

ENVESTNET, INC.  
Form S-4/A  
October 13, 2015

Use these links to rapidly review the document

[Table of Contents](#)

[INDEX TO CONSOLIDATED FINANCIAL STATEMENTS OF YODLEE, INC.](#)

[TABLE OF CONTENTS](#)

[Table of Contents](#)

As filed with the Securities and Exchange Commission on October 13, 2015

Registration No. 333-206863

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

AMENDMENT NO. 1  
TO

**FORM S-4**  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**ENVESTNET, INC.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**7389**  
(Primary Standard Industrial  
Classification Code Number)  
**35 East Wacker Drive, Suite 2400**  
**Chicago, Illinois 60601**  
**(312) 827-2800**

**20-1409613**  
(IRS Employer  
Identification No.)

(Address, including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

**Shelly O'Brien, Esq.**  
**General Counsel**  
**Envestnet, Inc.**  
**35 East Wacker Drive, Suite 2400**  
**Chicago, Illinois 60601**  
**(312) 827-2800**

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

With a copy to:

**Edward S. Best, Esq.**  
**Mayer Brown LLP**

**Chad A. Wiechers, Esq.**  
**Senior Vice President and General Counsel**

**Chris F. Fennell, Esq.**  
**Robert T. Ishii, Esq.**

Edgar Filing: ENVESTNET, INC. - Form S-4/A

71 South Wacker Drive  
Chicago, Illinois 60606  
(312) 782-0600

Yodlee, Inc.  
3600 Bridge Parkway, Suite 200  
Redwood City, California 94065  
(650) 980-3600

Wilson Sonsini Goodrich & Rosati,  
Professional Corporation  
650 Page Mill Road  
Palo Alto, CA 94304  
(650) 493-9300

**Approximate date of commencement of proposed sale of the securities to the public:**  
As soon as practicable after this registration statement is declared effective and upon completion of the merger described in the proxy statement/prospectus contained herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Securities Act"), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

Large accelerated filer:  Accelerated filer:  Non-accelerated filer:  Smaller reporting company:   
(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**CALCULATION OF REGISTRATION FEE**

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price(1)	Amount of registration fee(2)
Common Stock, par value \$0.005 per share	6,114,500	N/A	\$176,637,394.55	\$20,525.27

(1) Calculated in accordance with Rules 457(c), 457(f)(1) and 457(f)(3) promulgated under the Securities Act and solely for the purpose of calculating the registration fee.

(2) Previously paid in connection with the initial filing of this registration statement on September 10, 2015.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the SEC acting pursuant to said section 8(a) may determine.**

Table of Contents

**Information contained herein is subject to completion or amendment. A registration statement relating to the Envestnet common stock to be issued in the merger has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.**

**PRELIMINARY PROXY STATEMENT/PROSPECTUS  
DATED OCTOBER 13, 2015, SUBJECT TO COMPLETION**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Stockholders of Yodlee, Inc.:

As previously announced, on August 10, 2015, Yodlee, Inc., a Delaware corporation ("Yodlee"), entered into an Agreement and Plan of Merger (as it may be amended from time to time, the "merger agreement") with Envestnet, Inc., a Delaware corporation ("Envestnet"), and Yale Merger Corp., a Delaware corporation and a wholly owned subsidiary of Envestnet ("Merger Sub"), pursuant to which Merger Sub will merge with and into Yodlee (the "merger") and the separate corporate existence of Merger Sub will cease and Yodlee will become a wholly owned subsidiary of Envestnet. If the merger is consummated, Yodlee will no longer be a publicly held corporation.

The merger requires the approval of the holders of a majority of the outstanding shares of Yodlee's common stock, par value \$0.001 ("Yodlee common stock"). We are asking you to vote to adopt the merger agreement. If the merger agreement is adopted and the merger is completed, each share of Yodlee common stock (other than (i) shares of Yodlee common stock as to which the holders thereof have properly exercised appraisal for such shares in accordance with Section 262 of the Delaware General Corporation Law (the "DGCL") and (ii) shares of Yodlee common stock owned by Yodlee as treasury stock or owned by Envestnet or any direct or indirect wholly owned subsidiary of Envestnet) will be converted into the right to receive (i) \$10.78 in cash and (ii) the number of validly issued, fully paid and non-assessable shares of Envestnet common stock, par value \$0.005 ("Envestnet common stock"), as set forth in the merger agreement and described in this proxy statement/prospectus.

Your vote is very important. The record date for determining the stockholders entitled to receive notice of, and to vote at, the special meeting of Yodlee stockholders (the "Yodlee special meeting") to consider the proposals set forth in this proxy statement/prospectus is October 12, 2015. We cannot complete the merger unless Yodlee stockholders holding a majority of the outstanding shares of Yodlee common stock as of the close of business on the record date vote in favor of the adoption of the merger agreement at the Yodlee special meeting. Whether or not you expect to attend the Yodlee special meeting in person, if you are the record holder of shares of Yodlee common stock, we urge you to submit a proxy to vote your shares as promptly as possible by either: (1) logging onto the website provided on your proxy card and following the instructions; (2) dialing the phone number on your proxy card and listening for further directions; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Yodlee special meeting. If your shares are held in the name of a bank, brokerage firm or other nominee, please follow the instructions on the voting instruction card furnished by the record holder, as appropriate.

In addition, at the Yodlee special meeting you also will be asked to approve the adjournment of the Yodlee special meeting under certain circumstances.

**The Yodlee Board of Directors (the "Yodlee Board") has unanimously (i) determined that the terms of the merger agreement and transactions contemplated by the merger agreement, including the merger, are fair to and in the best interests of Yodlee and its stockholders, (ii) declared the advisability of the merger agreement, (iii) approved the merger agreement and transactions contemplated by the merger agreement, including the merger, upon the terms and subject to the conditions therein, (iv) recommended that Yodlee's stockholders adopt the merger agreement in accordance with the DGCL, and (v) directed that the adoption of the merger agreement be submitted for consideration of Yodlee's stockholders at a meeting duly called and held for such purpose. The Yodlee Board unanimously recommends that Yodlee stockholders vote "FOR" each of the proposals set forth above.**

The obligations of Envestnet and Yodlee to complete the merger are subject to the satisfaction or waiver of several conditions set forth in the merger agreement. More information about Envestnet, Yodlee, the merger agreement and the transactions contemplated thereby, including the merger, is contained in this proxy statement/prospectus.

Edgar Filing: ENVESTNET, INC. - Form S-4/A

**For a discussion of risk factors that you should consider in evaluating the merger, see the section entitled "Risk Factors" beginning on page 62 of this proxy statement/prospectus.** The market price of Envestnet common stock will continue to fluctuate following the date of the Yodlee special meeting. Consequently, at the time of the Yodlee special meeting, the value of the stock consideration will not yet be determined.

We urge you to read the attached proxy statement/prospectus carefully and in its entirety.

Sincerely,

Anil Arora  
*President, Chief Executive Officer  
and Chairman of the Board of Directors  
Yodlee, Inc.*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined that this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

This proxy statement/prospectus is dated October 13, 2015, and is first being mailed to Yodlee stockholders on or about October 21, 2015.

---

Table of Contents

**YODLEE, INC.**  
**3600 Bridge Parkway, Suite 200**  
**Redwood City, CA 94065**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**  
**To Be Held On November 19, 2015**

Dear Stockholders of Yodlee, Inc.:

Envestnet, Inc., a Delaware corporation ("Envestnet"), Yale Merger Corp., a Delaware corporation and a wholly owned subsidiary of Envestnet ("Merger Sub"), and Yodlee, Inc., a Delaware corporation ("Yodlee"), have entered into an Agreement and Plan of Merger, pursuant to which Merger Sub will merge with and into Yodlee (the "merger") and the separate corporate existence of Merger Sub will cease and Yodlee will become a wholly owned subsidiary of Envestnet. We are pleased to invite you to attend a special meeting of stockholders of Yodlee (the "Yodlee special meeting") that is being held in connection with the merger. The Yodlee special meeting will be held at Yodlee's principal executive offices located at 3600 Bridge Parkway, Suite 200, Redwood City, CA 94065 on November 19, 2015, at 10:00 a.m., California time, to consider and vote upon the following matters:

a proposal to adopt the Agreement and Plan of Merger, dated as of August 10, 2015 (as it may be amended from time to time, the "merger agreement"), by and among Envestnet, Merger Sub and Yodlee, a copy of which is included as **Appendix A** to the proxy statement/prospectus of which this notice forms a part; and

a proposal to adjourn the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of such adjournment to approve such proposal.

Yodlee stockholders will have the right to receive merger consideration upon completion of the merger for each of their shares of Yodlee common stock, par value \$0.001 ("Yodlee common stock"), in the form of cash and shares of Envestnet common stock, par value \$0.005 ("Envestnet common stock"). However, because the value of the merger consideration will fluctuate with the market price of Envestnet common stock, Yodlee stockholders will not know at the time that they vote on the adoption of the merger agreement the number of shares of Envestnet common stock they will receive in the merger.

Completion of the merger is conditioned on, among other things, adoption of the merger agreement by Yodlee stockholders. It is the parties' expectation that, subject to the satisfaction of the conditions to the closing of the merger, the merger will be consummated within three business days following the Yodlee special meeting. However, it is possible that factors outside the control of Envestnet and Yodlee could result in the closing of the merger being completed a substantial amount of time after the date on which the Yodlee special meeting is held.

Yodlee will transact no other business at the Yodlee special meeting except such business as may properly be brought before the Yodlee special meeting or any adjournment or postponement thereof. Please refer to the proxy statement/prospectus of which this notice forms a part for further information with respect to the business to be transacted at the Yodlee special meeting.

The Yodlee Board has unanimously (i) determined that the terms of the merger agreement and transactions contemplated by the merger agreement, including the merger, are fair to and in the best interests of Yodlee and its stockholders, (ii) declared the advisability of the merger agreement, (iii) approved the merger agreement and transactions contemplated by the merger agreement, including the merger, upon the terms and subject to the conditions therein, (iv) recommended that Yodlee's stockholders adopt the merger agreement in accordance with the Delaware General Corporation Law and (v) directed that the adoption of the merger agreement be submitted for consideration of Yodlee's

---

Table of Contents

stockholders at a meeting duly called and held for such purpose. The Yodlee Board unanimously recommends that Yodlee stockholders vote "FOR" each of the proposals set forth above.

The Yodlee Board has fixed the close of business on October 12, 2015 as the record date for determination of Yodlee stockholders entitled to receive notice of, and to vote at, the Yodlee special meeting or any adjournments thereof. Only holders of record of Yodlee common stock at the close of business on the record date are entitled to receive notice of, and to vote at, the Yodlee special meeting. A list of the names of Yodlee stockholders of record will be available for ten days prior to the Yodlee special meeting for any purpose germane to the Yodlee special meeting between the regular business hours of 9:00 a.m. and 5:00 p.m., California time, at Yodlee's headquarters, 3600 Bridge Parkway, Suite 200, Redwood City, CA 94065. The Yodlee stockholder list will also be available at the Yodlee special meeting during the whole time thereof for examination by any stockholder present at such meeting.

Adoption of the merger agreement requires the affirmative vote of holders of a majority of the outstanding shares of Yodlee common stock as of the record date for the Yodlee special meeting. Approval of the proposal to adjourn the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of such adjournment to approve such proposal requires the affirmative vote of the holders of a majority of the shares of Yodlee common stock entitled to vote at the Yodlee special meeting and present in person or represented by proxy.

Your vote is very important. Whether or not you expect to attend the Yodlee special meeting in person, if you are the record holder of shares of Yodlee common stock, we urge you to submit a proxy to vote your shares as promptly as possible by either: (1) logging onto the website provided on your proxy card and following the instructions; (2) dialing the phone number on your proxy card and listening for further directions; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Yodlee special meeting. If your shares are held in the name of a bank, brokerage firm or other nominee, please follow the instructions on the voting instruction card furnished by the record holder, as appropriate.

The enclosed proxy statement/prospectus provides a detailed description of the merger and the merger agreement. We urge you to read carefully and in their entirety the proxy statement/prospectus of which this notice forms a part, including any documents incorporated by reference, and the Appendices. **In particular, we urge you to carefully read the section entitled "Risk Factors" beginning on page 62 of the attached proxy statement/prospectus.** If you have any questions concerning the merger or this proxy statement/prospectus, would like additional copies or need help voting your shares of Yodlee common stock, please contact Yodlee's proxy solicitor:

Innisfree M&A Incorporated  
501 Madison Avenue, 20th floor  
New York, New York 10022  
Shareholders may call toll free: (888) 750-5834  
Banks and Brokers may call collect: (212) 750-5833

By Order of the Board of Directors of Yodlee, Inc.,

Anil Arora  
*President, Chief Executive Officer and Chairman of the Board of Directors*

Redwood City, California

October 21, 2015

---

Table of Contents

**Table of Contents**

	<b>Page</b>
<u>ABOUT THIS DOCUMENT</u>	<u>1</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>1</u>
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	<u>2</u>
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>3</u>
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE YODLEE SPECIAL MEETING</u>	<u>6</u>
<u>SUMMARY</u>	<u>16</u>
<u>The Companies</u>	<u>16</u>
<u>The Merger</u>	<u>17</u>
<u>The Merger Agreement</u>	<u>17</u>
<u>Effects of the Merger</u>	<u>17</u>
<u>Consideration to be Received in the Merger</u>	<u>17</u>
<u>Treatment of Yodlee Equity Awards</u>	<u>18</u>
<u>The Voting Agreement</u>	<u>19</u>
<u>Recommendation of the Yodlee Board</u>	<u>20</u>
<u>Opinion of Yodlee's Financial Advisor</u>	<u>20</u>
<u>Interests of Yodlee's Directors and Executive Officers in the Merger</u>	<u>20</u>
<u>Regulatory Clearances Required for the Merger</u>	<u>20</u>
<u>Effective Time and Completion of the Merger</u>	<u>21</u>
<u>Conditions to Completion of the Merger</u>	<u>21</u>
<u>No Solicitation</u>	<u>23</u>
<u>Termination of the Merger Agreement</u>	<u>23</u>
<u>Expenses and Termination Fees; Liability for Breach</u>	<u>24</u>
<u>Accounting Treatment</u>	<u>24</u>
<u>Appraisal Rights</u>	<u>25</u>
<u>Litigation Related to the Merger</u>	<u>25</u>
<u>Listing of Envestnet Shares</u>	<u>25</u>
<u>Delisting and Deregistration of Shares of Yodlee Common Stock</u>	<u>25</u>
<u>Material United States Federal Income Tax Consequences</u>	<u>26</u>
<u>The Yodlee Special Meeting</u>	<u>26</u>
<u>Comparison of Stockholders' Rights</u>	<u>27</u>
<u>Dividends</u>	<u>27</u>
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ENVESTNET</u>	<u>28</u>
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF YODLEE</u>	<u>30</u>
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	<u>33</u>
<u>COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION</u>	<u>58</u>
<u>Comparative Per Share Market Price Information</u>	<u>58</u>
<u>Comparative Stock Prices and Dividends</u>	<u>59</u>
<u>COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA</u>	<u>60</u>
<u>RISK FACTORS</u>	<u>62</u>
<u>Risks Relating to the Merger</u>	<u>62</u>
<u>Risks Relating to the Combined Company Upon Completion of the Merger</u>	<u>66</u>
<u>Risks Relating to Envestnet's Business</u>	<u>68</u>
<u>Risks Relating to Yodlee's Business</u>	<u>68</u>
<u>INFORMATION ABOUT THE COMPANIES</u>	<u>91</u>
<u>Envestnet</u>	<u>91</u>
<u>Yodlee</u>	<u>91</u>
<u>Yale Merger Corp.</u>	<u>92</u>

Table of Contents

	<b>Page</b>
<u>THE YODLEE SPECIAL MEETING</u>	<u>92</u>
<u>Date, Time and Place</u>	<u>92</u>
<u>Purpose of the Yodlee Special Meeting</u>	<u>92</u>
<u>Recommendation of the Yodlee Board</u>	<u>92</u>
<u>Yodlee Record Date; Stockholders Entitled to Vote</u>	<u>93</u>
<u>The Voting Agreement</u>	<u>93</u>
<u>Quorum</u>	<u>93</u>
<u>Required Vote</u>	<u>94</u>
<u>Failures to Vote, Broker Non-Votes and Abstentions</u>	<u>94</u>
<u>Voting at the Yodlee Special Meeting</u>	<u>94</u>
<u>Voting in Person</u>	<u>95</u>
<u>Voting by Proxy</u>	<u>95</u>
<u>How Proxies Are Counted</u>	<u>96</u>
<u>Revocation of Proxies</u>	<u>96</u>
<u>Solicitation of Proxies</u>	<u>96</u>
<u>Adjournments or Postponements</u>	<u>97</u>
<u>YODLEE PROPOSALS</u>	<u>97</u>
<u>Yodlee Proposal 1: Adoption of the Merger Agreement</u>	<u>97</u>
<u>Yodlee Proposal 2: Adjournment of the Yodlee Special Meeting</u>	<u>98</u>
<u>THE MERGER</u>	<u>98</u>
<u>Effects of the Merger</u>	<u>98</u>
<u>Background of the Merger</u>	<u>99</u>
<u>Recommendation of the Yodlee Board; Yodlee's Reasons for the Merger</u>	<u>106</u>
<u>Opinion of Yodlee's Financial Advisor</u>	<u>111</u>
<u>Certain Yodlee Prospective Financial Information</u>	<u>122</u>
<u>Interests of Yodlee's Directors and Officers in the Merger</u>	<u>126</u>
<u>Envestnet's Reasons for the Merger</u>	<u>135</u>
<u>Regulatory Clearances Required for the Merger</u>	<u>137</u>
<u>Dividends</u>	<u>138</u>
<u>Listing of Envestnet Shares</u>	<u>138</u>
<u>Delisting and Deregistration of Yodlee Common Stock</u>	<u>138</u>
<u>Accounting Treatment</u>	<u>138</u>
<u>Financing of the Merger</u>	<u>138</u>
<u>Appraisal Rights</u>	<u>139</u>
<u>Litigation Related to the Merger</u>	<u>143</u>
<u>Restrictions on the Shares of Envestnet Common Stock Received in the Merger</u>	<u>144</u>
<u>THE MERGER AGREEMENT</u>	<u>145</u>
<u>Terms of the Merger</u>	<u>145</u>
<u>Effective Time and Completion of the Merger</u>	<u>145</u>
<u>Consideration to be Received in the Merger</u>	<u>146</u>
<u>Adjustment to Merger Consideration</u>	<u>147</u>
<u>Fractional Shares</u>	<u>147</u>
<u>Conversion of Shares; Exchange of Certificates</u>	<u>148</u>
<u>Exchange of Certificates</u>	<u>148</u>
<u>Withholding</u>	<u>148</u>
<u>Treatment of Yodlee Equity Awards</u>	<u>149</u>
<u>Yodlee Special Meeting</u>	<u>150</u>
<u>Representations and Warranties</u>	<u>150</u>
<u>Conduct of Business</u>	<u>153</u>
<u>No Solicitation</u>	<u>156</u>



