock repurchase (ASR) transactions. In fiscal 2019, we executed share repurchases of 11 million shares for $252 million in the open market at an average price of $22.68 per share, including $18 million for 1 million shares settled in April 2019. In fiscal 2018, we received 2 million shares at an average price of $30.51 per share from the final settlement of an ASR entered into in fiscal 2017 under which we made a prepayment of $500 million in March 2017 and received an initial delivery of 14 million shares. In January 2019, our Board of Directors increased their authorization by $500 million. As of March 29, 2019, we have $1,048 million remaining under the authorization to be completed in future periods with no expiration date.

Accumulated other comprehensive income (loss)

Components and activities of AOCI, net of tax, were as follows:

(In millions)	Foreign Currency Translation Adjustments	Unrealized Gain (Loss) On Available-For-Sale Securities	Equity Method Investee	Total AOCI
Balance as of March 31, 2017	$ 7	$ 5	$ —	$ 12
Other comprehensive loss before reclassifications	(4)	(5)	—	(9)
Reclassification to net income (loss)	5	(4)	—	1
Balance as of March 30, 2018	8	(4)	—	4
Other comprehensive income (loss) before reclassifications	(13)	3	(1)	(11)
Balance as of March 29, 2019	$ (5)	$ (1)	$ (1)	$ (7)

During fiscal 2018, a net foreign currency translation loss of $8 million related to foreign entities sold in the divestiture of our WSS and PKI solutions was reclassified to Gain on divestiture, and a net gain of $3 million related to liquidated foreign entities was reclassified to Other income (expense), net. A realized gain of $7 million on securities sold in connection with the divestiture of our WSS and PKI solutions was reclassified to Gain on divestiture. The tax effect of $3 million was reclassified to Income tax expense (benefit).

Note 13. Stock-Based Compensation and Other Benefit Plans

Stock incentive plans

The purpose of our stock incentive plans is to attract, retain, and motivate eligible persons whose present and potential contributions are important to our success by offering them an opportunity to participate in our future performance through equity awards. We have one primary stock incentive plan: the 2013 Equity Incentive Plan (the 2013 Plan), under which incentive stock options may be granted only to employees (including officers and directors who are also employees), and other awards may be granted to employees, officers, directors, consultants, independent contractors, and advisors. As amended in December 2018, our stockholders have approved and reserved 82 million shares of common stock for issuance under the 2013 Plan. As of March 29, 2019, 22 million shares remained available for future grant, calculated using the maximum potential shares that could be earned and issued at vesting.

In connection with the acquisitions of various companies, we have assumed the equity awards granted under stock incentive plans of the acquired companies or issued equity awards in replacement thereof. No new awards will be granted under our acquired stock plans.

RSUs

(In millions, except per share and year data)	Number of Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at March 30, 2018	19	$ 25.06		
Granted	15	$ 21.77		
Vested	(10)	$ 23.91		
Forfeited	(3)	$ 24.24		
Outstanding and unvested at March 29, 2019	21	$ 23.36	1.0	$ 493

RSUs generally vest over a three-year period. The weighted-average grant date fair value per share of RSUs granted during fiscal 2019, 2018, and 2017 was $21.77, $30.01, and $20.56, respectively. The total fair value of RSUs released in fiscal 2019, 2018, and 2017 was $214 million, $294 million, and $181 million, respectively, which represents the market value of our common stock on the date the RSUs were released.

PRUs

(In millions, except per share and year data)	Number of Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding and unvested at March 30, 2018	3	$ 30.00		
Granted	2	$ 21.30		
Performance adjustment	(1)	$ 28.74		
Vested	(1)	$ 21.78		
Forfeited	(1)	$ 31.15		
Unvested at March 29, 2019	2	$ 27.04	1.2	$ 53
Vested and unreleased at March 29, 2019	1			
Outstanding at March 29, 2019	3			

The total fair value of PRUs released in fiscal 2019, 2018, and 2017 was $261 million, $24 million, and $14 million, respectively, which represents the market value of our common stock on the date the PRUs were released.

We have granted PRUs to certain of our executives. Typically, these PRUs have a three-year vest period and contain a combination of Company performance and market conditions. The performance conditions are based on the achievement of specified one-year non-GAAP financial metrics and in fiscal 2019, a liquidity metric. The market conditions are based on the achievement of our relative total shareholder return over a two- and three-year period. Typically, 0% to 200% of target shares are eligible to be earned based on the achievement of the performance and market conditions.

In addition, during fiscal 2017, we granted 2 million PRUs to certain of our executives and assumed 3 million PRUs as part of the Blue Coat acquisition, all of which had a three-year vesting period. Based on the achievement of our fiscal 2018 non-GAAP operating income, 268% of target PRUs, or 13 million shares, became eligible to be earned, of which 12 million shares vested at the end of fiscal 2018 and were issued in fiscal 2019, and 1 million shares vested at the end of fiscal 2019 and will be released in fiscal 2020.

Valuation of PRUs

The fair value of each PRU that does not contain a market condition is equal to the market value of our common stock on the date of grant. The fair value of each PRU that contains a market condition is estimated using the Monte Carlo simulation option pricing model. The valuation and the underlying weighted-average assumptions for PRUs are summarized below:

	Year Ended		
	March 29, 2019	**March 30, 2018**	**March 31, 2017**
Expected term	2.7 years	2.8 years	N/A
Expected volatility	34.2%	23.2%	N/A
Risk-free interest rate	2.7%	1.5%	N/A
Expected dividend yield	-	-	N/A
Weighted-average grant date fair value of PRUs	$ 21.30	$ 32.78	$ 19.99

N/A: Not applicable as awards did not contain a market condition.

Stock options

(In millions, except per share and year data)	**Number of Shares**	**Weighted-Average Exercise Price**	**Weighted-Average Remaining Contractual Term (Years)**	**Aggregate Intrinsic Value**
Outstanding at March 30, 2018	14	$ 8.53		
Assumed in acquisitions	1	$ 0.53		
Exercised	(2)	$ 10.10		
Forfeited and expired	(1)	$ 13.12		
Outstanding at March 29, 2019	12	$ 7.83		
Exercisable at March 29, 2019	11	$ 7.94	5.8	$ 165

The total intrinsic value of options exercised during fiscal 2019, 2018, and 2017 was $23 million, $131 million, and $78 million, respectively.

Restricted stock

In connection with our fiscal 2018 acquisitions, we issued approximately 1 million restricted shares of our common stock and will recognize $44 million of expense over the service period. These restricted shares will be released to the individuals through three annual installments subject to the individuals' continued employment at Symantec.

Liability-classified awards settled in shares

Certain fiscal 2019 and 2018 bonuses are settled in RSUs that vest shortly after the grant date. In fiscal 2019, 2 million RSUs were issued to settle these bonuses. As of March 29, 2019 and March 30, 2018, the total liability associated with these liability-classified awards was $22 million and $25 million, respectively, which is presented in Accrued compensation and benefits in our Consolidated Balance Sheets.

ESPP

Under our 2008 Employee Stock Purchase Plan, employees may annually contribute up to 10% of their gross compensation, subject to certain limitations, to purchase shares of our common stock at a discounted price. Beginning August 16, 2016, eligible employees are offered shares through a 12-month offering period, which consists of two consecutive 6-month purchase periods, at 85% of the lower of either the fair market value on the purchase date or the fair market value at the beginning of the offering period. Prior to that, employees were able to purchase shares of common stock at a price per share equal to 85% of the fair market value on the purchase date at the end of each six-month purchase period.

In August 2018, we cancelled the issuance of common stock under our ESPP for the 6-month purchase period ended August 15, 2018, as a result of the delayed filing of our Annual Report on Form 10-K for the fiscal year ended March 30, 2018. All participant contributions were refunded. In addition, the enrollment in the purchase period beginning August 16, 2018 was cancelled. On February 16, 2019, we opened enrollment in a new offering period. As of March 29, 2019, 34 million shares have been issued under this plan, and 36 million shares remained available for future issuance.

The following table summarizes activity related to the purchase rights issued under the ESPP:

	Year Ended		
(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**
Shares issued under the ESPP	-	3	3
Proceeds from issuance of shares	$ -	$ 69	$ 56

Stock-based compensation expense

Total stock-based compensation expense and the related income tax benefit recognized for all of our equity incentive plans in our Consolidated Statements of Operations were as follows:

	Year Ended		
(In millions)	**March 29, 2019**	**March 30, 2018**	**March 31, 2017**
Cost of revenues	$ 17	$ 28	$ 21
Sales and marketing	114	165	107
Research and development	134	200	110
General and administrative	87	217	202
Total stock-based compensation expense	$ 352	$ 610	$ 440
Income tax benefit for stock-based compensation expense	$ (73)	$ (116)	$ (149)

As of March 29, 2019, the total unrecognized stock-based compensation costs, net of estimated forfeitures, were as follows:

(In millions)	Unrecognized compensation cost	Weighted-average remaining years
RSUs	$ 252	1.7
PRUs	22	1.2
Options	14	1.8
Restricted stock	19	1.3
Liability-classified awards settled in shares	32	2.1
ESPP	14	0.9
Total	$ 353	

Other employee benefit plans

401(k) plan

We maintain a salary deferral 401(k) plan for all of our U.S. employees. This plan allows employees to contribute their pretax salary up to the maximum dollar limitation prescribed by the Internal Revenue Code. We matched the first 3% of a participant's eligible compensation prior to December 31, 2016 and the first 3.5% thereafter, up to $6,000 in a calendar year. Our employer matching contributions to the 401(k) plan were as follows:

	Year Ended		
(In millions)	March 29, 2019	March 30, 2018	March 31, 2017
401 (k) matching contributions	$ 23	$ 25	$ 19

Note 14. Net Income Per Share

Basic income per share is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Diluted net income per share also includes the incremental effect of dilutive potentially issuable common shares outstanding during the period using the treasury stock method. Dilutive potentially issuable common shares include the dilutive effect of the shares underlying convertible debt and employee equity awards. Diluted loss per share was the same as basic loss per share for the year ended March 31, 2017, as there was a loss from continuing operations in the period and inclusion of potentially issuable shares was anti-dilutive.

The components of basic and diluted net income (loss) per share are as follows:

(In millions, except per share amounts)	Year Ended March 29, 2019	Year Ended March 30, 2018	Year Ended March 31, 2017
Income (loss) from continuing operations	$ 16	$ 1,127	$ (236)
Income from discontinued operations, net of income taxes	15	11	130
Net income (loss)	$ 31	$ 1,138	$ (106)
Income (loss) per share — basic:			
Continuing operations	$ 0.03	$ 1.83	$ (0.38)
Discontinued operations	$ 0.02	$ 0.02	$ 0.21
Net income (loss) per share — basic	$ 0.05	$ 1.85	$ (0.17)
Income (loss) per share — diluted:			
Continuing operations	$ 0.02	$ 1.69	$ (0.38)
Discontinued operations	$ 0.02	$ 0.02	$ 0.21
Net income (loss) per share — diluted[(1)]	$ 0.05	$ 1.70	$ (0.17)
Weighted-average outstanding shares — basic	632	616	618
Dilutive potentially issuable shares:			
Convertible debt	10	32	-
Employee equity awards	19	20	-
Weighted-average shares outstanding — diluted	661	668	618
Anti-dilutive shares excluded from diluted net income (loss) per share calculation:			
Convertible debt	-	-	91
Employee equity awards	6	1	50
Total	6	1	141

(1) Net income (loss) per share amounts may not add due to rounding.

Under the treasury stock method, our Convertible Senior Notes will generally have a dilutive impact on net income per share when our average stock price for the period exceeds approximately $16.77 per share for the 2.5% Convertible Senior Notes and $20.41 per share for the 2.0% Convertible Senior Notes. The conversion feature of both notes was anti-dilutive during fiscal 2017 due to a loss from continuing operations.