Table of Contents

	<b>Page</b>
<u>The Yodlee Board's Recommendation</u>	<u>157</u>
<u>Indemnification and Insurance</u>	<u>158</u>
<u>Employee Benefit Plans</u>	<u>159</u>
<u>Reasonable Best Efforts</u>	<u>160</u>
<u>Other Covenants and Agreements</u>	<u>161</u>
<u>Conditions to Completion of the Merger</u>	<u>161</u>
<u>Termination of the Merger Agreement</u>	<u>163</u>
<u>Expenses and Termination Fees; Liability for Breach</u>	<u>164</u>
<u>Specific Performance</u>	<u>165</u>
<u>THE VOTING AGREEMENT</u>	<u>165</u>
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES</u>	<u>166</u>
<u>U.S. Holders</u>	<u>167</u>
<u>Non-U.S. Holders</u>	<u>167</u>
<u>CERTAIN BENEFICIAL OWNERS OF YODLEE COMMON STOCK</u>	<u>169</u>
<u>DESCRIPTION OF ENVESTNET CAPITAL STOCK</u>	<u>172</u>
<u>COMPARISON OF STOCKHOLDERS' RIGHTS</u>	<u>175</u>
<u>DESCRIPTION OF YODLEE'S BUSINESS</u>	<u>181</u>
<u>YODLEE'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>202</u>
<u>FUTURE STOCKHOLDER PROPOSALS</u>	<u>229</u>
<u>Envestnet</u>	<u>229</u>
<u>Yodlee</u>	<u>229</u>
<u>LEGAL MATTERS</u>	<u>230</u>
<u>EXPERTS</u>	<u>230</u>
<u>OTHER MATTERS</u>	<u>231</u>
<u>HOUSEHOLDING OF PROXY STATEMENT/PROSPECTUS</u>	<u>231</u>
<u>Appendix A</u>	<u>A-1</u>
<u>Appendix B</u>	<u>B-1</u>
<u>Appendix C</u>	<u>C-1</u>
<u>Appendix D</u>	<u>D-1</u>

Table of Contents

**ABOUT THIS DOCUMENT**

This document, which forms part of a Registration Statement on Form S-4 filed by Envestnet, Inc., a Delaware corporation ("Envestnet") with the Securities and Exchange Commission (the "SEC"), constitutes a prospectus of Envestnet under Section 5 of the Securities Act of 1933, as amended (the "Securities Act"), with respect to the shares of Envestnet common stock, par value \$0.005 per share ("Envestnet common stock"), to be issued to Yodlee (defined below) stockholders pursuant to the Agreement and Plan of Merger, dated as of August 10, 2015 (as it may be amended from time to time, the "merger agreement"), by and among Envestnet, Yale Merger Corp., a Delaware corporation and a wholly owned subsidiary of Envestnet ("Merger Sub"), and Yodlee, Inc., a Delaware corporation ("Yodlee"), pursuant to which Merger Sub will merge with and into Yodlee (the "merger") and the separate corporate existence of Merger Sub will cease and Yodlee will become a wholly owned subsidiary of Envestnet. This document also constitutes a proxy statement of Yodlee under Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), with respect to the Yodlee special meeting (the "Yodlee special meeting") at which Yodlee stockholders will be asked to vote upon, among other things, the proposal to adopt the merger agreement.

You should rely only on the information contained or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. You should not assume that the information contained in, or incorporated by reference into, this proxy statement/prospectus is accurate as of any date other than the date of this proxy statement/prospectus or the date of the SEC filing incorporated by reference herein, as applicable. Neither the mailing of this proxy statement/prospectus to Yodlee stockholders nor the issuance by Envestnet of Envestnet common stock in connection with the merger will create any implication to the contrary.

**This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this proxy statement/prospectus regarding Envestnet has been provided by Envestnet and information contained in this proxy statement/prospectus regarding Yodlee has been provided by Yodlee.**

*All references in this proxy statement/prospectus to "Envestnet" refer to Envestnet, Inc., a Delaware corporation, and, unless the context otherwise requires, to its affiliates (which do not include Yodlee); all references in this proxy statement/prospectus to "Yodlee" or the "Company" refer to Yodlee, Inc., a Delaware corporation, and, unless the context otherwise requires, to its affiliates (which do not include Envestnet); all references in this proxy statement/prospectus to "Merger Sub" refer to Yale Merger Corp., a Delaware corporation and a wholly owned subsidiary of Envestnet; and unless otherwise indicated or as the context requires, all references in this proxy statement/prospectus to "we," "us," and "our" refer to Envestnet and Yodlee, collectively.*

**WHERE YOU CAN FIND MORE INFORMATION**

Both Envestnet and Yodlee file annual, quarterly and current reports, proxy statements and other business and financial information with the SEC. You may read and copy any materials that either Envestnet or Yodlee files with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 ((800) 732-0330) for further information on the Public Reference Room. In addition, Envestnet and Yodlee file reports and other business and financial information with the SEC electronically, and the SEC maintains a website located at <http://www.sec.gov> containing this information. You will also be able to obtain these documents, free of charge, from Envestnet at <http://www.envestnet.com> under the "Investor Relations" link and then under the link "SEC Filings," or from Yodlee by accessing Yodlee's website at

Table of Contents

<http://www.yodlee.com> under the "Investor Relations" link and then under the link "Financials & Filings." The information contained on, or that may be accessed through, Envestnet's and Yodlee's websites is not incorporated by reference into, and is not a part of, this proxy statement/prospectus.

Envestnet has filed a registration statement on Form S-4 of which this proxy statement/prospectus forms a part with respect to the Envestnet common stock to be issued in the merger. This proxy statement/prospectus constitutes the prospectus of Envestnet filed as part of the registration statement. As permitted by SEC rules, this proxy statement/prospectus does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits in the SEC's reading room at the address set forth above. Statements contained in this proxy statement/prospectus as to the contents of any contract or other documents referred to in this proxy statement/prospectus are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This proxy statement/prospectus incorporates by reference certain documents that Envestnet has previously filed with the SEC and documents that Envestnet and Yodlee may file with the SEC after the date of this proxy statement/prospectus and prior to the date of the Yodlee special meeting. These documents contain important information about Envestnet and Yodlee and their financial condition. See the section entitled "Incorporation of Certain Documents by Reference" of this proxy statement/prospectus. These documents are available without charge to you upon written or oral request to Envestnet or Yodlee at the following address or phone number:

Envestnet, Inc.  
35 East Wacker Drive, Suite 2400  
Chicago, Illinois 60601  
(312) 827-2800  
Attn: Investor Relations  
Email: [investor.relations@envestnet.com](mailto:investor.relations@envestnet.com)

Yodlee, Inc.  
3600 Bridge Parkway, Suite 200  
Redwood City, California 94065  
(650) 980-3600  
Attn: Investor Relations  
Email: [IR@yodlee.com](mailto:IR@yodlee.com)

In addition, if you have questions about the merger or the Yodlee special meeting, or if you need to obtain copies of the accompanying proxy statement/prospectus, proxy cards or other documents incorporated by reference in this proxy statement/prospectus, you may contact the appropriate contact listed below. You will not be charged for any of the documents you request.

Innisfree M&A Incorporated  
501 Madison Avenue, 20th floor  
New York, New York 10022  
Shareholders may call toll free: (888) 750-5834  
Banks and Brokers may call collect: (212) 750-5833

**To obtain timely delivery of these documents before the Yodlee special meeting, you must request the information no later than November 12, 2015.**

Envestnet common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "ENV," and Yodlee common stock, par value \$0.001 per share ("Yodlee common stock"), is traded on the Nasdaq Global Select Market ("NASDAQ") under the symbol "YDLE."

**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

The SEC allows Envestnet and Yodlee to incorporate certain information into this proxy statement/prospectus by reference to other information that has been filed with the SEC. The information incorporated by reference is deemed to be part of this proxy statement/prospectus, except for any information that is superseded by information in this proxy statement/prospectus. The documents that are incorporated by reference contain important information about Envestnet and

## Edgar Filing: ENVESTNET, INC. - Form S-4/A

### Table of Contents

Yodlee and you should read this proxy statement/prospectus together with any other documents incorporated by reference in this proxy statement/prospectus.

This proxy statement/prospectus incorporates by reference the following documents that have previously been filed with the SEC by Envestnet (File No. 001-34835):

Annual Report on Form 10-K for the year ended December 31, 2014;

Quarterly Report on Form 10-Q for the quarters ended March 31, 2015 and June 30, 2015;

Definitive Proxy Statement on Schedule 14A for the annual meeting of stockholders on May 13, 2015 and filed on April 13, 2015 (only those portions incorporated by reference in Envestnet's Form 10-K);

Current Reports on Form 8-K filed on February 10, 2015, as amended on February 11, 2015, May 6, 2015, May 15, 2015 and August 10, 2015 (Items 1.01, 7.01 and 9.01);

Current Report on Form 8-K/A filed on December 5, 2014 (Exhibit 99.1 only);

Unaudited condensed consolidated financial statements for the nine months ended September 30, 2014 and 2013 of Placemark Holdings, Inc. and subsidiary filed as Exhibit 99.3 to the registration statement of which this proxy statement/prospectus is a part; and

The description of Envestnet common stock contained in the Registration Statement on Form 8-A filed on July 28, 2010, including any amendments or reports filed for the purposes of updating such description.

In addition, Envestnet and Yodlee are incorporating by reference any documents they may file under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this proxy statement/prospectus and prior to the date of the Yodlee special meeting; provided, however, that Envestnet and Yodlee are not incorporating by reference any information furnished (but not filed), except as otherwise specified herein.

### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement/prospectus and the documents incorporated by reference contain forward-looking statements regarding future events and Envestnet's and Yodlee's future results within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, in particular, statements about Envestnet's and Yodlee's plans, objectives, strategies and prospects. These statements are based on Envestnet's and Yodlee's current expectations and projections about future events and are identified by terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "expected," "intend," "will," "may," or "should" or the negative of those terms or variations of such words, and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of Envestnet's future or Yodlee's financial performance, Envestnet's or Yodlee's anticipated growth and trends in Envestnet's or Yodlee's business and other characteristics of future events or circumstances are forward-looking statements. Forward-looking statements could be affected by factors, including, without limitation:

the risk that Yodlee stockholders may fail to approve the proposal to adopt the merger agreement,

the risk that required governmental approvals for the merger will not be obtained,

Edgar Filing: ENVESTNET, INC. - Form S-4/A

the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement or the failure to satisfy the closing conditions of the merger agreement,

Table of Contents

the risk that Envestnet and Yodlee will be unable to consummate the merger on the terms set forth in the merger agreement for any reason,

Envestnet's and Yodlee's inability to accurately predict market needs, failure to achieve solution wins with customers or the market's failure to accept Envestnet's and Yodlee's new products and technologies,

fluctuations in Envestnet's and Yodlee's operating results, which may be influenced by, among other things, changes in financial services industry conditions,

Envestnet's and Yodlee's ability to retain key employees and customers and suppliers,

difficulty in sustaining rapid revenue growth, which may place significant demands on Envestnet's and Yodlee's administrative, operational and financial resources,

fluctuations in Envestnet's and Yodlee's revenue,

the concentration of nearly all of Envestnet's revenues from the delivery of investment solutions and services to clients in the financial advisory industry,

the impact of market and economic conditions on Envestnet's or Yodlee's revenues,

Envestnet's reliance on a limited number of clients for a material portion of its revenue,

the renegotiation of fee percentages or termination of Envestnet's or Yodlee's services by its clients,

Envestnet's and Yodlee's ability to identify potential acquisition candidates, complete acquisitions and successfully integrate acquired companies, including the merger,

compliance failures,

regulatory actions against Envestnet or Yodlee's,

the failure to protect Envestnet's or Yodlee's intellectual property rights,

Envestnet's inability to successfully execute the conversion of its clients' assets from their technology platform to Envestnet's technology platform in a timely and accurate manner,

general economic conditions, political and regulatory conditions,

## Edgar Filing: ENVESTNET, INC. - Form S-4/A

the impact of fluctuations in interest rates on Envestnet's business,

fluctuations in labor relations, competitive actions taken by other financial services businesses or other competitors, terrorist attacks or natural disasters,

market conditions and Envestnet's ability to issue additional debt and equity, and

management's response to these factors.

In addition, there may be other factors of which Envestnet and Yodlee are not presently aware or that Envestnet and Yodlee currently deem immaterial that could cause the actual results to be materially different from the results referenced in the forward-looking statements. All forward-looking statements contained in this proxy statement/prospectus and documents incorporated herein by reference are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date they are made, and Envestnet and Yodlee do not intend to update or otherwise revise the forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events. If Envestnet or Yodlee does update one or more forward-looking statements, no inference should be made that it will make additional updates with respect to those or other forward-looking statements.

Table of Contents

Although Envestnet and Yodlee believe that their plans, intentions and expectations are reasonable, they may not achieve their plans, intentions or expectations.

These forward-looking statements involve risks and uncertainties. Important factors that could cause actual results to differ materially from the forward-looking statements Envestnet and Yodlee make in this proxy statement/prospectus are set forth under the section entitled "Risk Factors;" accordingly, investors should not place undue reliance upon these forward-looking statements. Envestnet and Yodlee undertake no obligation to update any of the forward-looking statements after the date of this proxy statement/prospectus to conform those statements to reflect the occurrence of unanticipated events, except as required by applicable law.

You should read this proxy statement/prospectus and the documents incorporated by reference herein completely and with the understanding that actual future results, levels of activity, performance and achievements may be different from what Envestnet and Yodlee expect and that these differences may be material. Envestnet and Yodlee qualify all of the forward-looking statements in this proxy statement/prospectus by these cautionary statements.



Table of Contents

**QUESTIONS AND ANSWERS ABOUT THE MERGER  
AND THE YODLEE SPECIAL MEETING**

*The following questions and answers are intended to briefly address some commonly asked questions regarding the merger, the merger agreement and the Yodlee special meeting. These questions and answers may not address all questions that may be important to you as a Yodlee stockholder. Please refer to the section entitled "Summary" beginning on page 16 of this proxy statement/prospectus and the more detailed information contained elsewhere in this proxy statement/prospectus, the annexes to this proxy statement/prospectus and the documents referred to in this proxy statement/prospectus, which you should read carefully and in their entirety. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions under the section entitled "Where You Can Find More Information" beginning on page 1 of this proxy statement/prospectus.*

**Q: Why am I receiving this proxy statement/prospectus and proxy card?**

A:

Yodlee has agreed to combine with Envestnet under the terms of the merger agreement that are described in this proxy statement/prospectus. If the merger agreement is adopted by Yodlee stockholders and the other conditions to closing under the merger agreement are satisfied or waived, Merger Sub will merge with and into Yodlee and the separate corporate existence of Merger Sub will cease and Yodlee will continue as the surviving corporation and become a wholly owned subsidiary of Envestnet. As a result of the merger, Yodlee will no longer be a publicly held company. Following the merger, Yodlee common stock will be delisted from NASDAQ and deregistered under the Exchange Act, and Yodlee will no longer be required to file periodic reports with the SEC.

Yodlee is holding the Yodlee special meeting to ask its stockholders to consider and vote upon a proposal to adopt the merger agreement. Yodlee stockholders are also being asked to consider and vote upon a proposal to adjourn the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of such adjournment to approve such proposal.

This proxy statement/prospectus includes important information about the merger and the merger agreement, a copy of which is attached as **Appendix A** to this proxy statement/prospectus, and the Yodlee special meeting. Yodlee stockholders should read this information carefully and in its entirety. The enclosed voting materials allow stockholders to vote their shares without attending the Yodlee special meeting in person.

**Q: Does my vote matter?**

A:

Yes. The merger cannot be completed unless the merger agreement is adopted by the Yodlee stockholders. For stockholders, if you fail to submit a proxy or vote in person at the Yodlee special meeting, or vote to abstain, or you do not provide your bank, brokerage firm or other nominee with instructions, as applicable, this will have the same effect as a vote "AGAINST" the adoption of the merger. **The Yodlee Board of Directors (the "Yodlee Board") unanimously recommends that stockholders vote "FOR" the adoption of the merger agreement.**

**Q: What is the vote required to approve each proposal at the Yodlee special meeting?**

A:

The adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Yodlee common stock entitled to vote thereon. Because the affirmative vote required to adopt the merger agreement is based upon the total number of outstanding shares of Yodlee common stock, if you fail to submit a proxy or vote in person at the Yodlee special meeting, or vote to abstain, or you do not provide your bank, brokerage firm or other nominee

Table of Contents

with instructions (a "broker non-vote"), as applicable, this will have the same effect as a vote "AGAINST" the adoption of the merger agreement.

The approval of adjournments of the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Yodlee special meeting to adopt the merger agreement requires the affirmative vote of the holders of a majority of shares of Yodlee common stock present in person or represented by proxy and entitled to vote thereon. Abstentions will have the effect of a vote AGAINST the adjournment proposal, and failures to vote and broker non-votes will have no effect.

See the sections entitled "The Yodlee Special Meeting Quorum" beginning on page 93 of this proxy statement/prospectus and " Required Vote" beginning on page 94 of this proxy statement/prospectus.

**Q: How does the Yodlee Board recommend that I vote at the Yodlee special meeting?**

A:

The Yodlee Board unanimously recommends that Yodlee stockholders vote "FOR" the adoption of the merger agreement and "FOR" adjournments of the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Yodlee special meeting to adopt the merger agreement. See the section entitled "The Merger Recommendation of the Yodlee Board; Yodlee's Reasons for the Merger" beginning on page 106 of this proxy statement/prospectus.

**Q: What will I receive if the merger is completed?**

A:

If the merger is completed, each share of Yodlee common stock issued and outstanding immediately prior to the completion of the merger, except for (i) shares of Yodlee common stock as to which the holders thereof have not voted in favor of the merger or consented thereto in writing and have demanded appraisal for such shares in accordance with Section 262 of the Delaware General Corporation Law ("DGCL") and have not effectively withdrawn or lost their rights to appraisal and (ii) shares of Yodlee common stock owned by Yodlee as treasury stock or owned by Envestnet or any direct or indirect wholly owned subsidiary of Envestnet, will be converted into the right to receive (i) \$10.78 in cash (the "per share cash consideration") plus (ii) a number of shares of Envestnet common stock determined by dividing \$8.10 by the volume weighted average of the sales price per share of Envestnet common stock for the ten full trading days ending on and including the second full trading day prior to the closing of the merger, subject to adjustment pursuant to the terms and conditions of the merger agreement (such volume weighted average of the sales price per share of Envestnet common stock, the "Envestnet stock value" and such number of shares of Envestnet common stock, the "per share stock consideration," together with the per share cash consideration, the "merger consideration"). If the Envestnet stock value is less than \$39.006, then the Envestnet stock value will be equal to \$39.006 and if the Envestnet stock value is greater than \$47.674, then the Envestnet stock value will be equal to \$47.674.

In the event that the aggregate number of shares of Envestnet common stock issuable upon completion of the merger plus the maximum number of shares of Envestnet common stock issuable, including shares of restricted stock and shares of Envestnet common stock subject to restricted stock awards of Envestnet issuable pursuant to the merger agreement (the "total stock amount"), would be equal to or greater than 19.9% of the shares of Envestnet common stock outstanding as of immediately prior to the effective time (such amount, the "stock threshold"), the per share stock consideration will be decreased to the minimum extent necessary, such that the total stock amount will not exceed the stock threshold. In that event, the per share cash consideration will be increased by an amount equal to the product of (A) the amount of such

Table of Contents

reduction in the per share stock consideration pursuant to the preceding sentence multiplied by (B) the Envestnet stock value; provided that (i) the aggregate per share cash consideration will in no event be increased by greater than \$32.0 million and (ii) the total stock amount will in no event exceed the stock threshold.