Note 15. Segment and Geographic Information

We operate in the following two reportable segments, which are the same as our operating segments:

- *Enterprise Security.* Our Enterprise Security segment focuses on providing our Integrated Cyber Defense solutions to help business and government customers unify cloud and on-premises security to deliver a more effective cyber defense solution, while driving down cost and complexity.

- *Consumer Cyber Safety.* Our Consumer Cyber Safety segment focuses on providing cyber safety solutions under our Norton LifeLock brand to help consumers protect their devices, online privacy, identities, and home networks.

Operating segments are based upon the nature of our business and how our business is managed. Our Chief Operating Decision Makers, comprised of our Chief Executive Officer and Chief Financial Officer, use our operating segment financial information to evaluate segment performance and to allocate resources.

There were no inter-segment sales for the periods presented. The following table summarizes the operating results of our reportable segments:

(In millions)	Year Ended March 29, 2019	Year Ended March 30, 2018	Year Ended March 31, 2017
Total segments:			
Net revenues	$ 4,731	$ 4,834	$ 4,019
Operating income	$ 1,414	$ 1,584	$ 1,026
Enterprise Security:			
Net revenues	$ 2,323	$ 2,554	$ 2,355
Operating income	$ 269	$ 473	$ 187
Consumer Cyber Safety:			
Net revenues	$ 2,408	$ 2,280	$ 1,664
Operating income	$ 1,145	$ 1,111	$ 839

We do not allocate to our operating segments certain operating expenses that we manage separately at the corporate level and are not used in evaluating the results of, or in allocating resources to, our segments. These unallocated expenses consist primarily of stock-based compensation expense; amortization of intangible assets; restructuring, transition and other costs; and acquisition-related costs.

The following table provides a reconciliation of our total reportable segments' operating income to our total operating income (loss):

(In millions)	Year Ended March 29, 2019	Year Ended March 30, 2018	Year Ended March 31, 2017
Total segment operating income	$ 1,414	$ 1,584	$ 1,026
Reconciling items:			
Stock-based compensation expense	352	610	440
Amortization of intangible assets	443	453	293
Restructuring, transition and other costs	241	410	273
Acquisition-related costs	3	60	120
Other	(5)	2	-
Total consolidated operating income (loss) from continuing operations	$ 380	$ 49	$ (100)

Products and service revenue information

The following table summarizes net revenues by significant product and services categories:

(In millions)	Year Ended March 29, 2019	March 30, 2018	March 31, 2017
Enterprise Security:			
Endpoint and information protection	$ 1,027	$ 983	$ 947
Network and web security	748	782	451
WSS and PKI	-	238	422
Other products and services	548	551	535
Total Enterprise Security	$ 2,323	$ 2,554	$ 2,355
Consumer Cyber Safety:			
Consumer security	$ 1,471	$ 1,504	$ 1,527
Identity and information protection	937	776	137
Total Consumer Cyber Safety	2,408	2,280	1,664
Total net revenues	$ 4,731	$ 4,834	$ 4,019

Endpoint and information protection products include endpoint security, advanced threat protection, and information protection solutions and their related support services. Network and web security products include network security, web security, and cloud security solutions and their related support services. WSS and PKI products consist of the solutions we divested on October 31, 2017. Other products and services primarily consist of email security products, managed security services, consulting, and other professional services.

Consumer security products include Norton security, Norton Secure VPN, and other consumer security solutions. Identity and information protection products include LifeLock identity theft protection and other information protection solutions.

Geographical information

Net revenues by geography are based on the billing addresses of our customers. The following table represents net revenues by geographic area for the periods presented:

(In millions)	Year Ended March 29, 2019	March 30, 2018	March 31, 2017
Americas	$ 3,028	$ 3,031	$ 2,329
EMEA	1,002	1,048	955
APJ	701	755	735
Total net revenues	$ 4,731	$ 4,834	$ 4,019

Note: The Americas include U.S., Canada, and Latin America; EMEA includes Europe, Middle East, and Africa; APJ includes Asia Pacific and Japan

Revenues from customers inside the U.S. were $2.8 billion, $2.8 billion, and $2.1 billion during fiscal 2019, 2018, and 2017, respectively. No other individual country accounted for more than 10% of revenues.

Most of our assets, excluding cash and cash equivalents and short-term investments, as of March 29, 2019 and March 30, 2018, were attributable to our U.S. operations. The table below represents cash, cash equivalents and short-term investments held in the U.S. and internationally in various foreign subsidiaries.

(In millions)	March 29, 2019	March 30, 2018
U.S.	$ 1,544	$ 858
International	499	1,304
Total cash, cash equivalents and short-term investments	$ 2,043	$ 2,162

The table below represents our property and equipment, net of accumulated depreciation and amortization, by geographic area, based on the physical location of the asset, at the end of each period presented.

(In millions)	March 29, 2019	March 30, 2018
U.S.	$ 671	$ 677
International(1)	119	101
Total property and equipment, net	$ 790	$ 778

(1) No individual country represented more than 10% of the respective totals.

Significant customers

In fiscal 2019, the following customer, who is a distributor, accounted for 10% or more of our net revenues:

	Year Ended		
	March 29, 2019	March 30, 2018	March 31, 2017
HNA Group Co., Ltd.	10%	N/A	N/A

Note 16. Commitments and Contingencies

Lease commitments

We lease certain of our facilities, equipment, and data center co-locations under operating leases that expire at various dates through fiscal 2029. We currently sublease some space under various operating leases that will expire on various dates through fiscal 2022. Some of our leases contain renewal options, escalation clauses, rent concessions, and leasehold improvement incentives. Rent expense under operating leases was $68 million, $78 million, and $79 million for fiscal 2019, 2018, and 2017, respectively.

The minimum future rentals on non-cancelable operating leases by fiscal year are as follows:

(In millions)	March 29, 2019
2020	$ 55
2021	49
2022	40
2023	32
2024	26
Thereafter	42
Total minimum future lease payments	244
Sublease income	(6)
Total minimum future lease payments, net	$ 238

Purchase obligations

We have purchase obligations that are associated with agreements for purchases of goods or services. Management believes that cancellation of these contracts is unlikely, and we expect to make future cash payments according to the contract terms.

The following reflects estimated future payments for purchase obligations by fiscal year:

(In millions)	March 29, 2019
2020	$ 525
2021	175
2022	145
2023	136
2024	81
Thereafter	9
Total purchase obligations	$ 1,071

Deemed repatriation taxes

Under the 2017 Tax Act, we are required to pay a one-time transition tax on untaxed foreign earnings of our foreign subsidiaries through July 2025. See Note 11 for more information regarding the 2017 Tax Act and its impact on our income taxes. The following reflects estimated future payments for deemed repatriation taxes by fiscal year:

(In millions)	March 29, 2019
2020	$ 65
2021	67
2022	67
2023	126
2024	168
Thereafter	210
Total obligations	$ 703

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners, subsidiaries, and other parties with respect to certain matters, including, but not limited to, losses arising out of our breach of agreements or representations and warranties made by us. In addition, our bylaws contain indemnification obligations to our directors, officers, employees, and agents, and we have entered into indemnification agreements with our directors and certain of our officers to give such directors and officers additional contractual assurances regarding the scope of the indemnification set forth in our bylaws and to provide additional procedural protections. We maintain director and officer insurance, which may cover certain liabilities arising from our obligation to indemnify our directors and officers. It is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Such indemnification agreements might not be subject to maximum loss clauses. Historically, we have not incurred material costs as a result of obligations under these agreements, and we have not accrued any material liabilities related to such indemnification obligations in our Consolidated Financial Statements.

In connection with the sale of our Veritas information management business, we assigned several leases to Veritas Technologies LLC or its related subsidiaries. As a condition to consenting to the assignments, certain lessors required us to agree to indemnify the lessor under the applicable lease with respect to certain matters, including, but not limited to, losses arising out of Veritas Technologies LLC or its related subsidiaries' breach of payment obligations under the terms of the lease. As with our other indemnification obligations discussed above and in general, it is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. As with our other indemnification obligations, such indemnification agreements might not be subject to maximum loss clauses, and to date, generally under our real estate obligations, we have not incurred material costs as a result of such obligations under our leases and have not accrued any liabilities related to such indemnification obligations in our Consolidated Financial Statements.

We provide limited product warranties, and the majority of our software license agreements contain provisions that indemnify licensees of our software from damages and costs resulting from claims alleging that our software infringes on the intellectual property rights of a third party. Historically, payments made under these provisions have been immaterial. We monitor the conditions that are subject to indemnification to identify if a loss has occurred.

Litigation contingencies

SEC Investigation

As previously disclosed in our public filings, the Audit Committee of our Board of Directors (the Audit Committee) completed its internal investigation (the Audit Committee Investigation) in September 2018. In connection with the Audit Committee Investigation, we voluntarily contacted the SEC in April 2018. The SEC commenced a formal investigation, and we continue to cooperate with that investigation. The outcome of such an investigation is difficult to predict. We have incurred, and will continue to incur, significant expenses related to legal and other professional services in connection with the SEC investigation. At this stage, we are unable to assess whether any material loss or adverse effect is reasonably possible as a result of the SEC's investigation or estimate the range of any potential loss.

Securities Class Action and Derivative Litigation

Securities class action lawsuits, which have since been consolidated, were filed in May 2018 against us and certain of our current and former officers, in the U.S. District Court for the Northern District of California. The lead plaintiff's consolidated amended complaint alleges that, during a purported class period of May 11, 2017 to August 2, 2018, defendants made false and misleading statements in violation of Sections 10(b) and 20(a), and that certain individuals violated Section 20A, of the Securities Exchange Act. Defendants filed motions to dismiss, which are currently pending. Purported shareholder derivative lawsuits have been filed against Symantec and certain of our officers and directors in the U.S. District Court for the District of Delaware, Delaware Chancery Court, and Delaware Superior Court, arising generally out of the same facts and circumstances as alleged in the securities class action and alleging claims for breach of fiduciary duty and related claims; these lawsuits include an action brought derivatively on behalf of Symantec's 2008 Employee Stock Purchase Plan. The derivative actions are currently voluntarily stayed in light of the securities class action. No specific amount of damages has been alleged in these lawsuits. We have also received demands from purported stockholders to inspect corporate books and records under Delaware law. We will continue to incur legal fees in connection with these pending cases and demands, including expenses for the reimbursement of legal fees of present and former officers and directors under indemnification obligations. The expense of continuing to defend such litigation may be significant. We intend to defend these lawsuits vigorously, but there can be no assurance that we will be successful in any defense. If any of the lawsuits are decided adversely, we may be liable for significant damages directly or under our indemnification obligations, which could adversely affect our business, results of operations, and cash flows. At this stage, we are unable to assess whether any material loss or adverse effect is reasonably possible as a result of these lawsuits or estimate the range of any potential loss.

GSA

During the first quarter of fiscal 2013, we were advised by the Commercial Litigation Branch of the Department of Justice's (DOJ) Civil Division and the Civil Division of the U.S. Attorney's Office for the District of Columbia that the government is investigating our compliance with certain provisions of our U.S. General Services Administration (GSA) Multiple Award Schedule Contract No. GS-35F-0240T effective January 24, 2007, including provisions relating to pricing, country of origin, accessibility, and the disclosure of commercial sales practices.