As a result of the various limitations described above, the per share stock consideration will never be less than 0.1699 shares of Envestnet common stock or more than 0.1826 shares of Envestnet common stock. Furthermore, if the Envestnet stock value is at or below \$43.52, the per share cash consideration will begin to increase until the Envestnet stock value is at \$39.01 at which time the per share cash consideration would be fixed at \$11.7579.

**Q: What is the value of the per share consideration?**

A:

The exact value of the per share consideration that Yodlee stockholders will receive will depend on the average price per share at which Envestnet common stock trades during a period leading up to the merger. Such average price will not be known at the time of the Yodlee special meeting and may be less than the current price or the price at the time of the Yodlee special meeting. Based on the closing stock price of Envestnet common stock on the NYSE on August 7, 2015, the last trading day before public announcement of the merger, of \$44.07, and assuming that price was the average stock price, the value of the per share consideration would be \$18.88 for each share of Yodlee common stock. Based on the volume weighted average of the sales price per share of Envestnet common stock for the ten full trading days ending on and including the second full trading day prior to the last practicable trading day prior to the date of this proxy statement/prospectus, the value of the per share consideration would be \$17.19 for each share of Yodlee common stock. The table set forth under "The Merger Agreement Consideration to be Received in the Merger", beginning on page 146, sets forth the per share cash consideration, per share stock consideration for various Envestnet stock values and aggregate value of the merger consideration (assuming the trading price of the Envestnet common stock is equal to the Envestnet stock value) at various Envestnet stock values. The market prices of shares of Envestnet common stock and Yodlee common stock are subject to fluctuation. We urge you to obtain current market quotations of Envestnet common stock and Yodlee common stock. See the sections entitled "Where You Can Find More Information" beginning at page 1 of this proxy statement/prospectus and "Comparative Per Share Market Price and Dividend Information" beginning on page 58 of this proxy statement/prospectus.

**Q: What happens if I am eligible to receive a fraction of a share of Envestnet common stock as part of the merger consideration?**

A:

If the aggregate number of shares of Envestnet common stock that you are entitled to receive as part of the merger consideration includes a fraction of a share of Envestnet common stock, you will receive cash in lieu of that fractional share. See the section entitled "The Merger Agreement Fractional Shares" beginning on page 147 of this proxy statement/prospectus.

**Q: What will holders of Yodlee equity awards receive in the merger?**

A:

At the effective time of the merger, Yodlee equity awards will be treated as follows:

*Vested Options.* Each vested and exercisable stock option granted pursuant to the equity plans of Yodlee that remains outstanding as of immediately prior to the closing of the merger, including options that will become vested as of the closing of the merger (the "vested stock options") will be exercised immediately prior to the closing of the merger via a cashless net exercise. In a cashless net exercise, Yodlee will retain the number of shares of Yodlee common stock that would otherwise be received on the exercise of such vested stock option to cover the exercise

Table of Contents

price and any applicable tax withholding obligations and to issue the net number of shares of Yodlee common stock to the holder of the vested stock option. At the effective time, each such share of Yodlee common stock will be converted into the right to receive the sum of the per share cash consideration and per share stock consideration described above.

*Unvested Options.* All outstanding Yodlee stock options, other than vested stock options, that remain outstanding as of immediately prior to the closing of the merger (the "unvested stock options") will be assumed by Envestnet and converted into awards of restricted shares of Envestnet common stock pursuant to the terms and conditions of the merger agreement. The number of restricted shares of Envestnet common stock that will be granted in exchange for each unvested Yodlee stock option will be equal to:

- (a) the difference between the value of (i) the sum of (A) the per share cash consideration and (B) the value of the per share stock consideration and (ii) the exercise price per share of such unvested stock option, multiplied by
- (b) the total number of shares of Yodlee common stock subject to such unvested stock option and divided by
- (c) the Envestnet stock value.

The restricted shares of Envestnet common stock received in connection with the assumption and conversion of such unvested stock option will vest proportionally on the same dates and be subject to the same terms and conditions generally of each applicable unvested stock option.

*Restricted Stock Units.* All outstanding Yodlee restricted stock units granted pursuant to the equity plans of Yodlee that remain outstanding as of immediately prior to the closing of the merger (the "unvested RSUs") will be assumed by Envestnet and converted into awards of restricted shares of Envestnet common stock pursuant to the terms and conditions of the merger agreement. The number of restricted shares of Envestnet common stock that will be issued in exchange for each unvested RSU will be equal to:

- (a) the value of the sum of (i) the per share cash consideration and (ii) the value of the per share stock consideration, multiplied by
- (b) the total number of shares of Yodlee common stock subject to such unvested RSU and divided by
- (c) the Envestnet stock value.

The restricted shares of Envestnet common stock received in connection with the assumption and conversion of such unvested RSUs will vest proportionally on the same dates and be subject to the same terms and conditions generally of each applicable unvested RSU.

To the extent that the treatment of the Yodlee equity awards in the merger that are subject to the applicable laws of any foreign jurisdiction is not consistent with the laws of such jurisdiction or would result in adverse tax consequences to the award holder, Yodlee, the surviving corporation, and/or Envestnet, Yodlee and Envestnet may adjust the treatment of such affected equity awards to so comply or avoid adverse tax consequences in a manner that yields the award holder the intended economic benefit as described above.

**Q: What will happen to Yodlee as a result of the merger?**

A:

If the merger is completed, Merger Sub will be merged with and into Yodlee and the separate corporate existence of Merger Sub will cease and Yodlee will continue as the surviving corporation and become a wholly owned subsidiary of Envestnet. The surviving corporation will be renamed "Yodlee -- Envestnet, Inc." upon completion of the merger.



Table of Contents

**Q: What equity stake will Yodlee stockholders hold in Envestnet immediately following the merger?**

A:

Based on the number of issued and outstanding shares of Envestnet common stock and Yodlee common stock as of October 12, 2015, and based on the minimum and maximum potential exchange ratios of 0.1699 and 0.1826, respectively, holders of shares of Yodlee common stock as of immediately prior to the closing of the merger will hold, in the aggregate, between approximately 14.6% and 15.7% of the issued and outstanding shares of Envestnet common stock immediately following the closing of the merger. The exact number of shares of Envestnet common stock that will be issued in the merger will not be determined until the exchange ratio is set, which will not be determined until the date of the merger is known.

**Q: When do you expect the merger to be completed?**

A:

Subject to the satisfaction or waiver of the closing conditions described under the section entitled, "The Merger Agreement Conditions to Completion of the Merger" beginning on page 161 of this proxy statement/prospectus, including the adoption of the merger agreement by Yodlee stockholders at the Yodlee special meeting, Yodlee and Envestnet expect that the merger will be completed in the fourth quarter of 2015. However, it is possible that factors outside the control of both companies could result in the merger being completed at a different time or not at all.

**Q: What are the material United States federal income tax consequences of the merger to Yodlee stockholders?**

A:

The receipt of cash and Envestnet common stock for shares of Yodlee common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. The receipt of cash and stock by a U.S. Holder (as defined under the section entitled "Material United States Federal Income Tax Consequences" beginning on page 166 of this proxy statement/prospectus) in exchange for such U.S. Holder's shares of Yodlee common stock in the merger generally will result in the recognition of gain or loss in an amount measured by the difference between the cash and the fair market value of the Envestnet common stock such U.S. Holder receives in the merger and such U.S. Holder's adjusted tax basis in the shares of Yodlee common stock surrendered in the merger. A Non-U.S. Holder (as defined under the section entitled "Material United States Federal Income Tax Consequences" beginning on page 166 of this proxy statement/prospectus) generally will not be subject to U.S. federal income tax with respect to the exchange of Yodlee common stock for cash and Envestnet common stock in the merger unless such Non-U.S. Holder has certain connections to the United States.

For a more detailed discussion of the material United States federal income tax consequences of the transaction, please see the section entitled "Material United States Federal Income Tax Consequences" beginning on page 166 of this proxy statement/prospectus.

The tax consequences of the merger to any particular stockholder will depend on that stockholder's particular facts and circumstances. Accordingly, you are urged to consult your tax advisor to determine your tax consequences from the merger.

**Q: How will I receive the merger consideration to which I am entitled?**

A:

After receiving the proper documentation from you, following the effective time, the exchange agent will forward to you the Envestnet common stock and cash to which you are entitled. If you hold certificated shares of Yodlee, you may submit those certificates as well in exchange for the merger consideration. More information on the documentation you are required to deliver to the exchange agent may be found under the section entitled "The Merger Agreement Conversion of Shares; Exchange of Certificates" beginning on page 148 of this proxy statement/prospectus.



Table of Contents

**Q: What am I being asked to vote on at the Yodlee special meeting?**

A:

You are being asked to consider and vote upon (i) a proposal to adopt the merger agreement and (ii) a proposal to adjourn the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of such adjournment to approve such proposal.

**Q: Who can vote at the Yodlee special meeting?**

A:

All holders of record of Yodlee common stock as of the close of business on October 12, 2015, the record date for the Yodlee special meeting, are entitled to receive notice of, and to vote at, the Yodlee special meeting. Each holder of Yodlee common stock is entitled to cast one vote on each matter properly brought before the Yodlee special meeting for each share of Yodlee common stock that such holder owned of record as of the record date.

**Q: When and where is the Yodlee special meeting?**

A:

The Yodlee special meeting will be held on November 19, 2015, at 10:00 a.m. California time, at Yodlee's principal executive offices located at 3600 Bridge Parkway, Suite 200, Redwood City, California 94065. Use of cameras, recording devices, computer and other personal electronic devices will not be permitted at the Yodlee special meeting. Photography and video are prohibited at the Yodlee special meeting.

**Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?**

A:

If your shares of Yodlee common stock are registered directly in your name with the transfer agent of Yodlee, Computershare Inc., you are considered the stockholder of record with respect to those shares. As the stockholder of record, you have the right to vote, to grant a proxy for your vote directly to Yodlee or to a third party to vote at the Yodlee special meeting.

If your shares are held by a bank, brokerage firm or other nominee, you are considered the beneficial owner of shares held in "street name," and your bank, brokerage firm or other nominee is considered the stockholder of record with respect to those shares. Your bank, brokerage firm or other nominee will send you, as the beneficial owner, a package describing the procedure for voting your shares. You should follow the instructions provided by them to vote your shares. You are invited to attend the Yodlee special meeting; however, you may not vote these shares in person at the Yodlee special meeting unless you obtain a "legal proxy" from your bank, brokerage firm or other nominee that holds your shares, giving you the right to vote the shares at the Yodlee special meeting.

**Q: How do I vote in person at the Yodlee special meeting?**

A:

If you are a stockholder of record, you may vote in person at the Yodlee special meeting. Please bring proper identification, such as a driver's license, in order to be admitted to the Yodlee special meeting.

If you hold your shares in "street name," you must bring a proxy executed in your favor from the record holder (your bank, brokerage firm or other nominee) of the shares authorizing you to vote at the Yodlee special meeting. In addition, you will need to provide proof of ownership, such as a recent account statement or letter from your bank, brokerage firm or other nominee, along with proper identification to gain admission to the Yodlee special meeting.



Table of Contents

**Q: If my shares of Yodlee common stock are held in "street name" by my bank, brokerage firm or other nominee, will my bank, brokerage firm or other nominee automatically vote those shares for me?**

A:

No. Your bank, brokerage firm or other nominee will only be permitted to vote your shares of Yodlee common stock if you instruct your bank, brokerage firm or other nominee how to vote. You should follow the procedures provided by your bank, brokerage firm or other nominee regarding the voting of your shares of Yodlee common stock. In accordance with the rules of NASDAQ, banks, brokerage firms and other nominees who hold shares of Yodlee common stock in "street name" for their customers have authority to vote on "routine" proposals when they have not received instructions from beneficial owners. However, banks, brokerage firms and other nominees are precluded from exercising their voting discretion with respect to non-routine matters, such as the adoption of the merger agreement and adjournments of the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Yodlee special meeting to adopt the merger agreement. As a result, absent specific instructions from the beneficial owner of such shares, banks, brokerage firms and other nominees are not empowered to vote such shares on such proposals. The effect of not instructing your broker how you wish your shares to be voted will be the same as a vote "AGAINST" the adoption of the merger agreement, and will not have an effect on the vote to adjourn the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Yodlee special meeting to adopt the merger agreement.

**Q: How many votes do I have?**

A:

Each Yodlee stockholder is entitled to one vote for each share of Yodlee common stock held of record as of the record date. As of the close of business on the record date, there were 30,819,117 outstanding shares of Yodlee common stock.

**Q: What constitutes a quorum for the Yodlee special meeting?**

A:

The presence, in person or represented by proxy, of holders of a majority of all of the outstanding shares of Yodlee common stock entitled to vote at the Yodlee special meeting constitutes a quorum for the purposes of the Yodlee special meeting. A quorum is necessary to transact business at the Yodlee special meeting. Once a share of Yodlee common stock is represented at the Yodlee special meeting, it will be counted for the purpose of determining a quorum at the Yodlee special meeting. Abstentions are counted as shares present and entitled to vote for purposes of establishing a quorum. Failures to vote and broker non-votes will not count as shares present and entitled to vote for purposes of establishing a quorum.

If a quorum is not present, then (i) the chairperson of the Yodlee special meeting or (ii) the stockholders entitled to vote at the Yodlee special meeting, present in person or represented by proxy, may adjourn the Yodlee special meeting from time to time, without notice other than by announcement at the Yodlee special meeting, to another date, place, if any, and time until a quorum shall be present or represented.

**Q: How do I vote?**

A:

**Stockholder of Record.** If you are a stockholder of record of Yodlee as of October 12, 2015, the record date, you may vote by proxy before the Yodlee special meeting in one of the following ways:

**Via the Internet:** By accessing the website specified on the proxy card and following the instructions on the proxy card;

Table of Contents

**By Telephone:** By dialing the toll-free number specified on the proxy card and following the instructions on the proxy card;

**By Mail:** By completing and returning the proxy card in the enclosed prepaid envelope. To be valid, a returned proxy card must be signed and dated; or

**In Person:** By written ballot completed in person at the Yodlee special meeting.

We encourage you to submit your proxy as soon as possible to ensure that your shares will be represented and voted at the Yodlee special meeting. Submitting a proxy will not affect the right of any Yodlee stockholder to vote in person.

**Beneficial Owner.** If you are a "street name" stockholder, you will receive voting instructions from your broker, bank or other nominee. You must follow the voting instructions provided by your broker, bank or other nominee in order to instruct your broker, bank or other nominee on how to vote your shares. If you are a "street name" stockholder, you may not vote your shares in person at the Yodlee special meeting unless you obtain a legal proxy from your broker, bank or other nominee.

**Q: How can I change or revoke my vote?**

A:

If you are the record holder of shares of Yodlee common stock, you have the right to revoke a proxy, whether delivered over the Internet, by telephone or by mail, at any time before the Yodlee special meeting, by voting again at a later date through any of the methods available to you, by attending the Yodlee special meeting and voting in person, or by giving a signed written notice of revocation to the Corporate Secretary of Yodlee. Written notice of revocation should be mailed to: Yodlee, Inc., 3600 Bridge Parkway, Suite 200, Redwood City, California 94065, Attention: Corporate Secretary.

If your shares are held in "street name" by your broker, bank or nominee, you should contact your broker, bank or nominee to change your vote.

**Q: If I give a proxy, how are the shares of Yodlee common stock voted?**

A:

Regardless of the method you choose to vote, the individuals named on the enclosed proxy card will vote your shares of Yodlee common stock in the way that you indicate. When completing the Internet or telephone processes or the proxy card, you may specify whether your shares of Yodlee common stock should be voted "FOR" or "AGAINST" or to "ABSTAIN" from voting on all, some or none of the specific items of business to come before the Yodlee special meeting.

If you properly sign your proxy card but do not mark the boxes showing how your shares should be voted on a matter, the shares represented by your properly signed proxy will be voted "FOR" the adoption of the merger agreement and "FOR" adjournments of the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Yodlee special meeting to adopt the merger agreement. Only shares of Yodlee common stock affirmatively voted for the applicable proposal, and properly executed proxies that do not contain voting instructions, will be counted as favorable votes for adoption of the merger agreement and the Yodlee adjournment proposal. Abstentions, failures to vote and broker non-votes, if any, will have the same effect as votes "AGAINST" the adoption of the merger agreement. Abstentions will have the same effect as a vote "AGAINST" the Yodlee adjournment proposal. Failures to vote and broker non-votes, if any, will have no effect on the approval of the Yodlee adjournment proposal.

Table of Contents

**Q: What should I do if I receive more than one set of voting materials?**

A:

If you hold shares of Yodlee common stock in "street name" and also directly as a record holder or if you hold shares of Yodlee common stock in more than one brokerage account, you may receive more than one set of voting materials relating to the Yodlee special meeting. Please complete, sign, date and return each proxy card and voting instruction card that you receive (or cast your vote by telephone or internet as provided on your proxy card or voting instruction card that you receive) or otherwise follow the voting instructions provided in this proxy statement/prospectus in the section entitled "The Yodlee Special Meeting" in order to ensure that all of your shares of Yodlee common stock are voted.

**Q: What happens if I sell my shares of Yodlee common stock before the Yodlee special meeting?**

A:

The record date is earlier than both the date of the Yodlee special meeting and the effective time of the merger. If you transfer your shares of Yodlee common stock after the record date but before the Yodlee special meeting, you will, unless the transferee requests a proxy from you, retain your right to vote at the Yodlee special meeting but will transfer the right to receive the merger consideration to the person to whom you transferred your shares. In order to receive the merger consideration, you must hold your shares through the effective time of the merger.

**Q: Who will solicit and pay the cost of soliciting proxies?**

A:

Yodlee is soliciting proxies for the Yodlee special meeting from its stockholders. In accordance with the merger agreement, Yodlee and Envestnet will share equally all fees and expenses in relation to the printing, filing and mailing of this proxy statement/prospectus. Yodlee will pay all of its other costs of soliciting proxies. Yodlee has engaged Innisfree M&A Incorporated to assist in the solicitation of proxies for the Yodlee special meeting. Yodlee estimates that it will pay Innisfree M&A Incorporated a fee of approximately \$25,000. Yodlee has agreed to reimburse Innisfree M&A Incorporated for certain out-of-pocket fees and expenses and will also indemnify Innisfree M&A Incorporated and its affiliates against certain claims, liabilities, losses, damages, and expenses. Yodlee will also reimburse banks, brokerage firms, other nominees or their respective agents for their reasonable expenses in forwarding proxy materials to beneficial owners of Yodlee common stock. Yodlee's directors, officers and employees also may solicit proxies by telephone or other means of communication. These persons will not receive additional compensation, but may be reimbursed for reasonable out-of-pocket expenses in connection with this solicitation.