As reported on the GSA's publicly-available database, our total sales under the GSA Schedule contract were approximately $222 million from the period beginning January 2007 and ending September 2012. We have fully cooperated with the government throughout its investigation, and in January 2014, representatives of the government indicated that their initial analysis of our actual damages exposure from direct government sales under the GSA schedule was approximately $145 million; since the initial meeting, the government's analysis of our potential damages exposure relating to direct sales has increased. The government has also indicated they are going to pursue claims for certain sales to California, Florida, and New York as well as sales to the federal government through reseller GSA Schedule contracts, which could significantly increase our potential damages exposure.

In 2012, a sealed civil lawsuit was filed against Symantec related to compliance with the GSA Schedule contract and contracts with California, Florida, and New York. On July 18, 2014, the Court-imposed seal expired, and the government intervened in the lawsuit. On September 16, 2014, the states of California and Florida intervened in the lawsuit, and the state of New York notified the Court that it would not intervene. On October 3, 2014, the DOJ filed an amended complaint, which did not state a specific damages amount. On October 17, 2014, California and Florida combined their claims with those of the DOJ and the relator on behalf of New York in an Omnibus Complaint, and a First Amended Omnibus Complaint was filed on October 8, 2015; the state claims also do not state specific damages amounts.

It is possible that the litigation could lead to claims or findings of violations of the False Claims Act and could be material to our results of operations and cash flows for any period. Resolution of False Claims Act investigations can ultimately result in the payment of somewhere between one and three times the actual damages proven by the government, plus civil penalties in some cases, depending upon a number of factors. Our current estimate of the low end of the range of the probable estimated loss from this matter is $25 million, which we have accrued. This amount contemplates estimated losses from both the investigation of compliance with the terms of the GSA Schedule contract as well as possible violations of the False Claims Act. There is at least a reasonable possibility that a loss may have been incurred in excess of our accrual for this matter, however, we are currently unable to determine the high end of the range of estimated losses resulting from this matter.

Other

We are involved in a number of other judicial and administrative proceedings that are incidental to our business. Although adverse decisions (or settlements) may occur in one or more of the cases, it is not possible to estimate the possible loss or losses from each of these cases. The final resolution of these lawsuits, individually or in the aggregate, is not expected to have a material adverse effect on our business, results of operations, financial condition or cash flows.

(2) Financial Statement Schedule

Schedule II

SYMANTEC CORPORATION

VALUATION AND QUALIFYING ACCOUNTS

All financial statement schedules have been omitted, since the required information is not applicable or is not present in material amounts, and/or changes to such amounts are immaterial to require submission of the schedule, or because the information required is included in the Consolidated Financial Statements and notes thereto included in this Form 10-K.