**Q: What do I need to do now?**

A:

Even if you plan to attend the Yodlee special meeting in person, after carefully reading and considering the information contained in this proxy statement/prospectus, please vote promptly to ensure that your shares are represented at the Yodlee special meeting. If you decide to attend the Yodlee special meeting and vote in person, your vote by ballot will revoke any proxy previously submitted. If you are a beneficial owner, please refer to the instructions provided by your bank, brokerage firm or other nominee to see which of the above choices are available to you. Please note that if you are a beneficial owner and wish to vote in person at the Yodlee special meeting, you must obtain a legal proxy from your bank, brokerage firm or other nominee.

**Q: Should I send in my share certificates now?**

A:

No, please do NOT return your share certificate(s) with your proxy. If the merger agreement is adopted by Yodlee stockholders and the merger is completed, and you hold physical share certificates, you will be sent a letter of transmittal as promptly as reasonably practicable after the completion of the merger describing how you may exchange your shares of Yodlee common stock

Table of Contents

for the merger consideration. If your shares of Yodlee common stock are held in "street name" through a bank, brokerage firm or other nominee, you will receive instructions from your bank, brokerage firm or other nominee as to how to effect the surrender of your "street name" shares of Yodlee common stock in exchange for the merger consideration.

**Q: Where can I find the voting results of the Yodlee special meeting?**

A:

The preliminary voting results will be announced at the Yodlee special meeting. In addition, within four business days following certification of the final voting results, Yodlee intends to file the final voting results with the SEC on a Current Report on Form 8-K.

**Q: Am I entitled to exercise appraisal rights instead of receiving the merger consideration for my shares of Yodlee common stock?**

A:

Stockholders are entitled to appraisal rights under Section 262 of the DGCL, provided they follow the procedures and satisfy the conditions set forth in Section 262 of the DGCL. For more information regarding appraisal rights, see the section entitled "The Merger Appraisal Rights" beginning on page 139 of this proxy statement/prospectus. In addition, a copy of Section 262 of the DGCL is attached as **Appendix D** to this proxy statement/prospectus. Failure to strictly comply with Section 262 of the DGCL may result in your waiver of, or inability to exercise, appraisal rights.

**Q: Are there any risks that I should consider in deciding whether to vote for the adoption of the merger agreement?**

A:

Yes. You should read and carefully consider the risk factors set forth in the section entitled "Risk Factors" beginning on page 62 of this proxy statement/prospectus. You also should read and carefully consider the risk factors of Envestnet contained in the documents that are incorporated by reference into this proxy statement/prospectus.

**Q: What are the conditions to completion of the merger?**

A:

In addition to the approval of the proposal to adopt the merger agreement by Yodlee stockholders as described above, completion of the merger is subject to the satisfaction of a number of other conditions, including the receipt of required regulatory approvals, the accuracy of representations and warranties under the merger agreement (subject to certain materiality exceptions) and Envestnet's and Yodlee's performance of their respective obligations under the merger agreement. For a more complete summary of the conditions that must be satisfied or waived prior to completion of the merger, see the section entitled "The Merger Agreement Conditions to Completion of the Merger" beginning on page 161 of this proxy statement/prospectus.

**Q: What happens if the merger is not completed?**

A:

If the merger agreement is not adopted by Yodlee stockholders or if the merger is not completed for any other reason, Yodlee stockholders will not receive any merger consideration for their shares of Yodlee common stock. Instead, Yodlee will remain an independent public company, Yodlee common stock will continue to be listed and traded on NASDAQ and registered under the Exchange Act and Yodlee will continue to file periodic reports with the SEC. Under specified circumstances, Yodlee may be required to pay Envestnet a termination fee of \$17.8 million. See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach" beginning on page 164 of this proxy statement/prospectus.

**Q: Who can help answer any other questions I have?**

A:

Edgar Filing: ENVESTNET, INC. - Form S-4/A

If you have additional questions about the merger or the other matters to be voted on at the Yodlee special meeting, need assistance in submitting your proxy or voting your shares of Yodlee common stock, or need additional copies of this proxy statement/prospectus or the enclosed proxy card, please contact Innisfree M&A Incorporated, Yodlee's proxy solicitor, by calling toll-free at 888-750-5834.

Table of Contents

**SUMMARY**

*This summary provides a brief overview of the key aspects of the merger (as defined below) and the transactions contemplated thereby to be considered at the special meeting of the stockholders of Yodlee (the "Yodlee special meeting"). This summary does not contain all of the information with respect to the merger and the other matters being considered at the Yodlee special meeting that may be important to you. You should read this entire document and its appendices and the other documents to which we refer before you decide how to vote with respect to the merger-related proposals. In addition, we incorporate by reference important business and financial information about Envestnet and Yodlee into this proxy statement/prospectus. For a description of this information, see the section entitled "Incorporation of Certain Documents by Reference" beginning on page 2 of this proxy statement/prospectus. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled "Where You Can Find More Information" beginning on page 1 of this proxy statement/prospectus. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.*

**The Companies**

***Envestnet, Inc.***

Envestnet is a leading provider of unified wealth management technology and services to investment advisors. Envestnet's open-architecture platforms unify and fortify the wealth management process, delivering unparalleled flexibility, accuracy, performance, and value. Envestnet's solutions enable the transformation of wealth management into a transparent, independent, objective, and fully-aligned standard of care, and empower advisors to deliver better outcomes.

Envestnet's Advisor Suite® software empowers financial advisors to better manage client outcomes and strengthen their practices. Envestnet provides institutional-quality research and advanced portfolio solutions through its Portfolio Management Consultants group, Envestnet -- PMC®. Envestnet -- Tamarac provides leading rebalancing, reporting, and practice management software.

Shares of Envestnet common stock, par value \$0.005 per share ("Envestnet common stock"), are traded on the New York Stock Exchange ("NYSE") under the symbol "ENV." Following the merger, shares of Envestnet common stock will continue to be traded on the NYSE under the symbol "ENV." Envestnet's address is 35 East Wacker Drive, Suite 2400, Chicago, Illinois 60601 and its telephone number is (312) 827-2800. Additional information about Envestnet and its subsidiaries is included in the documents incorporated by reference into this proxy statement/prospectus. See the section entitled "Where You Can Find More Information" beginning on page 1 of this proxy statement/prospectus.

***Yodlee, Inc.***

Yodlee is a leading technology and applications platform powering dynamic innovation for digital financial services in the cloud. Yodlee refers to its platform as the Yodlee Financial Cloud. Yodlee's vision is to empower lives with innovative digital financial services. Yodlee's customers include financial institutions, Internet services companies providing innovative financial solutions and third-party developers of financial applications. As of June 30, 2015, more than 900 organizations in over 15 countries use the Yodlee platform to power their consumer-facing digital offerings, and Yodlee receives subscription fees for 20.7 million of these consumers, whom Yodlee refers to as Yodlee's paid users.

Shares of Yodlee common stock, par value \$0.001 per share ("Yodlee common stock"), are traded on the Nasdaq Global Select Market ("NASDAQ") under the symbol "YDLE." Upon completion of the merger, shares of Yodlee common stock will cease to be listed on NASDAQ and will be deregistered under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Table of Contents

The principal executive offices of Yodlee are located at 3600 Bridge Parkway, Suite 200, Redwood City, California 94065, and its telephone number is (650) 980-3600. For additional information about Yodlee and its subsidiaries, please see the section entitled "Information about the Companies Yodlee" beginning on page 91 of this proxy statement/prospectus.

***Yale Merger Corp.***

Merger Sub is a Delaware corporation and a wholly owned subsidiary of Envestnet. Upon completion of the merger in which Merger Sub will merge with and into Yodlee (the "merger"), the separate corporate existence of Merger Sub will cease and Yodlee will become a wholly owned subsidiary of Envestnet. Merger Sub's address is c/o Envestnet, Inc., 35 East Wacker Drive, Suite 2400, Chicago, Illinois 60601 and its telephone number is (312) 827-2800.

**The Merger**

***The Merger Agreement (See page 145)***

Envestnet, Merger Sub and Yodlee have entered into the Agreement and Plan of Merger, dated August 10, 2015 (as it may be amended from time to time, the "merger agreement"), attached as **Appendix A** to this proxy statement/prospectus. Envestnet and Yodlee encourage you to read the entire merger agreement carefully because it is the principal document governing the merger and the stock issuance.

***Effects of the Merger (See page 98)***

Subject to the terms and conditions of the merger agreement, and in accordance with the Delaware General Corporation Law (the "DGCL"), at the effective time (the "effective time") of the merger, Merger Sub will merge with and into Yodlee and the separate corporate existence of Merger Sub will cease and Yodlee will continue as the surviving corporation and become a wholly owned subsidiary of Envestnet (the "surviving corporation").

***Consideration to be Received in the Merger (See page 146)***

At the effective time of the merger, Yodlee stockholders will have the right to receive the merger consideration (as defined below) for each of their shares of Yodlee common stock in the form of cash and shares of Envestnet common stock, without interest. If the aggregate consideration to be paid to any holder of Yodlee common stock would result in such holder receiving a fractional share of Envestnet common stock, cash will be paid in lieu of such fractional share.

At the effective time, by virtue of the merger, each share of Yodlee common stock, issued and outstanding immediately prior to the effective time, except for (i) shares of Yodlee common stock as to which the holders thereof have not voted in favor of the merger or consented thereto in writing and have demanded appraisal for such shares in accordance with Section 262 of the DGCL and have not effectively withdrawn or lost their rights to appraisal and (ii) shares of Yodlee common stock owned by Yodlee as treasury stock or owned by Envestnet or any direct or indirect wholly owned subsidiary of Envestnet, will be cancelled and converted into the right to receive, without interest, (A) \$10.78 in cash (the "per share cash consideration") and (B) the number of validly issued, fully paid and non-assessable shares of Envestnet common stock, determined by dividing \$8.10 by the volume weighted average of the sales price per share of Envestnet common stock for the ten full trading days ending on and including the second full trading day prior to the closing of the merger, subject to adjustment pursuant to the terms and conditions of the merger agreement (such volume weighted average of the sales price per share of Envestnet common stock, the "Envestnet stock value," and such number of shares of Envestnet common stock, the "per share stock consideration," together with the per share cash consideration, the "merger consideration"). However, if the Envestnet stock value is less than \$39.006,

Table of Contents

then the Envestnet stock value will be equal to \$39.006 and if the Envestnet stock value is greater than \$47.674, then the Envestnet stock value will be equal to \$47.674. The market prices of shares of Envestnet common stock are subject to fluctuation. As a result, you are urged to obtain current market quotations.

To the extent that the sum of (A) the aggregate number of shares of Envestnet common stock issuable pursuant to the foregoing paragraph plus (B) the maximum number of shares of Envestnet common stock issuable, including shares of restricted stock and shares of Envestnet common stock subject to restricted stock awards of Envestnet issuable pursuant to the merger agreement (the sum of the amounts in clauses (A) and (B), the "total stock amount"), would be equal to or greater than 19.9% of the shares of Envestnet common stock outstanding as of immediately prior to the effective time (such amount, the "stock threshold"), the per share stock consideration will be decreased to the minimum extent necessary, such that the total stock amount will not exceed the stock threshold. In such event, the per share cash consideration will be increased by an amount equal to the product of (A) the amount of such reduction in the per share stock consideration pursuant to the preceding sentence multiplied by (B) the Envestnet stock value; provided that (i) the aggregate per share cash consideration will in no event be increased by greater than \$32,000,000 and (ii) the total stock amount will in no event exceed the stock threshold.

As a result of the various limitations described above, the per share stock consideration will never be less than 0.1699 shares of Envestnet common stock or more than 0.1826 shares of Envestnet common stock. Furthermore, if the Envestnet stock value is at or below \$43.52, the per share cash consideration will begin to increase until the Envestnet stock value is at \$39.01 at which time the per share cash consideration would be fixed at \$11.7579.

The table set forth under "The Merger Agreement Consideration to be Received in the Merger", beginning on page 146, sets forth the per share cash consideration, per share stock consideration for various Envestnet stock values and aggregate value of the merger consideration (assuming the trading price of the Envestnet common stock is equal to the Envestnet stock value) at various Envestnet stock values.

For more information, see the section entitled "The Merger Agreement Consideration to be Received in the Merger" beginning on page 146 of this proxy statement/prospectus.

***Treatment of Yodlee Equity Awards (See page 149)***

At the effective time, Yodlee equity awards will be treated as follows:

*Vested Options.* Each vested and exercisable stock option granted pursuant to the equity plans of Yodlee that remains outstanding as of immediately prior to the closing of the merger, including options that will become vested as of the closing of the merger (the "vested stock options"), will be exercised immediately prior to the closing of the merger in a cashless net exercise. In a cashless net exercise, Yodlee will retain the number of shares of Yodlee common stock that would otherwise be received on the exercise of such vested stock option to cover the exercise price and any applicable tax withholding obligations and to issue the net number of shares of Yodlee common stock to the holder of the vested stock option. At the effective time, each such share of Yodlee common stock will be converted into the right to receive the sum of the per share cash consideration and per share stock consideration pursuant to the terms and conditions of the merger agreement as described under the section entitled "The Merger Agreement Consideration to be Received in the Merger" beginning on page 146 of this proxy statement/prospectus.

*Unvested Options.* All outstanding Yodlee stock options, other than vested stock options, that remain outstanding as of immediately prior to the closing of the merger (the "unvested stock



Table of Contents

options") will be assumed by Envestnet and converted into awards of restricted shares of Envestnet common stock pursuant to the terms and conditions of the merger agreement. The number of restricted shares of Envestnet common stock that will be granted in exchange for each unvested Yodlee stock option will be equal to:

- (a) the difference between the value of (i) the sum of (A) the per share cash consideration and (B) the value of the per share stock consideration and (ii) the exercise price per share of such unvested stock option, multiplied by
- (b) the total number of shares of Yodlee common stock subject to such unvested stock option and divided by
- (c) the Envestnet stock value.

The restricted shares of Envestnet common stock received in connection with the assumption and conversion of such unvested stock option will vest proportionally on the same dates and be subject to the same terms and conditions generally of each applicable unvested stock option.

*Restricted Stock Units.* All outstanding Yodlee restricted stock units granted pursuant to the equity plans of Yodlee that remain outstanding as of immediately prior to the closing of the merger (the "unvested RSUs") will be assumed by Envestnet and converted into awards of restricted shares of Envestnet common stock pursuant to the terms and conditions of the merger agreement. The number of restricted shares of Envestnet common stock that will be issued in exchange for each unvested RSU will be equal to:

- (a) the value of the sum of (i) the per share cash consideration and (ii) the value of the per share stock consideration, multiplied by
- (b) the total number of shares of Yodlee common stock subject to such unvested RSU and divided by
- (c) the Envestnet stock value.

The restricted shares of Envestnet common stock received in connection with the assumption and conversion of such unvested RSUs will vest proportionally on the same dates and be subject to the same terms and conditions generally of each applicable unvested RSU.

To the extent that the treatment of the Yodlee equity awards in the merger that are subject to the applicable laws of any foreign jurisdiction is not consistent with the laws of such jurisdiction or would result in adverse tax consequences to the award holder, Yodlee, the surviving corporation, and/or Envestnet, Yodlee and Envestnet may adjust the treatment of such affected equity awards to so comply or avoid adverse tax consequences in a manner that yields the award holder the intended economic benefit as described above.

For more information, see the section entitled "The Merger Agreement Treatment of Yodlee Equity Awards" beginning on page 149 of this proxy statement/prospectus.

***The Voting Agreement (See page 165)***

In connection with the execution of the merger agreement, certain stockholders of Yodlee, consisting of funds affiliated with Warburg Pincus, entered into a voting agreement with Envestnet, a form of which is attached as **Appendix B** (the "voting agreement"). Pursuant to the voting agreement, such stockholders agreed to vote all of their shares of Yodlee common stock (i) in favor of adoption and approval of the merger agreement and all other transactions contemplated by the merger agreement (whether or not recommended by the Yodlee Board (the "Yodlee Board")); (ii) against any action or agreement upon which Yodlee calls its stockholders to vote or consent in breach of the merger agreement; and (iii) against any acquisition proposal or any proposal for any recapitalization,



Table of Contents

reorganization, liquidation, dissolution, merger, sale of all or substantially all of Yodlee's assets or other business combination between Yodlee and any other person (other than the merger) that would reasonably be expected to impede, interfere with, delay or materially and adversely affect the consummation of the merger and all other transactions contemplated by the merger agreement. These stockholders further agreed to (i) certain restrictions on the sale, assignment, transfer, tender or other disposition of their shares of Yodlee common stock and (ii) waiver and non-pursuit of any appraisal rights with respect to the merger. As of the record date (as defined below), the stockholders who entered into the voting agreement with Envestnet collectively beneficially owned in the aggregate approximately 8,160,691 shares of Yodlee common stock, which represent approximately 26.5% of outstanding shares of Yodlee common stock entitled to vote at the Yodlee special meeting. More than 50% of the outstanding shares of Yodlee common stock must vote for the merger for it to be approved.

***Recommendation of the Yodlee Board (See page 106)***

The Yodlee Board has unanimously approved and adopted the merger agreement and has determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to and in the best interests of Yodlee and its stockholders.

***Opinion of Yodlee's Financial Advisor (See page 111)***

Goldman, Sachs & Co. ("Goldman Sachs") delivered its opinion to the Yodlee Board that, as of August 10, 2015 and based upon and subject to the factors and assumptions set forth therein, the merger consideration pursuant to the merger agreement was fair from a financial point of view to the holders of shares of Yodlee common stock.

The full text of the written opinion of Goldman Sachs, dated August 10, 2015, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as **Appendix C**. Goldman Sachs provided its opinion for the information and assistance of the Yodlee Board in connection with its consideration of the merger agreement. The Goldman Sachs opinion is not a recommendation as to how any holder of Yodlee common stock should vote with respect to the merger agreement or any other matter. Pursuant to an engagement letter between Yodlee and Goldman Sachs, Yodlee has agreed to pay Goldman Sachs a transaction fee of approximately \$7 million, all of which is payable upon completion of the merger.

***Interests of Yodlee's Directors and Executive Officers in the Merger (See page 126)***

Executive officers and members of the Yodlee Board have interests in the merger that may be in addition to, or different from, the interests of Yodlee stockholders generally. The Yodlee Board was aware of these interests and considered them, among other matters, in approving the merger and the merger agreement and in making the recommendations that the Yodlee stockholders approve and adopt the merger agreement and approve the merger and the other transactions contemplated by the merger agreement.

For more information, see the section entitled "The Merger Interests of Yodlee's Directors and Executive Officers in the Merger" beginning on page 126 of this proxy statement/prospectus.

***Regulatory Clearances Required for the Merger (See page 137)***

The merger is subject to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"). Under the HSR Act and the rules that have been promulgated under the HSR Act, acquisitions of a sufficient size may not be completed unless information has been furnished to the Department of Justice and to the Federal Trade Commission, and applicable waiting period requirements have been satisfied or early termination of the waiting period has been granted.

Table of Contents

Both Envestnet and Yodlee filed the required notification and report forms on September 1, 2015 and early termination of the waiting period was granted on September 14, 2015.

Under the merger agreement, Envestnet and Yodlee have agreed to cooperate with each other and use their respective reasonable best efforts to obtain all regulatory clearances necessary to complete the merger; however, neither Envestnet nor Yodlee is required to take, or commit to take, any action or agree to any condition or restriction in connection with such regulatory clearances that would reasonably be likely to result in a "Materially Burdensome Regulatory Condition," which includes, among other things, the transfer or disposition of assets or a limitation on the ability of Envestnet or Yodlee to conduct their respective businesses.