(3) Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
2.01(§)	Purchase Agreement dated as of August 11, 2015, by and between Symantec Corporation and Havasu Holdings Ltd.	8-K	000-17781	2.01	8/13/2015	
2.02	Amendment, dated January 19, 2016, to the Purchase Agreement dated as of August 11, 2015, by and between Symantec Corporation and Veritas Holdings Ltd. (f/k/a Havasu Holdings Ltd.)	8-K	000-17781	2.01	1/20/2016	
2.03(§)	Agreement and Plan of Merger, dated as of June 12, 2016, by and among Symantec Corporation, S-B0616 Merger Sub, Inc. and Blue Coat, Inc.	8-K	000-17781	2.01	6/14/2016	
2.04	Investment Agreement, dated as of June 12, 2016, by and among Symantec Corporation, Bain Capital Fund XI, L.P., Bain Capital Europe Fund IV, L.P. and Silver Lake Partners IV Cayman (AIV II), L.P. (including the form of Indenture attached as Exhibit A thereto).	8-K	000-17781	2.02	6/14/2016	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
2.05	Amendment to Investment Agreement, dated as of July 31, 2016, by and among Symantec Corporation, Bain Capital Fund XI, L.P., Bain Capital Europe Fund IV, L.P. and Silver Lake Partners IV Cayman (AIV II), L.P.	10-Q	000-17781	2.03	8/5/2016	
2.06(§)(**)	Agreement and Plan of Merger, dated as of November 20, 2016, by and among Symantec Corporation, L1116 Merger Sub, Inc. and LifeLock, Inc.	8-K	001-35671	2.01	11/21/2016	
2.07(**)	Amendment No. 1 to Agreement and Plan of Merger, dated as of January 16, 2017, by and among Symantec Corporation, L1116 Merger Sub, Inc. and LifeLock, Inc.	8-K	001-35671	2.01	1/17/2017	
2.08	Form of Support Agreement by and among Symantec Corporation and the stockholders of LifeLock, Inc. listed on Annex A therein.	8-K	000-17781	2.02	11/21/2016	
2.09(§)	Purchase Agreement by and among Symantec Corporation, DigiCert Parent, Inc., and DigiCert, Inc. dated as of August 2, 2017.	10-Q	000-17781	2.01	11/3/2017	
3.01	Amended and Restated Certificate of Incorporation of Symantec Corporation.	S-8	333-119872	4.01	10/21/2004	
3.02	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Symantec Corporation.	S-8	333-126403	4.03	7/6/2005	
3.03	Certificate of Amendment to Amended and Restated Certificate of Incorporation of Symantec Corporation.	10-Q	000-17781	3.01	8/5/2009	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.04	Certificate of Designations of Series A Junior Preferred Stock of Symantec Corporation dated June 25, 2015.	8-K	000-17781	3.01	6/26/2015	
3.05	Bylaws, as amended, of Symantec Corporation.	10-K	000-17781	3.05	5/19/2017	
4.01	Form of Common Stock Certificate.	S-3ASR	333-139230	4.07	12/11/2006	
4.02	Indenture, dated September 16, 2010, between Symantec Corporation and Wells Fargo Bank, National Association, as trustee.	8-K	000-17781	4.01	9/16/2010	
4.03	Form of Global Note for Symantec's 4.200% Senior Note due 2020 (contained in Exhibit No. 4.02 of Form 8-K).	8-K	000-17781	4.04	9/16/2010	
4.04	Form of Global Note for Symantec's 2.750% Senior Notes due 2017 (contained in Exhibit No. 4.02 of Form 8-K).	8-K	000-17781	4.03	6/14/2012	
4.05	Form of Global Note for Symantec's 3.950% Senior Notes due 2022 (contained in Exhibit No. 4.02 of Form 8-K).	8-K	000-17781	4.04	6/14/2012	
4.06	Indenture, dated as of March 4, 2016, by and between Symantec Corporation and Wells Fargo Bank, National Association, as trustee (including the form of 2.500% Convertible Senior Notes Due 2021).	8-K	000-17781	10.02	3/7/2016	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.07	Amendment Agreement, dated as of July 18, 2016, by and among Symantec Corporation, Symantec Operating Corporation, the Lenders and the New Term Lenders, Wells Fargo Bank, National Association, and JPMorgan Chase Bank, N.A.	10-Q	000-17781	4.02	8/5/2016	
4.08	Amended and Restated Credit Agreement, effective as of August 1, 2016, among Symantec Corporation, the lenders party thereto (the Lenders), Wells Fargo Bank, National Association, as Term Loan A-1/Revolver Administrative Agent and Swingline Lender, JPMorgan Chase Bank, N.A., as Term Loan A-2 Administrative Agent, JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Barclays Bank PLC, Citigroup Global Markets Inc., Wells Fargo Securities, LLC, Royal Bank of Canada and Mizuho Bank, Ltd., as Lead Arrangers and Joint Bookrunners in respect of the Term A-2 Facility, Barclays Bank PLC, Citibank, N.A., Wells Fargo Bank, National Association, Royal Bank of Canada, Mizuho Bank, Ltd. And TD Securities (USA) LLC, as Co-Documentation Agents in respect of the Term A-2 Facility, and Bank of America, N.A., as Syndication Agent in respect of Term A-2 Facility.	10-Q	000-17781	4.03	8/5/2016	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.09	Indenture, dated as of August 1, 2016, by and between Symantec Corporation and Wells Fargo Bank, National Association, as trustee (including the form of 2.00% Convertible Senior Note Due 2021).	10-Q	000-17781	4.04	8/5/2016	
4.10	Term Loan Agreement, dated as of August 1, 2016, among Symantec Corporation, JPMorgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., as Syndication Agent, and Barclays Bank PLC, Citibank, N.A., Wells Fargo Bank, National Association, Royal Bank of Canada, Mizuho Bank, Ltd., and TD Securities (USA) LLC, as Co-Documentation Agents, JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Bank, PLC, Citigroup Global Markets Inc., Wells Fargo Securities, LLC, Royal Bank of Canada and Mizuho Bank, Ltd., as Joint Lead Arrangers and Joint Bookrunners.	10-Q	000-17781	4.05	8/5/2016	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.11	Assignment and Assumption, dated October 3, 2016, to the Term Loan Agreement dated as of August 1, 2016, among Symantec Corporation, JPMorgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., as Syndication Agent, and Barclays Bank PLC, Citibank, N.A., Wells Fargo Bank, National Association, Royal Bank of Canada, Mizuho Bank, Ltd., and TD Securities (USA) LLC, as Co-Documentation Agents, JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Bank, PLC, Citigroup Global Markets Inc., Wells Fargo Securities, LLC, Royal Bank of Canada and Mizuho Bank, Ltd., as Joint Lead Arrangers and Joint Bookrunners.	10-Q	000-17781	4.01	2/3/2017	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.12	First Amendment, dated December 12, 2016, to the Term Loan Agreement, dated as of August 1, 2016, among Symantec Corporation, JPMorgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., as Syndication Agent, and Barclays Bank PLC, Citibank, N.A., Wells Fargo Bank, National Association, Royal Bank of Canada, Mizuho Bank, Ltd., and TD Securities (USA) LLC, as Co-Documentation Agents, JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Bank, PLC, Citigroup Global Markets Inc., Wells Fargo Securities, LLC, Royal Bank of Canada and Mizuho Bank, Ltd., as Joint Lead Arrangers and Joint Bookrunners.	10-Q	000-17781	4.02	2/3/2017	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Herewith