*Effective Time and Completion of the Merger (See page 145)*

The closing of the merger will occur no later than three business days after all of the conditions to the merger set forth in the merger agreement are satisfied or waived, or at such other date as agreed to by Yodlee and Envestnet. The merger will become effective at the effective time when the applicable certificate of merger has been duly filed with the Secretary of State of the State of Delaware or at a later time as agreed to by Yodlee and Envestnet and specified in the certificate of merger. Envestnet and Yodlee hope to complete the merger as soon as reasonably practicable and expect the closing of the merger to occur in the fourth quarter of 2015. However, as the merger is subject to various regulatory approvals and the satisfaction or waiver of other conditions described in the merger agreement, it is possible that factors outside the control of Envestnet and Yodlee could result in the merger being completed at an earlier time, a later time or not at all.

*Conditions to Completion of the Merger (See page 161)*

The obligations of Envestnet and Yodlee to complete the merger are subject to the satisfaction of the following conditions:

The respective obligations of Envestnet, Merger Sub and Yodlee to consummate the merger will be subject to the satisfaction or waiver (where permissible under applicable law) prior to the effective time, of each of the following conditions:

the adoption of the merger agreement by the stockholders of Yodlee by the requisite company vote (as defined below);

the authorization for listing on the NYSE of the Envestnet common stock that will be issued pursuant to the merger agreement;

this proxy statement/prospectus has been declared effective under Section 5 of the Securities Act of 1933, as amended (the "Securities Act"), and no stop order suspending the effectiveness of this proxy statement/prospectus has been issued and is in effect and no proceedings for that purpose have been initiated by the Securities and Exchange Commission (the "SEC") and not withdrawn;

the absence of any order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the merger, and the absence of any statute, rule, regulation, order, injunction or decree that has been enacted, entered, promulgated or enforced by any governmental entity which prohibits or makes illegal consummation of the merger; and

the expiration or termination of any waiting period (and extensions thereof) applicable to the transactions contemplated by the merger agreement under the HSR Act.

## Edgar Filing: ENVESTNET, INC. - Form S-4/A

### Table of Contents

In addition, the obligations of Envestnet and Merger Sub to consummate the merger will also be subject to the satisfaction or waiver of the following conditions:

the truth and correctness of Yodlee's representations and warranties concerning (i) authority to enter into the merger agreement and to consummate the transactions contemplated thereby, (ii) absence of any material adverse effect on Yodlee and (iii) the inapplicability of state takeover laws, in each case as of the date of the merger agreement and as of the date of the closing of the merger (except for those representations and warranties which address matters only as of an earlier date, the truth and correctness of which will be determined as of such earlier date);

the truth and correctness in all material respects of Yodlee's representations and warranties concerning its capitalization, as of the date of the merger agreement and as of the date of the closing of the merger (except for those representations and warranties which address matters only as of an earlier date, the truth and correctness of which will be determined as of such earlier date), except for any failure to be so true and correct that would not increase the aggregate merger consideration to be paid by Envestnet and Merger Sub by more than 2%;

the truth and correctness in all respects (disregarding all "material adverse effect" and materiality qualifications contained in such representations and warranties) of Yodlee's other representations and warranties in the merger agreement, as of the date of the merger agreement and as of the date of the closing of the merger (except for those representations and warranties which address matters only as of an earlier date, the truth and correctness of which will be determined as of such earlier date), except for any failure to be so true and correct that, individually or in the aggregate, has not had or would not reasonably be expected to have a material adverse effect on Yodlee;

the receipt by Envestnet of a certificate on behalf of Yodlee certifying as to the satisfaction of the foregoing three conditions; and

Yodlee's performance in all material respects of all of its obligations under the merger agreement required to be performed at or prior to the date of the closing of the merger, and the receipt by Envestnet of a certificate on behalf of Yodlee certifying as to the satisfaction of the foregoing.

In addition, the obligations of Yodlee to consummate the merger will also be subject to the satisfaction or waiver of the following conditions:

the truth and correctness of Envestnet's and Merger Sub's representations and warranties concerning (i) authority to enter into the merger agreement and to consummate the transactions contemplated thereby and (ii) absence of any material adverse effect on Envestnet, in each case as of the date of the merger agreement and as of the date of the closing of the merger (except for those representations and warranties which address matters only as of an earlier date, the truth and correctness of which will be determined as of such earlier date);

the truth and correctness of Envestnet's representations and warranties concerning its capitalization, as of the date of the merger agreement and as of the date of the closing of the merger (except for those representations and warranties which address matters only as of an earlier date, the truth and correctness of which will be determined as of such earlier date), except for any failure to be so true and correct that would not increase the capitalization of Envestnet on a fully diluted basis by more than 2%;

the truth and correctness in all respects (disregarding all "material adverse effect" and materiality qualifications contained in such representations and warranties) of Envestnet's and Merger Sub's other representations and warranties in the merger agreement, as of the date of



Table of Contents

the merger agreement and as of the date of the closing of the merger (except for those representations and warranties which address matters only as of an earlier date, the truth and correctness of which will be determined as of such earlier date), except for any failure to be so true and correct that, individually or in the aggregate, has not had or would not reasonably be expected to have a material adverse effect on Envestnet;

the receipt by Yodlee of a certificate on behalf of Envestnet and Merger Sub certifying as to the satisfaction of the foregoing three conditions; and

Envestnet's and Merger Sub's performance in all material respects of all of their respective obligations under the merger agreement required to be performed at or prior to the date of the closing of the merger, and the receipt by Yodlee of a certificate on behalf of Envestnet and Merger Sub certifying as to the satisfaction of the foregoing.

***No Solicitation (See page 156)***

The merger agreement precludes Yodlee from soliciting, engaging in discussions or negotiations with or providing confidential or non-public information or data to a third party with respect to any of certain acquisition proposals, including the acquisition of a significant interest in Yodlee common stock or assets. However, if Yodlee receives an unsolicited written proposal from a third party (which proposal was not received in violation of Yodlee's non-solicitation obligations) for an acquisition proposal that the Yodlee Board, among other things, (i) determines in good faith (after consultation with its outside counsel and financial advisors) constitutes or is reasonably likely to lead to a proposal that is superior to the merger and (ii) determines in good faith (after consultation with outside counsel and financial advisors) with respect to which the failure to enter into discussions would be inconsistent with its fiduciary duties under applicable law, Yodlee may, subject to certain conditions, including providing notice to Envestnet, furnish non-public information to and engage in discussions with such third party regarding such acquisition proposal.

See the section entitled "The Merger Agreement - No Solicitation" beginning on page 156 of this proxy statement/prospectus for a further discussion of Yodlee's covenant not to solicit alternative acquisition proposals.

***Termination of the Merger Agreement (See page 163)***

Yodlee, Envestnet and Merger Sub may terminate the merger agreement by mutual written consent at any time before the effective time. In addition, with certain exceptions, either Yodlee or Envestnet may terminate the merger agreement at any time before the consummation of the merger if:

any governmental entity of competent jurisdiction has issued a final nonappealable order, injunction or decree permanently enjoining or otherwise prohibiting or making illegal the consummation of the merger or the other transactions contemplated thereby;

the merger is not consummated on or before February 15, 2016 (the "termination date"), unless the failure of the consummation of the merger to occur by such date is due to the material breach of the merger agreement by the party seeking to terminate the merger agreement;

there is a breach of any of the covenants or agreements or any of the representations or warranties of the other party (or any such representation or warranty ceases to be true) set forth in the merger agreement, which breach or failure to be true, either individually or in the aggregate with all other breaches by such other party (or failures of such representations or warranties to be true), constitute, if occurring or continuing on the date of the closing of the merger, the failure of a closing condition applicable to such other party, and such breach or failure is not cured within the earlier of the termination date and 45 days following written notice to the other party; provided, however, that the terminating party is not then in material

Table of Contents

breach of any representation, warranty, covenant or other agreement contained in the merger agreement; or

the merger agreement was not adopted by the stockholders of Yodlee by the requisite company vote at the Yodlee special meeting or at any adjournment or postponement of the Yodlee special meeting.

Envestnet may also terminate the merger agreement if, prior to obtaining the requisite company vote:

the Yodlee Board (or any committee thereof) has effected an adverse recommendation change;

Yodlee failed to include the company recommendation in the proxy statement/prospectus; or

Yodlee or the Yodlee Board (or any committee thereof) has willfully and materially breached any of its obligations set forth in the provisions of the merger agreement relating to the Yodlee special meeting and recommendation or the provisions relating to acquisition proposals.

Yodlee may also terminate the merger agreement prior to obtaining the requisite company vote to enter into a definitive agreement with respect to a superior proposal after an adverse recommendation change by the Yodlee Board, if (i) Yodlee has satisfied the specified requirements and conditions concerning notification of an adverse recommendation change and negotiation with Envestnet and (ii) concurrently with the termination of the merger agreement, Yodlee pays to Envestnet the termination fee.

See the section entitled "The Merger Agreement Termination of the Merger Agreement" beginning on page 163 of this proxy statement/prospectus for a further discussion of the rights of each of Envestnet and Yodlee to terminate the merger agreement.

***Expenses and Termination Fees; Liability for Breach (See page 164)***

Each party will generally pay all fees and expenses it incurs by it in connection with the merger and the other transactions contemplated by the merger agreement, except that Envestnet and Yodlee will share equally all fees and expenses in relation to the printing, filing and mailing of this proxy statement/prospectus and any filing or other fees paid to the SEC, in each case in connection with the merger.

In certain circumstances in connection with the termination of the merger agreement, Yodlee must pay to Envestnet a termination fee equal to \$17.8 million.

See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach" beginning on page 164 of this proxy statement/prospectus for a further discussion of the circumstances under which such termination fees and/or expense reimbursement will be required to be paid.

***Accounting Treatment (See page 138)***

U.S. generally accepted accounting principles ("GAAP") require the merger to be accounted for using acquisition accounting pursuant to which Envestnet has been determined to be the acquirer for accounting purposes. The combined company will allocate the total purchase consideration to Yodlee's tangible and identifiable intangible assets acquired and liabilities assumed based on their fair values at the date of the completion of the merger. Any excess purchase price after this allocation will be assigned to goodwill. Goodwill is not amortized, but is tested for impairment at least annually or more frequently if circumstances indicate potential impairment. Upon consummation of the merger, the historical financial statements of the combined company will reflect only the operations and financial



Table of Contents

condition of Envestnet. The operating results of Yodlee will be reported as part of the combined company beginning on the date of the merger.

Final valuations of Yodlee's tangible and identifiable intangible assets acquired and liabilities assumed have not yet been completed. The completion of the valuation upon consummation of the merger could result in significantly different amortization expenses and balance sheet amounts than those presented in the unaudited pro forma condensed combined financial statements included in this proxy statement/prospectus.

***Appraisal Rights (See page 139)***

Pursuant to Section 262 of the DGCL, holders of Yodlee common stock who comply with the applicable requirements of Section 262 of the DGCL and do not otherwise withdraw or lose the right to appraisal under Delaware law have the right to seek appraisal of the fair value of their shares of Yodlee common stock, as determined by the Delaware Court of Chancery, if the merger is completed. The "fair value" of shares of Yodlee common stock as determined by the Delaware Court of Chancery may be more or less than, or the same as, the value of the merger consideration per share that Yodlee stockholders are otherwise entitled to receive under the terms of the merger agreement. Holders of Yodlee common stock who do not consent to the adoption of the merger agreement and who wish to preserve their appraisal rights must so advise Yodlee by submitting a demand for appraisal within the period prescribed by Section 262 of the DGCL after receiving this notice from Yodlee that appraisal rights are available to them, and must otherwise precisely follow the procedures prescribed by Section 262 of the DGCL. Failure to follow any of the statutory procedures set forth in Section 262 of the DGCL will result in the loss or waiver of appraisal rights under Delaware law. A person having a beneficial interest in shares of Yodlee common stock held of record in the name of another person, such as a broker, bank or other nominee, must act promptly to cause the record holder to follow the steps summarized in this proxy statement/prospectus and in a timely manner to perfect appraisal rights. In view of the complexity of Section 262 of the DGCL, Yodlee stockholders who may wish to pursue appraisal rights should consult their legal and financial advisors. Please see the section entitled "The Merger Appraisal Rights" beginning on page 139 of this proxy statement/prospectus.

***Litigation Related to the Merger***

Yodlee, each of the members of the Yodlee Board, Envestnet and Merger Sub have been named as defendants in a putative class action challenging the merger in the Court of Chancery of the State of Delaware captioned *Suman Inala v. Yodlee, Inc., et al.* (Case No. 11461) (filed September 2, 2015). The complaint alleges, among other things, that the Yodlee Board breached its fiduciary duties by failing to ensure that Yodlee stockholders received adequate and fair value for their shares. The complaint also alleges that Envestnet and Merger Sub have aided and abetted these breaches of fiduciary duties. The plaintiff seeks as relief, among other things, an injunction against the merger, rescission of the merger agreement to the extent it is already implemented, an award of damages and attorneys' fees. The defendants believe the lawsuit is without merit.

***Listing of Envestnet Shares***

The shares of Envestnet common stock to be issued in the merger will be listed for trading on the NYSE.

***Delisting and Deregistration of Shares of Yodlee Common Stock***

Upon completion of the merger, shares of Yodlee common stock will cease to be listed on NASDAQ and will subsequently be deregistered under the Exchange Act.

Table of Contents

See the sections entitled "The Merger Listing of Envestnet Shares" and "The Merger Delisting and Deregistration of Yodlee Common Stock" for a further discussion of the listing of Envestnet shares and de-listing of Yodlee common stock in connection with the merger.

***Material United States Federal Income Tax Consequences***

The receipt of cash and Envestnet common stock for shares of Yodlee common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. The receipt of cash and stock by a U.S. Holder (as defined under the section entitled "Material United States Federal Income Tax Consequences" beginning on page 166 of this proxy statement/prospectus) in exchange for such U.S. Holder's shares of Yodlee common stock in the merger generally will result in the recognition of gain or loss in an amount measured by the difference between the cash and the fair market value of the Envestnet common stock such U.S. Holder receives in the merger and such U.S. Holder's adjusted tax basis in the shares of Yodlee common stock surrendered in the merger. A Non-U.S. Holder (as defined under the section entitled "Material United States Federal Income Tax Consequences" beginning on page 166 of this proxy statement/prospectus) generally will not be subject to U.S. federal income tax with respect to the exchange of Yodlee common stock for cash and Envestnet common stock in the merger unless such Non-U.S. Holder has certain connections to the United States. Stockholders should refer to the discussion in the section entitled "Material United States Federal Income Tax Consequences," beginning on page 166 of this proxy statement/prospectus and consult their own tax advisors concerning the U.S. federal income tax consequences relating to the merger in light of their particular circumstances and any consequences arising under the laws of any state, local or foreign taxing jurisdiction.

***The Yodlee Special Meeting (See page 92)***

The Yodlee special meeting will be held at Yodlee's principal executive offices located at 3600 Bridge Parkway, Suite 200, Redwood City, California 94065, on November 19, 2015, at 10:00 a.m., California time, to consider and vote upon the following matters:

the proposal to adopt the merger agreement; and

the proposal to adjourn the Yodlee special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of such adjournment to approve such proposal (the "Yodlee adjournment proposal").

Completion of the merger is conditioned on, among other things, adoption of the merger agreement.

Adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Yodlee common stock as of the record date for the Yodlee special meeting. Approval of the Yodlee adjournment proposal requires the affirmative vote of the holders of a majority of the shares of Yodlee common stock entitled to vote and present in person or represented by proxy at the Yodlee special meeting. The approval of the Yodlee adjournment proposal is not a condition to completion of the merger.

Only holders of record of Yodlee common stock at the close of business on October 12, 2015, the Yodlee record date, are entitled to notice of, and to vote at, the Yodlee special meeting or any adjournments thereof. At the close of business on the Yodlee record date, 30,819,117 shares of Yodlee common stock were issued and outstanding, approximately 27.8% of which were beneficially owned by Yodlee's directors and executive officers and their affiliates (excluding shares of Yodlee common stock subject to stock options and/or restricted stock units that were not exercised or vested as of the record date). As long as the voting agreements remain in effect, approximately 8,160,691 shares of Yodlee

Table of Contents

common stock, which represented approximately 26.5% of the total outstanding shares of Yodlee common stock, are committed to be voted in favor of the adoption of the merger agreement. See the section entitled "The Voting Agreement" beginning on page 165 of this proxy statement/prospectus.

Under the merger agreement, Yodlee may, without the prior consent of Envestnet, postpone or adjourn its special meeting to the extent necessary in order to conduct business at the Yodlee special meeting if (i) as of November 19, 2015, there are insufficient shares of Yodlee common stock represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of the Yodlee special meeting, or if on the date of such special meeting Yodlee has not received proxies representing a sufficient number of shares necessary to obtain the stockholders' approval of the proposal to adopt the merger agreement, (ii) Yodlee is required to postpone or adjourn the Yodlee special meeting by applicable law, order or a request from the SEC or its staff, or (iii) Yodlee has sent to its stockholders or otherwise made available to them any new material information or disclosure since the date of this proxy statement/prospectus, and Yodlee or the Yodlee Board (or any committee thereof) has determined in good faith (after consultation with outside counsel) that it is necessary or appropriate to postpone or adjourn the Yodlee special meeting in order to give the stockholders of Yodlee sufficient time to evaluate any such new material information or disclosure.

The Yodlee Board has unanimously approved and adopted the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to and in the best interests of Yodlee and its stockholders. The Yodlee Board unanimously recommends that Yodlee stockholders vote "FOR" the adoption of the merger agreement and "FOR" the Yodlee adjournment proposal. See the section entitled "The Yodlee Special Meeting" beginning on page 92 of this proxy statement/prospectus for further discussion of the Yodlee special meeting.

***Comparison of Stockholders' Rights (See page 175)***

The rights of Yodlee stockholders are governed by Yodlee's amended and restated certificate of incorporation, as amended, which we refer to as the Yodlee charter, and amended and restated bylaws, as amended, which we refer to as the Yodlee bylaws, and by Delaware corporate law. The rights of Envestnet stockholders are governed by Envestnet's fifth amended and restated certificate of incorporation and its bylaws, which we refer to as the Envestnet charter and the Envestnet bylaws, respectively, and by Delaware corporate law. Your rights under the Yodlee charter and the Yodlee bylaws will differ in some respects from your rights under the Envestnet charter and the Envestnet bylaws. For more detailed information regarding a comparison of your rights as a stockholder of Yodlee and Envestnet, see the section entitled "Comparison of Stockholders' Rights" beginning on page 175 of this proxy statement/prospectus.

***Dividends***

***Envestnet and Merger Sub***

Envestnet and Merger Sub have not historically paid any dividends on common stock and do not presently anticipate paying any dividends on their common stock in the foreseeable future.

***Yodlee***

Yodlee has never declared or paid any cash dividends on its common stock. Under the terms of the merger agreement, Yodlee is permitted to pay holders of its common stock dividends consistent with the merger agreement. Otherwise, Yodlee is generally prohibited from paying dividends on its common stock during the pendency of the merger.

Table of Contents

**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ENVESTNET**

You should read the following selected historical consolidated financial data together with Envestnet's financial statements and related notes and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Envestnet's periodic reports incorporated by reference in this proxy statement/prospectus. Envestnet derived the data for the years ended December 31, 2014, 2013 and 2012 and as of December 31, 2014 and 2013 from its audited consolidated financial statements incorporated by reference herein. Envestnet derived the data for the years ended December 31, 2011 and 2010 and as of December 31, 2012, 2011 and 2010 from its audited consolidated financial statements not incorporated by reference herein. Envestnet derived the selected data for the six months ended June 30, 2015 and 2014 from its unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statement data has been prepared on a basis consistent with Envestnet's audited financial statements and includes, in the opinion of Envestnet's management, all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of Envestnet's financial position and results of operations for these periods. Envestnet's historical results for any prior period are not necessarily indicative of results to be expected in any future period, and its results for any interim period are not necessarily indicative of results for a full fiscal year. The data should be read in conjunction with the consolidated financial statements, related notes and other financial information incorporated by reference in this proxy statement/prospectus.

Edgar Filing: ENVESTNET, INC. - Form S-4/A

Table of Contents

	Six Months Ended June 30,		Year Ended December 31,				
	2015	2014	2014	2013	2012	2011	2010
(in thousands, except for share and per share information)							
<b>Statement of Operations</b>							
<b>Data:</b>							
Revenues:							
Assets under management or administration	\$ 164,896	\$ 137,808	\$ 294,223	\$ 200,568	\$ 127,213	\$ 99,236	\$ 75,951
Licensing and professional services	34,221	25,560	54,525	41,967	30,053	23,942	22,101
<b>Total revenues</b>	<b>199,117</b>	<b>163,368</b>	<b>348,748</b>	<b>242,535</b>	<b>157,266</b>	<b>123,178</b>	<b>98,052</b>
Operating expenses:							
Cost of revenues	81,181	72,392	150,067	98,970	56,119	42,831	31,444
Compensation and benefits	63,491	48,616	104,457	77,442	54,973	40,305	37,027
General and administration	29,721	25,086	54,321	44,808	30,617	21,856	21,607
Depreciation and amortization	11,058	9,037	18,651	15,329	12,400	6,376	5,703
Restructuring charges	518			474	115	434	961
<b>Total operating expenses</b>	<b>185,969</b>	<b>155,131</b>	<b>327,496</b>	<b>237,023</b>	<b>154,224</b>	<b>111,802</b>	<b>96,742</b>
<b>Income from operations</b>	<b>13,148</b>	<b>8,237</b>	<b>21,252</b>	<b>5,512</b>	<b>3,042</b>	<b>11,376</b>	<b>1,310</b>
Other income (expense), net	(4,454)	1,920	1,255	200	26	(796)	(403)
<b>Income before income tax provision</b>	<b>8,694</b>	<b>10,157</b>	<b>22,507</b>	<b>5,712</b>	<b>3,068</b>	<b>10,580</b>	<b>907</b>
Income tax provision	3,647	3,639	8,528	2,052	2,603	2,975	1,533
<b>Net income (loss)</b>	<b>5,047</b>	<b>6,518</b>	<b>13,979</b>	<b>3,660</b>	<b>465</b>	<b>7,605</b>	<b>(626)</b>
Less: Preferred stock dividends							(422)
Add: Net loss attributable to non-controlling interest		195	195				
<b>Income (loss) attributable to common stockholders</b>	<b>\$ 5,047</b>	<b>\$ 6,713</b>	<b>\$ 14,174</b>	<b>\$ 3,660</b>	<b>\$ 465</b>	<b>\$ 7,605</b>	<b>(1,048)</b>
<b>Net income (loss) per share attributable to common stockholders</b>							
Basic	\$ 0.14	\$ 0.20	\$ 0.41	\$ 0.11	\$ 0.01	\$ 0.24	(0.05)
Diluted	\$ 0.13	\$ 0.18	\$ 0.38	\$ 0.10	\$ 0.01	\$ 0.23	(0.05)
<b>Weighted average common shares outstanding:</b>							
Basic	35,463,623	34,332,759	34,559,558	33,191,088	32,162,672	31,643,390	20,805,911

Edgar Filing: ENVESTNET, INC. - Form S-4/A

Diluted 37,504,028 36,726,121 36,877,599 35,666,575 33,341,615 32,863,834 20,805,911

**Balance Sheet Data (at end of period):**

Cash and cash equivalents	\$	198,927	\$	64,464	\$	209,754	\$	49,942	\$	29,983	\$	64,909	\$	67,668
Working capital		183,300		46,709		177,315		26,384		14,785		64,944		62,979
Goodwill and intangible assets		194,278		106,266		163,630		110,033		92,794		33,559		3,361
Total assets		485,628		240,388		439,358		221,242		162,399		137,702		141,868
Long-term debt		147,627				145,203								
Stockholders' equity		237,568		163,736		201,435		147,772		125,996		115,639		102,319

29

Table of Contents

**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF YODLEE**

The following tables summarize Yodlee's consolidated historical financial data. This should be read in conjunction with the section entitled "Yodlee's Management's Discussion and Analysis of Financial Condition and Results of Operations" and Yodlee's consolidated financial statements and related notes included elsewhere in this proxy statement/prospectus.

The consolidated statements of operations data for the years ended December 31, 2014, 2013 and 2012 and the consolidated balance sheets data as of December 31, 2014 and 2013 are derived from Yodlee's audited consolidated financial statements included elsewhere in this proxy statement/prospectus. The consolidated statements of operations data for the year ended December 31, 2011 and 2010 and the consolidated balance sheets data as of December 31, 2012, 2011 and 2010 are derived from Yodlee's audited consolidated financial statements that are not included in this proxy statement/prospectus. Yodlee has derived the consolidated statements of operations data for the six months ended June 30, 2015 and 2014 and the consolidated balance sheets data as of June 30, 2015 and 2014 from its unaudited interim condensed consolidated financial statements included elsewhere in this proxy statement/prospectus. Yodlee's unaudited condensed consolidated financial statements have been prepared on the same basis as its audited consolidated financial statements and, in the opinion of management, reflect all adjustments, which consist only of normal recurring adjustments, necessary for the fair statement of those unaudited condensed consolidated financial statements. Yodlee's historical results are not necessarily indicative of the results that may be expected in the future.

Edgar Filing: ENVESTNET, INC. - Form S-4/A

Table of Contents

	Six Months Ended June 30,		Year Ended December 31,				
	2015	2014	2014	2013	2012	2011	2010
(in thousands, except per share amounts)							
<b>Consolidated Statements of Operations Data:</b>							
Revenue:							
Subscription	\$ 44,138	\$ 34,903	\$ 76,005	\$ 56,838	\$ 44,336	\$ 37,029	\$ 30,746
Professional services and other	6,426	6,163	13,076	13,322	13,458	17,400	15,593
<b>Total revenue</b>	<b>50,564</b>	<b>41,066</b>	<b>89,081</b>	<b>70,160</b>	<b>57,794</b>	<b>54,429</b>	<b>46,339</b>
Cost of revenue(1):							
Subscription	14,701	11,399	25,511	19,139	17,177	17,325	16,022
Professional services and other	4,670	4,392	9,704	7,693	7,594	9,537	8,006
<b>Total cost of revenue</b>	<b>19,371</b>	<b>15,791</b>	<b>35,215</b>	<b>26,832</b>	<b>24,771</b>	<b>26,862</b>	<b>24,028</b>
<b>Gross profit</b>	<b>31,193</b>	<b>25,275</b>	<b>53,866</b>	<b>43,328</b>	<b>33,023</b>	<b>27,567</b>	<b>22,311</b>
Operating expenses(1):							
Research and development	13,789	10,260	23,601	17,948	16,193	16,768	14,742
Sales and marketing	14,206	9,690	22,377	15,418	13,638	12,911	9,885
General and administrative	8,035	5,519	13,321	9,386	8,852	9,793	8,382
<b>Total operating expenses</b>	<b>36,030</b>	<b>25,469</b>	<b>59,299</b>	<b>42,752</b>	<b>38,683</b>	<b>39,472</b>	<b>33,009</b>
Operating income (loss) from continuing operations	(4,837)	(194)	(5,433)	576	(5,660)	(11,905)	(10,698)
Other income (expense), net	348	87	261	(318)	230	(917)	(342)
Income (loss) from continuing operations before provision for (benefit from) income taxes	(4,489)	(107)	(5,172)	258	(5,430)	(12,822)	(11,040)
Provision for (benefit from) income taxes	1,098	842	1,803	1,439	1,091	(3,736)	(4,848)
Net loss from continuing operations	(5,587)	(949)	(6,975)	(1,181)	(6,521)	(9,086)	(6,192)
Income from discontinued operations						6,999	8,260
<b>Net income (loss)</b>	<b>\$ (5,587)</b>	<b>\$ (949)</b>	<b>\$ (6,975)</b>	<b>\$ (1,181)</b>	<b>\$ (6,521)</b>	<b>\$ (2,087)</b>	<b>\$ 2,068</b>
<b>Basic and diluted net income (loss) per share attributable to common stockholders(2)</b>							
Net loss from continuing operations	\$ (0.19)	\$ (0.13)	\$ (0.54)	\$ (0.16)	\$ (0.98)	\$ (1.54)	\$ (1.09)
Income from discontinued operations	\$	\$				1.19	1.46
<b>Net income (loss)</b>	<b>\$ (0.19)</b>	<b>\$ (0.13)</b>	<b>\$ (0.54)</b>	<b>\$ (0.16)</b>	<b>\$ (0.98)</b>	<b>\$ (0.35)</b>	<b>\$ 0.37</b>
<b>Weighted average shares used to compute net loss per share attributable to common stockholders basic and diluted(2)</b>							
	29,641	7,518	12,802	7,263	6,649	5,888	5,657

(1) Costs and expenses include stock-based compensation expense as follows:

<b>Six Months Ended June 30,</b>	<b>Year Ended December 31,</b>
--	--------------------------------



Edgar Filing: ENVESTNET, INC. - Form S-4/A

	2015	2014	2014	2013	2012	2011	2010
	(in thousands)						
Cost of revenue subscription	\$ 589	\$ 99	\$ 931	\$ 201	\$ 170	\$ 163	\$ 194
Cost of revenue professional services and other	278	64	562	107	119	112	146
Research and development	871	128	1,159	243	236	266	290
Sales and marketing	1,067	172	1,586	302	242	302	263
General and administrative	1,657	456	2,897	658	588	524	443
Total stock-based compensation	\$ 4,462	\$ 919	\$ 7,135	\$ 1,511	\$ 1,355	\$ 1,367	\$ 1,336

(2) See Note 8 to Yodlee's unaudited condensed consolidated financial statements and Note 9 to its audited consolidated financial statements appearing elsewhere in this proxy statement/prospectus for an explanation of the calculations of

## Edgar Filing: ENVESTNET, INC. - Form S-4/A

### Table of Contents

Yodlee's net loss per share attributable to common stockholders for the six months ended June 30, 2015 and 2014 and the years ended December 31, 2014, 2013 and 2012.

	As of June 30,		As of December 31,				
	2015	2014	2014	2013	2012	2011	2010
	(in thousands)						
<b>Consolidated Balance Sheet Data:</b>							
Cash and cash equivalents	\$ 71,432	\$ 6,263	\$ 73,520	\$ 8,134	\$ 7,963	\$ 8,763	\$ 10,885
Working capital (deficit)	72,358	(4,341)	70,295	213	(1,710)	(7,939)	(11,789)
Property and equipment, net	10,251	9,058	9,481	6,297	4,335	3,580	3,753
Total assets	109,454	41,304	107,544	34,460	30,399	28,840	43,978
Deferred revenue	8,475	7,679	7,252	7,984	7,464	11,503	28,419
Total bank borrowings and capital lease obligations	931	11,770	2,396	7,763	7,955	9,195	5,303
Convertible preferred stock warrant liabilities		908		760	505	554	608
Convertible preferred stock		102,224		102,224	102,211	92,268	92,207
Total stockholders' equity (deficit)	82,499	(97,170)	80,077	(98,079)	(99,074)	(97,878)	(96,884)

Table of Contents

**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS**

**(all numbers are in thousands except share and per share information unless otherwise indicated)**

The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2014, combine the historical consolidated statements of operations of Envestnet, Placemark Holdings, Inc. ("Placemark"), which was acquired by Envestnet on October 1, 2014, and Yodlee, giving effect to the Placemark acquisition and the merger (collectively, the "mergers") as if they had occurred on January 1, 2014, the first day of the fiscal year ended December 31, 2014. The unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2015, combine the historical consolidated statements of operations of Envestnet (including Placemark) and Yodlee, giving effect to the mergers as if they had occurred on January 1, 2014, the first day of the fiscal year ended December 31, 2014. The unaudited pro forma condensed combined balance sheet as of June 30, 2015, combines the historical consolidated balance sheets of Envestnet and Yodlee, giving effect to the merger as if it had occurred on June 30, 2015. The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the condensed combined statements of operations, expected to have a continuing impact on the combined company's results. The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements. In addition, the unaudited pro forma condensed combined financial information was based on, and should be read in conjunction with:

separate historical consolidated financial statements of Envestnet as of, and for the year ended, December 31, 2014, and the related notes included in Envestnet's Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this proxy statement/prospectus;

separate historical consolidated financial statements of Yodlee as of, and for the year ended, December 31, 2014, and the related notes included elsewhere in this proxy statement/prospectus;

separate historical consolidated financial statements of Envestnet as of, and for the six months ended, June 30, 2015, and the related notes included in Envestnet's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2015, which is incorporated by reference in this proxy statement/prospectus;

separate historical consolidated financial statements of Yodlee as of, and for the six months ended, June 30, 2015, and the related notes included elsewhere in this proxy statement/prospectus; and

separate historical consolidated financial statements of Placemark as of, and for the nine months ended, September 30, 2014, and the related notes included filed as an exhibit to the registration statement to which this proxy statement/prospectus is a part and incorporated by reference herein.

The unaudited pro forma condensed combined financial information has been prepared by Envestnet using the acquisition method of accounting in accordance with GAAP. Envestnet has been treated as the acquirer in the merger for accounting purposes. The acquisition accounting is dependent upon certain valuation and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. The merger has not yet received the necessary approvals from governmental authorities. Under the HSR Act and other relevant laws and regulations, before completion of the merger, there are significant limitations regarding what Envestnet can learn about Yodlee. The assets and liabilities of Yodlee have been measured based on various preliminary estimates using assumptions that Envestnet believes are reasonable based on information that is currently available to it. Differences between these preliminary estimates and the final acquisition

Table of Contents

accounting will occur, and those differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the combined company's future results of operations and financial position. The pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial statements prepared in accordance with the rules and regulations of the SEC.

Envestnet intends to commence the necessary valuation and other studies required to complete the acquisition accounting promptly upon completion of the merger and will finalize the acquisition accounting as soon as practicable within the required measurement period prescribed by ASC 805, but in no event later than one year following completion of the merger.

The unaudited pro forma condensed combined financial information has been presented for informational purposes only. The unaudited pro forma condensed combined financial information does not purport to represent the actual results of operations that Envestnet, Placemark and Yodlee would have achieved had the companies been combined during the periods presented in the unaudited pro forma condensed combined financial statements and is not intended to project the future results of operations that the combined company may achieve after the merger. The unaudited pro forma condensed combined financial information does not reflect any potential cost savings that may be realized as a result of the merger and also does not reflect any restructuring or integration-related costs, if any, to achieve those potential cost savings. No material intercompany transactions between Envestnet, Placemark and Yodlee during the periods presented in the unaudited pro forma condensed combined financial statements have been identified at this time.

Table of Contents**Investnet, Inc.****Unaudited Pro Forma Condensed Combined Balance Sheet of Investnet and Yodlee****As of June 30, 2015****(in thousands)**

	Historical		Pro Forma		
	Investnet	Yodlee(1)	Adjustments		Combined
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 198,927	\$ 71,432	\$ (229,802)	a, b	\$ 40,557
Fees and other receivables, net	29,232	17,300			46,532
Deferred tax assets, net	4,635	131			4,766
Prepaid expenses and other current assets	20,653	5,511	249	b	26,413
<b>Total current assets</b>	<b>253,447</b>	<b>94,374</b>	<b>(229,553)</b>		<b>118,268</b>
Property and equipment, net	18,283	10,251			28,534
Internally developed software, net	7,999				7,999
Intangible assets, net	67,911		241,000	c	308,911
Goodwill	126,367	3,068	293,560	d	422,995
Other non-current assets	11,621	1,761	1,873	b	15,255
<b>Total assets</b>	<b>\$ 485,628</b>	<b>\$ 109,454</b>	<b>\$ 306,880</b>		<b>\$ 901,962</b>
<b>Liabilities</b>					
Current liabilities:					
Accrued expenses	\$ 48,451	\$ 10,798	\$ 15,044	e	\$ 74,293
Accounts payable	6,402	2,929			9,331
Contingent consideration	7,422				7,422
Deferred revenue	7,872	8,289	(4,377)	f	11,784
<b>Total current liabilities</b>	<b>70,147</b>	<b>22,016</b>	<b>10,667</b>		<b>102,830</b>
Convertible notes	147,627				147,627
Credit facility			160,000	g	160,000
Contingent consideration	5,194				5,194
Deferred revenue	11,893	186	(98)	f	11,981
Deferred rent and lease incentive	9,375	568			9,943
Deferred tax liabilities, net	224		46,169	h	46,393
Other non-current liabilities	2,100	4,185			6,285
<b>Total liabilities</b>	<b>246,560</b>	<b>26,955</b>	<b>216,738</b>		<b>490,253</b>
Redeemable units in ERS, LLC	1,500				1,500
Stockholders' equity:					
Common stock and additional paid in capital	271,205	447,342	(259,657)	i	458,890
Accumulated deficit and accumulated other comprehensive loss	(14,396)	(364,843)	349,799	j	(29,440)
Treasury stock	(19,797)				(19,797)

Edgar Filing: ENVESTNET, INC. - Form S-4/A

Total equity	237,012	82,499	90,142	409,653
Non-controlling interest	556			556
Total liabilities and equity	\$ 485,628	\$ 109,454	\$ 306,880	\$ 901,962

---

(1) Certain reclassifications were made to conform to Envestnet's financial statement presentation. These reclassifications primarily consist of accrued compensation and capital lease obligations, current portion being reclassified to accrued expenses.

See notes to the unaudited pro forma condensed combined financial statements.