4.13	First Amendment, dated December 12, 2016, to the Credit Agreement, effective as of August 1, 2016, among Symantec Corporation, the lenders party thereto (the Lenders), Wells Fargo Bank, National Association, as Term Loan A-1/Revolver Administrative Agent and Swingline Lender, JPMorgan Chase Bank, N.A., as Term Loan A-2 Administrative Agent, JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Barclays Bank PLC, Citigroup Global Markets Inc., Wells Fargo Securities, LLC, Royal Bank of Canada and Mizuho Bank, Ltd., as Lead Arrangers and Joint Bookrunners in respect of the Term A-2 Facility, Barclays Bank PLC, Citibank, N.A., Wells Fargo Bank, National Association, Royal Bank of Canada, Mizuho Bank, Ltd. And TD Securities (USA) LLC, as Co-Documentation Agents in respect of the Term A-2 Facility, and Bank of America, N.A., as Syndication Agent in respect of Term A-2 Facility.	10-Q	000-17781	4.03	2/3/2017	
4.14	Base Indenture, dated as of February 9, 2017, between Symantec Corporation and Wells Fargo Bank, National Association, as trustee.	8-K	000-17781	4.01	2/9/2017	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.15	First Supplemental Indenture related to the 5% Senior Notes due 2025, dated as of February 9, 2017, between Symantec Corporation and Wells Fargo Bank, National Association, as trustee (including form of 5.00% Senior Note due 2025).	8-K	000-17781	4.02	2/9/2017	
10.01(*)	Form of Indemnification Agreement for Officers, Directors and Key Employees (form for agreements entered into between January 17, 2006 and March 6, 2016).	8-K	000-17781	10.01	1/23/2006	
10.02(*)	Form of Indemnification Agreement for Officers, Directors and Key Employees, as amended (form for agreements entered into after March 6, 2016).	8-K	000-17781	10.03	3/7/2016	
10.03(*)	Symantec Corporation Deferred Compensation Plan, restated and amended January 1, 2010, as adopted December 15, 2009.	10-K	000-17781	10.05	5/24/2010	
10.04(*)	Symantec Corporation 2000 Director Equity Incentive Plan, as amended.	10-Q	000-17781	10.01	11/1/2011	
10.05(*)	Vontu, Inc. 2002 Stock Option/Stock Issuance Plan, as amended.	10-K	000-17781	10.10	5/20/2016	
10.06(*)	Form of Vontu, Inc. Stock Option Agreement.	S-8	333-148107	99.03	12/17/2007	
10.07(*)	Symantec Corporation 2004 Equity Incentive Plan, as amended, including Stock Option Grant - Terms and Conditions, form of RSU Award Agreement, form of RSU Award Agreement for Non-Employee Directors and form of PRU Award Agreement.	10-K	000-17781	10.13	5/20/2016	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.08(*)	Symantec Corporation 2008 Employee Stock Purchase Plan, as amended.	10-K	000-17781	10.08	10/26/2018	
10.09(*)	Symantec Corporation 2013 Equity Incentive Plan, as amended.	8-K	000-17781	10.01	12/3/2018	
10.10(*)	Forms of award agreements under 2013 Equity Incentive Plan.	10-K	000-17781	10.10	10/26/2018	
10.11(*)	Blue Coat, Inc. 2016 Equity Incentive Plan, including forms of awards thereunder.	S-8	333-212847	99.01	8/2/2016	
10.12(*)	Batman Holdings, Inc. 2015 Amended and Restated Equity Incentive Plan, including form of Stock Option Agreement thereunder.	S-8	333-212847	99.02	8/2/2016	
10.13(*)	LifeLock, Inc. 2012 Incentive Compensation Plan and forms of option and restricted stock unit award agreements thereunder.	S-8	333-216132	99.02	2/17/2017	
10.14(*)	Skycure Ltd. Share Incentive Plan, including forms of awards thereunder.	S-8	333-219714	99.01	8/4/2017	
10.15(*)	Skycure Ltd. 2017 Equity Incentive Plan, including forms of awards thereunder.	S-8	333-219714	99.02	8/4/2017	
10.16(*)	Fireglass Ltd. 2015 Share Incentive Plan.	S-8	333-219714	99.03	8/4/2017	
10.17(*)	Symantec Senior Executive Incentive Plan, as amended and restated.	8-K	000-17781	10.03	10/25/2013	
10.18(*)	Symantec Corporation Executive Retention Plan, as amended and restated.	10-K	000-17781	10.18	10/26/2018	
10.19(*)	Symantec Corporation Executive Severance Plan.	10-K	000-17781	10.19	10/26/2018	
10.20(*)	Employment Letter dated as of June 12, 2016 by and between Gregory S. Clark, Symantec Corporation and Blue Coat, Inc.	10-Q	000-17781	10.03	8/5/2016	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.21(*)	Offer letter dated as of June 12, 2016 by and between Michael Fey and Symantec Corporation.	10-Q	000-17781	10.04	8/5/2016	
10.22(*)	Employment Offer letter, dated as of June 12, 2016, by and between Nicholas Noviello and Symantec Corporation.	8-K	000-17781	10.01	11/4/2016	
10.23(*)	FY19 Executive Annual Incentive Plan - Chief Executive Officer.	10-K	000-17781	10.25	10/26/2018	
10.24(*)	FY19 Executive Annual Incentive Plan - Senior Vice President and Executive Vice President.	10-K	000-17781	10.26	10/26/2018	
10.25(§§)	Assignment of Copyright and Other Intellectual Property Rights, by and between Peter Norton and Peter Norton Computing, Inc., dated August 31, 1990.	S-4	33-35385	10.37	6/13/1990	
10.26(†)	Environmental Indemnity Agreement, dated April 23, 1999, between Veritas and Fairchild Semiconductor Corporation, included as Exhibit C to that certain Agreement of Purchase and Sale, dated March 29, 1999, between Veritas and Fairchild Semiconductor of California.	S-1/A	333-83777	10.27	8/6/1999	
10.27	Amendment, dated June 20, 2007, to the Amended and Restated Agreement Respecting Certain Rights of Publicity dated as of August 31, 1990, by and between Peter Norton and Symantec Corporation.	10-Q	000-17781	10.01	8/7/2007	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.28	Amendment, effective December 6, 2010, to the Trademark License Agreement, dated August 9, 2010, by and between VeriSign, Inc. and Symantec Corporation.	10-Q	000-17781	10.01	2/2/2011	
10.29	Investment Agreement, dated as of February 3, 2016, by and among Symantec Corporation and Silver Lake Partners IV Cayman (AIV II), L.P.	8-K	000-17781	10.01	2/9/2016	
10.30	First Amendment to Investment Agreement, dated as of March 2, 2016, by and among Symantec Corporation and Silver Lake Partners IV Cayman (AIV II), L.P.	8-K	000-17781	10.01	3/7/2016	
10.31	Agreement between Symantec Corporation and Starboard Value LP.	8-K	000-17781	10.01	9/17/2018	
10.32	Second Amendment and Limited Waiver to Amended and Restated Credit Agreement dated as of June 22, 2018.	10-Q	000-17781	10.01	11/16/2018	
10.33	Second Amendment and Limited Waiver to Term Loan dated as of June 22, 2018.	10-Q	000-17781	10.02	11/16/2018	
10.34(*)	Separation Agreement and General Release of All Claims by and between Symantec Corporation and Michael Fey.	8-K	000-17781	10.01	11/29/2018	
10.35(*)	Symantec Corporation Offer Letter with Matthew Brown.	10-Q	000-17781	10.04	2/4/2019	
10.36(*)	Transition Services Agreement dated January 31, 2019 by and between Symantec Corporation and Nicholas Noviello.	10-Q	000-17781	10.05	2/4/2019	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Herewith
10.37(*)	Separation Agreement between Symantec Corporation and Gregory Clark dated May 7, 2019.	8-K	000-17781	10.01	5/9/2019	
10.38(*)	Offer Letter with Vincent Pilette dated April 26, 2019.	8-K	000-17781	10.02	5/9/2019	
21.01	Subsidiaries of Symantec Corporation.					X
23.01	Consent of Independent Registered Public Accounting Firm.					X
24.01	Power of Attorney (see Signature page to this annual report).					X
31.01	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.02	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.01(††)	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.02(††)	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Schema Linkbase Document					X
101.CAL	XBRL Taxonomy Calculation Linkbase Document					X
101.LAB	XBRL Taxonomy Labels Linkbase Document					X
101.PRE	XBRL Taxonomy Presentation Linkbase Document					X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
101.DEF	XBRL Taxonomy Definition Linkbase Document					X