Table of Contents

## Investnet, Inc.

## Unaudited Pro Forma Condensed Combined Statement of Operations of Investnet and Yodlee

Year Ended December 31, 2014

(in thousands, except share and per share information)

	Pro Forma condensed combined pro forma total for Investnet and Placemark(1)	Historical Yodlee(2)	Adjustments	Pro Forma Combined
<b>Revenues:</b>				
Assets under management or administration	\$ 310,830	\$	\$	\$ 310,830
Licensing and professional services	54,764	89,081		143,845
Total revenues	365,594	89,081		454,675
<b>Operating expenses:</b>				
Cost of revenues	149,497	11,399		160,896
Compensation and benefits	117,421	60,846	6,163 k	184,430
General and administration	58,026	18,504		76,530
Depreciation and amortization	22,815	3,765	37,245 c	63,825
Total operating expenses	347,759	94,514	43,408	485,681
Income (loss) from operations	17,835	(5,433)	(43,408)	(31,006)
Other income (expense), net	1,254	261	(6,850) g	(5,335)
Income (loss) before income tax provision (benefit)	19,089	(5,172)	(50,258)	(36,341)
Income tax provision (benefit)	6,942	1,803	(20,103) 1	(11,358)
Net income (loss)	12,147	(6,975)	(30,155)	(24,983)
Add: Net loss attributable to non-controlling interest	195			195
Net income (loss) attributable to Investnet, Inc.	\$ 12,342	\$ (6,975)	\$ (30,155)	\$ (24,788)
<b>Net income (loss) per share:</b>				
Basic	\$ 0.36	\$ (0.54)		\$ (0.61)
Diluted	\$ 0.33	\$ (0.54)		\$ (0.61)
<b>Weighted average common shares outstanding:</b>				
Basic	34,559,558	12,802,000	(6,816,047) m	40,545,511

Diluted	36,877,599	12,802,000	(9,134,088) m	40,545,511
---------	------------	------------	---------------	------------

---

(1) Based on calculations set forth in the unaudited pro forma condensed combined statement of operations for Envestnet, including Placemark, included elsewhere in this proxy statement/prospectus.

(2) Certain reclassifications were made to conform to Envestnet's financial statement presentation. These reclassifications primarily consist of reclassifying employee related costs (salary, benefits, stock compensation, etc.) from cost of revenues, sales and marketing, research and development and general and administrative expenses, into compensation and benefits expenses. In addition, depreciation expense was reclassified from cost of revenues, sales and marketing, research and development and general and administrative expenses, into depreciation and amortization expense.

See notes to the unaudited pro forma condensed combined financial statements.



Table of Contents

## Investnet, Inc.

## Unaudited Pro Forma Condensed Combined Statement of Operations of Investnet and Yodlee

Six Months Ended June 30, 2015

(in thousands, except share and per share information)

	Historical		Pro Forma	
	Investnet	Yodlee(1)	Adjustments	Combined
<b>Revenues:</b>				
Assets under management or administration	\$ 164,896	\$	\$	\$ 164,896
Licensing and professional services	34,221	50,564		84,785
Total revenues	199,117	50,564		249,681
<b>Operating expenses:</b>				
Cost of revenues	81,181	5,999		87,180
Compensation and benefits	63,491	35,609	2,099 k	101,199
General and administration	29,721	11,537		41,258
Depreciation and amortization	11,058	2,256	18,144 c	31,458
Restructuring charges	518			518
Total operating expenses	185,969	55,401	20,243	261,613
Income (loss) from operations	13,148	(4,837)	(20,243)	(11,932)
Other income (expense), net	(4,454)	348	(3,425) g	(7,531)
Income (loss) before income tax provision (benefit)	8,694	(4,489)	(23,668)	(19,463)
Income tax provision (benefit)	3,647	1,098	(9,467) l	(4,722)
Net income (loss)	5,047	(5,587)	(14,201)	(14,741)
Add: Net loss attributable to non-controlling interest				
Net income (loss) attributable to Investnet, Inc.	\$ 5,047	\$ (5,587)	\$ (14,201)	\$ (14,741)
<b>Net income (loss) per share:</b>				
Basic	\$ 0.14	\$ (0.19)		\$ (0.36)
Diluted	\$ 0.13	\$ (0.19)		\$ (0.36)
<b>Weighted average common shares outstanding:</b>				
Basic	35,463,623	29,641,000	(23,655,047) m	41,449,576

Diluted	37,504,028	29,641,000	(25,695,452) m	41,449,576
---------	------------	------------	----------------	------------

---

(1)

Certain reclassifications were made to conform to Envestnet's financial statement presentation. These reclassifications primarily consist of reclassifying employee related costs (salary, benefits, stock compensation, etc.) from cost of revenues, sales and marketing, research and development and general and administrative expenses, into compensation and benefits expenses. In addition, depreciation expense was reclassified from cost of revenues, sales and marketing, research and development and general and administrative expenses, into depreciation and amortization expense.

See notes to the unaudited pro forma condensed combined financial statements.

Table of Contents

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS**

**(all numbers are in thousands except share and per share information unless otherwise indicated)**

**1. Description of Transaction**

On August 10, 2015, Envestnet, Merger Sub and Yodlee entered into the merger agreement, pursuant to which, subject to the terms and conditions set forth in the merger agreement, Merger Sub will merge with and into Yodlee, with Yodlee continuing as the surviving corporation and a wholly owned indirect subsidiary of Envestnet.

At the effective time, by virtue of the merger, each share of Yodlee common stock, issued and outstanding immediately prior to the effective time, shares of Yodlee common will be cancelled and converted into the right to receive, without interest, (A) \$10.78 in cash and (B) the number of validly issued, fully paid and non-assessable shares of Envestnet common stock, determined by dividing \$8.10 by the volume weighted average of the sales price per share of Envestnet common stock for the ten full trading days ending on and including the second full trading day prior to the closing of the merger, subject to adjustment pursuant to the terms and conditions of the merger agreement. However, if the Envestnet stock value is less than \$39.006, then the Envestnet stock value will be equal to \$39.006 and if the Envestnet stock value is greater than \$47.674, then the Envestnet stock value will be equal to \$47.674.

To the extent that the sum of (A) the aggregate number of shares of Envestnet common stock issuable pursuant to the foregoing paragraph plus (B) the maximum number of shares of Envestnet common stock issuable, including shares of restricted stock and shares of Envestnet common stock subject to restricted stock awards of Envestnet issuable pursuant to the merger agreement, would be equal to or greater than 19.9% of the shares of Envestnet common stock outstanding as of immediately prior to the effective time, the per share stock consideration will be decreased to the minimum extent necessary, such that the total stock amount will not exceed the stock threshold. In such event, the per share cash consideration will be increased by an amount equal to the product of (A) the amount of such reduction in the per share stock consideration pursuant to the preceding sentence multiplied by (B) the Envestnet stock value; provided that (i) the aggregate per share cash consideration will in no event be increased by greater than \$32,000 and (ii) the total stock amount will in no event exceed the stock threshold.

As a result of the various limitations described above, the per share stock consideration will never be less than 0.1699 shares of Envestnet common stock or more than 0.1826 shares of Envestnet common stock. Furthermore, if the Envestnet stock value is at or below \$43.52, the per share cash consideration will begin to increase until the Envestnet stock value is at \$39.01 at which time the per share cash consideration would be fixed at \$11.7579.

At the effective time, Yodlee equity awards will be treated as follows:

Vested Options. Each vested and exercisable stock option granted pursuant to the equity plans of Yodlee that remains outstanding as of immediately prior to the closing of the merger, including options that will become vested as of the closing of the merger, will be exercised immediately prior to the closing of the merger in a cashless net exercise with shares of Yodlee common stock that would otherwise be received on the exercise of such vested stock options being retained by Yodlee to cover the exercise price and any applicable tax withholding obligations and to issue the net number of shares of Yodlee common stock upon such net exercise to the holder of such vested stock option. As of the effective time, each such share of Yodlee common stock will be converted into the right to receive the sum of the per share cash consideration and per share stock consideration.

Table of Contents

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

**(all numbers are in thousands except share and per share information unless otherwise indicated)**

**1. Description of Transaction (Continued)**

Unvested Options. Upon consummation of the merger, all stock options granted pursuant to the equity plans of Yodlee, other than vested stock options, that remain outstanding as of immediately prior to the closing of the merger will be assumed by Envestnet and converted into awards of restricted shares of Envestnet common stock pursuant to the terms and conditions of the merger agreement. The restricted shares of Envestnet common stock received in connection with the assumption and conversion of such unvested stock option will vest proportionally on the same dates and be subject to the same terms and conditions generally of each applicable unvested stock option.

Restricted Stock Units. Upon consummation of the merger, all restricted stock units granted pursuant to the equity plans of Yodlee that remain outstanding as of immediately prior to the closing of the merger will be assumed by Envestnet and converted into awards of restricted shares of Envestnet common stock pursuant to the terms and conditions of the merger agreement. The restricted shares of Envestnet common stock received in connection with the assumption and conversion of such unvested RSUs will vest proportionally on the same dates and be subject to the same terms and conditions generally of each applicable unvested RSU.

The completion of the merger is subject to adoption of the merger agreement by Yodlee stockholders, termination or expiration of the waiting period under the HSR Act, the required governmental authorizations having been obtained and being in full force and effect and certain other conditions to the completion of the merger. As of the date of this proxy statement/prospectus, and subject to the satisfaction or, to the extent permitted by law, waiver of the conditions described in the preceding sentence, Envestnet and Yodlee expect the merger to be completed in the fourth quarter of 2015. Envestnet and Yodlee will continue to operating separately until the transaction closes.

**2. Basis of Presentation**

The unaudited pro forma condensed combined financial statements were prepared using the acquisition method of accounting and are based on the historical consolidated financial statements of Envestnet, Placemark and Yodlee. The acquisition method of accounting is based on ASC 805 and uses the fair value concepts defined in ASC 820, *Fair Value Measurements*. The unaudited pro forma combined per Envestnet common share data set forth below includes the pro forma impact of the acquisition of Placemark on October 1, 2014 as this transaction was deemed significant in accordance with Regulation S-K.

ASC 805 requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. In addition, ASC 805 requires that the consideration transferred be measured at the date the mergers are completed at the then-current market price. This requirement will likely result in a per share equity component that is different from the amount assumed in these unaudited pro forma condensed combined financial statements, since the market price of the Envestnet common shares at the date the mergers are completed may be different than the \$31.04 market price that was used in the preparation of the unaudited pro forma condensed combined financial statements. The market price of \$31.04 was based upon the closing price of Envestnet common shares on the NYSE on September 1, 2015.

ASC 820 defines the term "fair value," sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of

Table of Contents

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

**(all numbers are in thousands except share and per share information unless otherwise indicated)**

**2. Basis of Presentation (Continued)**

valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined in ASC 820 as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, Envestnet may be required to record the fair value of assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect Envestnet's intended use of those assets. Many of these fair value measurements can be highly subjective, and it is possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under the acquisition method of accounting, the assets acquired and liabilities assumed will be recorded, as of completion of the merger, primarily at their respective fair values and added to those of Envestnet. Financial statements and reported results of operations of Envestnet issued after completion of the merger will reflect these values, but will not be retroactively restated to reflect the historical financial position or results of operations of Yodlee.

Under ASC 805, acquisition-related transaction costs (e.g., advisory, legal, valuation and other professional fees) are not included as a component of consideration transferred but are accounted for as expenses in the periods in which such costs are incurred. Acquisition-related transaction costs expected to be incurred by Envestnet include estimated fees relate to an amendment to Envestnet's existing credit agreement.

The unaudited pro forma condensed combined balance sheet as of June 30, 2015 is required to include adjustments which give effect to events that are directly attributable to the merger regardless of whether it expected to have a continuing impact on the combined results or are non-recurring. Therefore, acquisition-related transaction costs expected to be incurred by Envestnet and Yodlee subsequent to June 30, 2015 of approximately \$6,183 and \$8,861, respectively, are reflected as a pro forma adjustment to the unaudited pro forma condensed combined balance sheet as of June 30, 2015 as an increase to accrued expenses and as a decrease to retained earnings.

The unaudited pro forma condensed combined financial statements do not reflect any projected realization of cost savings following completion of the merger. These cost savings opportunities are primarily related to administrative cost savings. Although Envestnet projects that cost savings will result from the merger, there can be no assurance that these cost savings will be achieved. The unaudited pro forma condensed combined financial statements do not reflect any potential restructuring and integration-related costs associated with the projected cost savings. Such restructuring and integration-related costs will be expensed in the appropriate accounting periods after completion of the merger. In addition, the unaudited pro forma condensed combined financial statements do not reflect any potential debt repayments.

Table of Contents

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

**(all numbers are in thousands except share and per share information unless otherwise indicated)**

**3. Accounting Policies**

At completion of the merger, Envestnet will review Yodlee's accounting policies. As a result of that review, Envestnet may identify differences between the accounting policies of the two companies that, when conformed, could have a material impact on the combined financial statements. At this time, other than the treatment of sales commissions, which Yodlee capitalizes and amortizes over the contract life and Envestnet expenses sales commissions as incurred, Envestnet is not aware of any differences that would have a material impact on the combined financial statements, and therefore, the unaudited pro forma condensed combined financial statements assume there are no differences in accounting policies.

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

(all numbers are in thousands except share and per share information unless otherwise indicated)

**4. Estimate of Consideration Expected to be Transferred**

The following is a preliminary estimate of consideration expected to be transferred to effect the acquisition of Yodlee:

	Conversion Calculation	Estimated Fair Value	Form of Consideration
<b>Common Shares:</b>			
Number of shares of Yodlee common stock outstanding at July 31, 2015 (1)	30,393,371		
Multiplied by Envestnet's share price at September 1, 2015, multiplied by the exchange ratio (\$31.04*0.1826) (2)	\$ 5.66	\$ 172,026	Envestnet common stock
Multiplied by the per share cash consideration (per share cash consideration of \$10.78 plus additional cash consideration of \$0.98 required) (2)	\$ 11.76	357,425	Cash
<b>RSUs:</b>			
Number of RSUs with accelerated vesting feature outstanding at July 31, 2015 (1)	162,725		
Multiplied by Envestnet's share price at September 1, 2015, multiplied by the exchange ratio (\$31.04*0.1826) (2)	\$ 5.66	921	Envestnet common stock
Multiplied by the per share cash consideration (per share cash consideration of \$10.78 plus additional cash consideration of \$0.98 required) (2)	\$ 11.76	1,914	Cash
<b>Stock Options:</b>			
Number of shares underlying in-the-money Yodlee stock options vested as of July 31, 2015, expected to be cancelled and exchanged for merger consideration (1)	3,564,793		
Less:			
Number of options required to satisfy exercise price	(1,293,312)		
Net number of options	2,271,481		
Multiplied by Envestnet's share price at September 1, 2015, multiplied by the exchange ratio (\$31.04*0.1826) (2)	\$ 5.66	12,857	Envestnet common stock
Multiplied by the per share cash consideration (per share cash consideration of \$10.78 plus additional required cash consideration of \$0.98) (2)	\$ 11.76	26,713	Cash
<b>Other consideration transferred:</b>			
Attribution of the fair market value of replacement awards (3)		1,881	Envestnet RSUs
		573,737	
Less: Yodlee cash acquired		(71,432)	
Estimate of net consideration		\$ 502,305	

- 
- (1) There has been no material change to the total number of shares of Yodlee common stock outstanding, RSUs outstanding and shares with underlying in-the-money vested Yodlee stock options outstanding from July 31, 2015 to September 1, 2015.
- (2) The estimated total consideration expected to be transferred reflected in these unaudited pro forma condensed combined financial statements does not purport to represent the actual consideration that will be transferred when the merger is completed. In accordance with ASC 805, the fair value of equity securities issued as part of the consideration transferred will be measured on the date the merger is completed at the



Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)****(all numbers are in thousands except share and per share information unless otherwise indicated)****4. Estimate of Consideration Expected to be Transferred (Continued)**

volume weighted average of the sales price per share of Envestnet common stock for the ten full trading days ending on and including the second full trading day prior to the closing of the merger, subject to adjustment pursuant to the terms and conditions of the merger agreement. For purposes of preparing these unaudited pro forma condensed combined financial statements, the Envestnet stock value is assumed to be \$31.04, the closing price of the Envestnet common stock on the NYSE on September 1, 2015. This requirement will likely result in a different value of the common share component of the purchase consideration and a per share equity component different from the \$31.04 assumed in these unaudited pro forma condensed combined financial statements, and that difference may be material. See below for the estimated impact of an increase or decrease of 10% in the price of Envestnet's common stock on the date of the merger on the unaudited pro forma condensed combined financial statements and on the consideration transferred:

	Increase of 10% in Envestnet Stock Price		Decrease of 10% in Envestnet Stock Price	
	For the Twelve Months Ended December 31, 2014	As of/For the Six Months Ended June 30, 2015	For the Twelve Months Ended December 31, 2014	As of/For the Six Months Ended June 30, 2015
Purchase price impact:				
Stock consideration transferred	\$ 18,724	\$ 18,724	\$ (18,167)	\$ (18,167)
Balance sheet impact:				
Total intangible assets	N/A	5,000	N/A	(5,000)
Goodwill	N/A	15,724	N/A	(15,167)
Deferred tax liabilities, net	N/A	2,000	N/A	(2,000)
Statement of operations impact:				
Amortization expense	936	457	(635)	(307)
Net income (loss)	(562)	(274)	381	184

(3)

The Yodlee unvested stock options and unvested restricted stock units are being canceled and exchanged for Envestnet restricted stock units. In accordance with ASC 805, these awards are considered to be replacement awards. Exchanges of share options or other share-based payment awards in conjunction with a business combination are modifications of share-based payment awards in accordance with ASC Topic 718. As a result, a portion of the fair-value-based measure of Envestnet's replacement awards shall be included in measuring the consideration transferred in the business combination. The portion of the replacement award that is part of consideration transferred to acquire Yodlee, we have measured both the replacement awards granted by Envestnet and the historical Yodlee awards as of September 1, 2015 in accordance with ASC 718. The portion of the fair-value-based measure of the replacement award that is part of the consideration transferred in exchange for the acquisition of Yodlee, equals the portion of the Yodlee award that is attributable to pre combination service. Envestnet is attributing a portion of the replacement awards to post combination service as these awards require post combination service. The fair value of the rollover consideration was estimated to be \$33,861 of which \$1,881 was attributable to pre-acquisition services. The remaining fair value of \$31,980 will be amortized over an estimated period of 43 months subsequent to the acquisition date.

**5. Estimate of Assets to be Acquired and Liabilities to be Assumed**

The following is a preliminary estimate of the assets to be acquired and the liabilities to be assumed by Envestnet in the merger:

Total tangible assets acquired (excluding cash)	\$ 33,326
Total liabilities assumed	(68,649)
Identifiable intangible assets	241,000
Goodwill	296,628
<b>Total net assets acquired</b>	<b>\$ 502,305</b>



Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)****(all numbers are in thousands except share and per share information unless otherwise indicated)****5. Estimate of Assets to be Acquired and Liabilities to be Assumed (Continued)**

At the completion of the merger, identifiable intangible assets are required to be measured at fair value, and these acquired assets could include assets that are not intended to be used or sold or that are intended to be used in a manner other than their highest and best use. For purposes of these unaudited pro forma condensed combined financial statements and consistent with the ASC 820 requirements for fair value measurements, it is assumed that all assets will be used, and that all acquired assets will be used in a manner that represents the highest and best use of those acquired assets, but it is not assumed that any market participant synergies will be achieved.

The fair value of identifiable intangible assets is determined primarily using variations of the "income approach," which is based on the present value of the future after-tax cash flows attributable to each identifiable intangible asset. Other valuation methods, including the market approach and cost approach, were also considered in estimating the fair value. Under the HSR Act and other relevant laws and regulations, there are significant limitations on Envestnet's ability to obtain specific information about Yodlee's intangible assets prior to completion of the merger. Goodwill is calculated as the difference between the acquisition-date fair value of the total consideration expected to be transferred and the aggregate values assigned to the assets acquired and liabilities assumed.