* Indicates a management contract, compensatory plan or arrangement.

** Filed by LifeLock, Inc.

§ The exhibits and schedules to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally copies of any such exhibits and schedules to the SEC upon request.

§§ Paper filing.

† Filed by Veritas Software Corporation.

†† This exhibit is being furnished, rather than filed, and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

Item 16. *Form 10-K Summary*

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, in the City of Mountain View, State of California, on the 24th day of May 2019.

SYMANTEC CORPORATION

By: /s/ Richard S. Hill

Richard S. Hill
Interim President and Chief Executive Officer and Director

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Richard S. Hill, Vincent Pilette, Nicholas R. Noviello, and Scott C. Taylor, and each or any of them, his or her attorneys-in-fact, each with the power of substitution, for him or her in any and all capacities to sign any and all amendments to this report on Form 10-K and any other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated below.

Signature	Title	Date
/s/ Richard S. Hill Richard S. Hill	Interim President and Chief Executive Officer and Director (Principal Executive Officer)	May 24, 2019
/s/ Nicholas R. Noviello Nicholas R. Noviello	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	May 24, 2019
/s/ Matthew Brown Matthew Brown	Vice President, Finance and Chief Accounting Officer (Principal Accounting Officer)	May 24, 2019
/s/ Daniel H. Schulman Daniel H. Schulman	Chairman of the Board	May 24, 2019
/s/ Sue Barsamian Sue Barsamian	Director	May 24, 2019
/s/ Frank E. Dangeard Frank E. Dangeard	Director	May 24, 2019
/s/ Peter A. Feld Peter A. Feld	Director	May 24, 2019

Signature	Title	Date
/s/ Dale L. Fuller Dale L. Fuller	Director	May 24, 2019
/s/ Kenneth Y. Hao Kenneth Y. Hao	Director	May 24, 2019
/s/ David W. Humphrey David W. Humphrey	Director	May 24, 2019
/s/ David L. Mahoney David L. Mahoney	Director	May 24, 2019
/s/ Anita M. Sands Anita M. Sands	Director	May 24, 2019
/s/ V. Paul Unruh V. Paul Unruh	Director	May 24, 2019
/s/ Suzanne M. Vautrinot Suzanne M. Vautrinot	Director	May 24, 2019

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2019 Corporate Information

BOARD OF DIRECTORS

Daniel H. Schulman
Chairman of the Board, NortonLifeLock President and CEO, PayPal Holdings, Inc.

Sue Barsamian
Former Executive Vice President, Chief Sales and Marketing Officer Micro Focus International plc

Frank E. Dangeard
Managing Partner, Harcourt

Peter A. Feld
Partner, Managing Member and Head of Research, Starboard Value LP

Dale L. Fuller
Operating Partner, The Riverside Company

Kenneth Y. Hao
Managing Partner and Managing Director, Silver Lake Partners

Richard S. Hill
Interim President and CEO

David W. Humphrey
Managing Director, Bain Capital

David L. Mahoney
Former Co-Chief Executive Officer McKesson HBOC, Inc. and Former Chief Executive Officer, iMcKesson LLC

Anita M. Sands
Former Group Managing Director, Head of Change Leadership at UBS Wealth Management Americas

V. Paul Unruh
Former Chief Financial Officer and Vice Chairman Bechtel Group, Inc.

Suzanne M. Vautrinot
President, Kilovolt Consulting Inc.

* Effective November 8, 2019.

EXECUTIVE MANAGEMENT

Vincent Pilette
Chief Executive Officer*

Matthew Brown
Vice President and Interim Chief Financial Officer*

Amy L. Cappellanti-Wolf
Senior Vice President and Chief Human Resources Officer

Samir Kapuria
President*

Scott C. Taylor
Executive Vice President, General Counsel and Secretary

Hugh Thompson
Senior Vice President and Chief Technology Officer

ANNUAL MEETING

The Annual Meeting will be held on Thursday, December 19, 2019 at 9:00 a.m. PT live via webcast at www.virtualshareholder meeting.com/NLOK2019.

Stock Exchange Listing
NortonLifeLock's common stock is traded on the NASDAQ exchange under the Symbol "NLOK."

Transfer Agent
Computershare
P.O. Box 30170
College Station, TX
77842-3170
www.computershare.com
(877) 282-1168 or
(781) 575-2879

Investor Relations
Investor inquiries may be directed to:
Cynthia Hiponia
Investor Relations
60 E. Rio Salado Parkway,
Suite 1000
Tempe, Arizona 85281
(650) 527-8020
Cynthia_Hiponia@symantec.com
investor.nortonlifelock.com

Annual Report on Form 10-K
A copy of our Form 10-K, including exhibits, for the period ended March 29, 2019, as filed with the Securities and Exchange Commission, is available without charge upon request or can be accessed at: investor.nortonlifelock.com

Independent Auditors
KPMG LLP
Mission Towers I, Suite 100
3975 Freedom Circle Drive
Santa Clara, CA 9

NortonLifeLock™

(formerly Symantec Corporation)

60 E. Rio Salado Parkway, Suite 1000
Tempe, Arizona 85281

www.nortonlifelock.com