As of the date of this registration statement, Envestnet does not have sufficient information as to the amount, timing and risk of the cash flows from all of Yodlee's identifiable intangible assets to determine their fair value. Some of the more significant assumptions inherent in the development of intangible asset values, from the perspective of a market participant, include, but are not limited to: the amount and timing of projected future cash flows (including revenue and profitability); the discount rate selected to measure the risks inherent in the future cash flows; the assessment of the asset's life cycle; and the competitive trends impacting the asset. However, for purposes of these unaudited pro forma condensed combined financial statements and using publicly available information, such as historical revenues, Yodlee's cost structure, industry information for comparable intangible assets and certain other high-level assumptions, the fair value of Yodlee's identifiable intangible assets and their weighted-average useful lives have been preliminarily estimated as follows:

	<b>Estimated Fair Value</b>	<b>Estimated Useful Life in Years</b>
Customer relationships	176,000	12
Backlog	17,000	2
Proprietary technology	35,000	5
Trade names and domains	13,000	5
<b>Total intangible assets acquired</b>	<b>\$ 241,000</b>	

These preliminary estimates of fair value and weighted-average useful life will likely be different from the amounts included in the final acquisition accounting, and the difference could have a material impact on the accompanying unaudited pro forma condensed combined financial statements. Once Envestnet has full access to information about Yodlee's intangible assets, additional insight will be gained that could impact (i) the estimated total value assigned to identifiable intangible assets, (ii) the estimated allocation of value between finite-lived and indefinite-lived intangible assets (as applicable) and/or (iii) the estimated weighted-average useful life of each category of intangible assets. The

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)****(all numbers are in thousands except share and per share information unless otherwise indicated)****5. Estimate of Assets to be Acquired and Liabilities to be Assumed (Continued)**

estimated intangible asset values and their useful lives could be impacted by a variety of factors that may become known to Envestnet only upon access to additional information and/or by changes in such factors that may occur prior to completion of the merger. These factors include, but are not limited to, changes in the regulatory, legislative, legal, technological and/or competitive environments. Increased knowledge about these and/or other elements could result in a change to the estimated fair value of the identifiable Yodlee intangible assets and/or to the estimated weighted-average useful lives from what Envestnet has assumed in these unaudited pro forma condensed combined financial statements. The combined effect of any such changes could then also result in a significant increase or decrease to Envestnet's estimate of associated amortization expense.

**6. Pro Forma Adjustments**

The pro forma adjustments included in the unaudited pro forma condensed combined financial statements are as follows:

- (a) To reflect the cash consideration amount of \$386,052 offset by additional borrowings of \$160,000 and the use of aggregate \$226,052 of available Envestnet and Yodlee cash in order to fund the merger.
- (b) To record estimated loan related fees of \$3,750 (allocated between prepaid expenses and other current assets \$1,250 and other non-current assets \$2,500) in connection with the amended credit facility which are assumed to be paid upon completion of the merger, offset by the write off of capitalized deferred commissions of \$1,001 in prepaid expenses and other current assets and \$627 in other non-current assets.
- (c) To record the estimated fair value of Yodlee's intangible assets and the resulting amortization expense:

	Estimated Fair Value	Estimated Useful Life in Years	Amortization	
			For the Twelve Months Ended December 31, 2014	For the Six Months Ended June 30, 2015
Customer relationships	176,000	12	\$ 19,145	\$ 9,094
Backlog	17,000	2	8,500	4,250
Proprietary technology	35,000	5	7,000	3,500
Trade names and domains	13,000	5	2,600	1,300
<b>Total intangible assets acquired</b>	<b>\$ 241,000</b>		<b>\$ 37,245</b>	<b>\$ 18,144</b>

Amortization expense related to the customer relationships is amortized on an accelerated method and proprietary technology and trade names and domains is amortized on a straight-line method.

- (d) To record the estimated fair value of goodwill of \$296,628 for this merger and to eliminate the historical goodwill of Yodlee of \$3,068.

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)****(all numbers are in thousands except share and per share information unless otherwise indicated)****6. Pro Forma Adjustments (Continued)**

- (e) To record estimated transaction costs totaling \$15,044. These estimated costs are not reflected in the unaudited pro forma condensed combined statement of operations as these costs are non-recurring and are directly related to the acquisition.
- (f) To record the fair value adjustment to deferred revenues acquired from Yodlee in accordance with ASC 820. The fair value of deferred revenue represents an amount equivalent to the estimated cost plus a reasonable profit margin to perform services based on deferred revenue balances of Yodlee as of June 30, 2015. The fair value adjustment to deferred revenue will reduce revenues during a period of time following the merger; however this adjustment has not been included in the pro forma condensed combined statement of operations because it is non-recurring in nature.
- (g) In connection with the merger, Envestnet will amend its credit facility to include a term loan due 36 months after the date of acquisition in the amount of \$100,000. The amendment will be effective upon completion of the merger. In addition, Envestnet expects to draw an additional \$60,000 from the existing revolver included in the credit facility.

To record the estimated interest expense related to the credit facility related to the acquisition and the amortization of upfront credit facility fees offset by forgone interest income associated with cash to have been used to partially fund a portion of the merger consideration:

	<b>For the Year Ended December 31, 2014</b>	<b>For the Six Months Ended June 30, 2015</b>
Estimated interest expense on credit facility	\$ 5,760	\$ 2,880
Estimated amortization of upfront facility fees	1,250	625
Less: forgone interest income	(160)	(80)
Net	\$ 6,850	\$ 3,425

The calculation of interest expense on the long-term debt securities assumes no repayment of principle for the periods presented and an assumed weighted average annual interest rate of 3.60%. An increase or decrease in the average annual interest rate of 0.125% would result in an approximate increase or decrease of \$200 and \$100 in the estimated interest expense for the year ended December 31, 2014 and the six months ended June 30, 2015, respectively.

- (h) To record the estimated deferred tax liability of \$96,400 comprised of the difference between the assigned values of the tangible and intangible assets acquired and the tax basis of those assets offset by an estimated deferred tax asset in the amount of \$50,231 related to the reversal of Yodlee's valuation allowance. Envestnet assumed a blended 40% tax rate for all periods shown when estimating the tax impact of the merger, representing the federal statutory tax rate and an estimated state tax rate. The effective tax rate of the combined company could be significantly different than 40% depending upon post-acquisition activities of the combined company. Envestnet assumed the deferred tax items to be non-current in nature.

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

(all numbers are in thousands except share and per share information unless otherwise indicated)

**6. Pro Forma Adjustments (Continued)**

- (i) To eliminate Yodlee's historical common shares and additional paid-in capital of \$447,342 and to record the stock portion of the merger consideration totaling \$185,804 and to record the attribution of the fair market value of replacement awards of \$1,881.
- (j) To eliminate Yodlee's historical accumulated deficit and accumulated other comprehensive loss totaling \$364,843 retained earnings and to record the effects of adjustment (e).
- (k) Investnet will issue shares of restricted stock and stock options to certain former Yodlee employees at the time of closing. The restricted stock and stock options vest one-third on each of the first three anniversaries of the grant date. The vesting schedules of the rollover awards remains unchanged. To record stock-based compensation for the issuance of the restricted shares and stock options net of estimated forfeitures, to record stock-based compensation related to the rollover awards, and to eliminate stock-based compensation recorded by Yodlee for the historical periods presented:

	<b>For the Year Ended December 31, 2014</b>	<b>For the Six Months Ended June 30, 2015</b>
Stock compensation expense for rollover RSA grants	\$ 10,856	\$ 5,340
Stock compensation expense for new options and RSA grants	2,442	1,221
Less: Historical Yodlee stock compensation expense	(7,135)	(4,462)
Net	\$ 6,163	\$ 2,099

- (l) To record the pro forma tax effect for the year ended December 31, 2014 and for the six months ended June 30, 2015 on the adjustments to pro forma net loss and net income before income tax provision at a blended tax rate of 40%. The pro forma combined income tax benefits do not reflect the amounts that would have resulted had Investnet and Yodlee filed consolidated income tax returns during the periods presented.

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

(all numbers are in thousands except share and per share information unless otherwise indicated)

**6. Pro Forma Adjustments (Continued)**

(m)

The adjustments to basic earnings per share ("EPS") for the periods presented are summarized as follows:

	<b>Year Ended December 31, 2014</b>	<b>Six Months Ended June 30, 2015</b>
Investnet weighted average shares used to compute basic EPS	34,559,558	35,463,623
Investnet shares issued to acquire Yodlee	5,985,953	5,985,953
Pro forma weighted average basic shares outstanding	40,545,511	41,449,576
Combined Investnet and Yodlee weighted average shares outstanding	47,361,558	65,104,623
Pro forma adjustment to compute basic weighted average shares outstanding	(6,816,047)	(23,655,047)

The adjustments to diluted earnings per share for the periods presented are summarized as follows:

	<b>Year Ended December 31, 2014</b>	<b>Six Months Ended June 30, 2015</b>
Investnet weighted average shares used to compute diluted EPS	36,877,599	37,504,028
Less: common equivalent shares no longer dilutive	(2,318,041)	(2,040,405)
Investnet shares issued to acquire Yodlee	5,985,953	5,985,953
Pro forma weighted average diluted shares outstanding	40,545,511	41,449,576
Combined Investnet and Yodlee weighted average shares outstanding	49,679,599	67,145,028
Pro forma adjustment to compute diluted weighted average shares outstanding	(9,134,088)	(25,695,452)

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

(all numbers are in thousands except share and per share information unless otherwise indicated)

**7. Pro Forma Adjusted EBITDA**

The following table sets forth the reconciliation of net income to adjusted EBITDA based on the unaudited pro forma results for the year ended December 31, 2014 for Envestnet, Placemark and Yodlee:

	Year Ended December 31, 2014			
	Pro Forma Envestnet and Placemark Combined(1)	Historical Yodlee(2)	Pro Forma Adjustments	Pro Forma Combined
Net income (loss)	\$ 12,147	\$ (6,975)	\$ (30,155)	\$ (24,983)
Add (deduct):				
Interest income	(140)	(43)	(160)	(343)
Interest expense	626	517	7,010	8,153
Income tax provision (benefit)	6,942	1,803	(20,103)	(11,358)
Depreciation and amortization	22,815	3,765	37,245	63,825
Non-cash compensation expense	12,986	7,135	6,163	26,284
Restructuring charges and transaction costs	2,092			2,092
Severance	735			735
Accretion on contingent consideration	1,472			1,472
Fair market value adjustment on contingent consideration	(1,432)			(1,432)
Litigation related expense	406			406
Other income	(1,825)	(734)		(2,559)
Pre-tax loss attributable to non-controlling interest	1,230			1,230
<b>Adjusted EBITDA</b>	<b>\$ 58,054</b>	<b>\$ 5,468</b>	<b>\$</b>	<b>\$ 63,522</b>

(1) Based on calculations set forth in the unaudited pro forma adjusted EBITDA reconciliation for Envestnet, including Placemark, included elsewhere in this proxy statement/prospectus.

(2) Certain reclassifications were made to conform to Envestnet's financial statement presentation.



Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)****(all numbers are in thousands except share and per share information unless otherwise indicated)****7. Pro Forma Adjusted EBITDA (Continued)**

The following table sets forth the reconciliation of net income to adjusted EBITDA based on the unaudited pro forma results for the six months ended June 30, 2015 for Envestnet and Yodlee:

	Six Months Ended June 30, 2015			
	Historical		Pro Forma	
	Envestnet	Yodlee(1)	Adjustments	Combined
Net income (loss)	\$ 5,047	\$ (5,587)	\$ (14,201)	\$ (14,741)
Add (deduct):				
Interest income	(211)	(33)	(80)	(324)
Interest expense	4,697	74	3,505	8,276
Income tax provision (benefit)	3,647	1,098	(9,467)	(4,722)
Depreciation and amortization	11,058	2,256	18,144	31,458
Non-cash compensation expense	6,749	4,462	2,099	13,310
Restructuring charges and transaction costs	2,969			2,969
Severance	855			855
Accretion on contingent consideration	651			651
Fair market value adjustment on contingent consideration	(1,902)			(1,902)
Litigation related expense		258		258
Other income		(389)		(389)
Pre-tax loss attributable to non-controlling interest	867			867
<b>Adjusted EBITDA</b>	<b>\$ 34,427</b>	<b>\$ 2,139</b>	<b>\$</b>	<b>\$ 36,566</b>

(1)

Certain reclassifications were made to conform to Envestnet's financial statement presentation.

Envestnet's Board of Directors and its management use adjusted EBITDA:

as measures of operating performance;

for planning purposes, including the preparation of annual budgets;

to allocate resources to enhance the financial performance of our business;

to evaluate the effectiveness of our business strategies; and

in internal communications concerning Envestnet's financial performance.

## Edgar Filing: ENVESTNET, INC. - Form S-4/A

Envestnet's Compensation Committee, Board of Directors and management may also consider EBITDA, among other factors, when determining management's incentive compensation.

Envestnet also presents adjusted EBITDA as supplemental performance measures because it believes that adjusted EBITDA provides its Board of Directors, management and investors with additional information to assess Envestnet's performance. Adjusted EBITDA provides comparisons from period to period by excluding potential differences caused by variations in the age and book depreciation of fixed assets affecting relative depreciation expense and amortization of internally developed software, amortization of acquired intangible assets, restructuring charges and transaction costs, accretion on contingent consideration, fair market value adjustment on contingent consideration,

Table of Contents

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)**

**(all numbers are in thousands except share and per share information unless otherwise indicated)**

**7. Pro Forma Adjusted EBITDA (Continued)**

other income, pre-tax loss attributable to non-controlling interest, litigation-related expenses, severance, and changes in interest expense and interest income that are influenced by capital structure decisions and capital market conditions. Envestnet's management also believes it is useful to exclude non-cash compensation expense from adjusted EBITDA because non-cash equity grants made at a certain price and point in time do not necessarily reflect how Envestnet's business is performing at any particular time.

Envestnet believes adjusted EBITDA is useful to investors in evaluating Envestnet's operating performance because securities analysts use adjusted EBITDA as supplemental measures to evaluate the overall performance of companies, and Envestnet's investor and analyst presentations typically include adjusted EBITDA.

Adjusted EBITDA is not a measurement of Envestnet's financial performance under GAAP and should not be considered as an alternative to net income, or any other performance measures derived in accordance with GAAP, or as an alternative to cash flows from operating activities as a measure of Envestnet's profitability or liquidity.

Envestnet understands that, although adjusted EBITDA is frequently used by securities analysts and others in their evaluation of companies, these measures have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for an analysis of Envestnet's results as reported under GAAP. In particular you should consider:

Adjusted EBITDA does not reflect Envestnet's cash expenditures, or future requirements for capital expenditures or contractual commitments;

Adjusted EBITDA does not reflect changes in, or cash requirements for, Envestnet's working capital needs;

Adjusted EBITDA does not reflect non-cash components of employee compensation;

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized often will have to be replaced in the future, and adjusted EBITDA does not reflect any cash requirements for such replacements; and

Other companies in Envestnet's industry may calculate adjusted EBITDA differently than Envestnet does, limiting their usefulness as a comparative measure.

Envestnet's management compensates for the inherent limitations associated with using adjusted EBITDA through disclosure of such limitations, presentation of Envestnet's financial statements in accordance with GAAP and reconciliation of adjusted EBITDA to net income, the most directly comparable GAAP measure. Further, Envestnet's management also reviews GAAP measures and evaluates individual measures that are not included in some or all of Envestnet's non-GAAP financial measures, such as Envestnet's level of capital expenditures and interest income, among other measures.

Table of Contents

**Unaudited Pro Forma Financial Information for Envestnet and Placemark  
(all numbers are in thousands except share and per share information unless otherwise indicated)**

On October 1, 2014, pursuant to an amended and restated acquisition and agreement of merger (the "Placemark Agreement"), dated August 11, 2014, with Placemark, the selling securityholders named therein and Fortis Advisors, LLC as Securityholder Representative, Envestnet acquired (the "Placemark Acquisition") all of the outstanding capital stock of Placemark.

The following unaudited pro forma condensed combined statement of operations for the year ended December 31, 2014 is derived from the audited financial statements of Envestnet for the year ended December 31, 2014, included in Envestnet's Form 10-K for the year ended December 31, 2014, and the unaudited condensed consolidated statement of income of Placemark for the nine month period ended September 30, 2014, which are incorporated by reference in this proxy statement/prospectus.

The unaudited pro forma condensed combined financial information has been prepared pursuant to the requirements of Article 11 of Regulation S-X, to give effect to the completed Placemark Acquisition which has been accounted for as a purchase business combination in accordance with ASC 805, "*Business Combinations*". The assumptions, estimates, and adjustments reflected herein have been made solely for purposes of developing the unaudited pro forma condensed combined financial information and are based upon available information and certain assumptions that we believe are reasonable.

The unaudited pro forma condensed combined statement of operations for the twelve month period ended December 31, 2014 has been prepared as if the Placemark Acquisition was completed on January 1, 2013, the first day of Envestnet's fiscal year 2013.

The unaudited pro forma condensed combined financial information should be read in conjunction with (i) the audited consolidated financial statements and related notes of Envestnet, and "Management's Discussion and Analysis of Financial Condition and results of Operations" contained in Envestnet's Annual Report on Form 10-K for the year ended December 31, 2014 incorporated by reference in this proxy statement/prospectus, and (ii) the unaudited consolidated financial statements and related notes of Placemark for the nine month period ended September 30, 2014, which are included elsewhere in this proxy statement/prospectus.

The unaudited pro forma condensed combined financial information is not intended to represent or be indicative of the consolidated results of operations or financial condition of Envestnet that would have been reported had the Placemark Acquisition been completed as of the date presented, and should not be construed as representative of the future consolidated results of operations of the combined entity.

Table of Contents

## Investnet, Inc.

## Unaudited Pro Forma Condensed Combined Statement of Operations of Investnet and Placemark

Year Ended December 31, 2014

(in thousands, except share and per share information)

	Historical		Pro Forma	
	Investnet(1)	Placemark(2)	Adjustments	Combined
<b>Revenues:</b>				
Assets under management or administration	\$ 294,223	\$ 17,177	\$ (570) a	\$ 310,830
Licensing and professional services	54,525	239		54,764
Total revenues	348,748	17,416	(570)	365,594
<b>Operating expenses:</b>				
Cost of revenues	150,067		(570) a	149,497
Compensation and benefits	104,457	11,424	1,540 b	117,421
General and administration	54,321	4,961	(1,256) c	58,026
Depreciation and amortization	18,651	477	3,687 d	22,815
Total operating expenses	327,496	16,862	3,401	347,759
Income (loss) from operations	21,252	554	(3,971)	17,835
Other income (expense), net	1,255	(1)		1,254
Income (loss) before income tax provision	22,507	553	(3,971) e	19,089
Income tax provision (benefit)	8,528	2	(1,588)	6,942
Net income (loss)	13,979	551	(2,383)	12,147
Add: Net loss attributable to non-controlling interest	195			195
Net income (loss) attributable to Investnet, Inc.	\$ 14,174	\$ 551	\$ (2,383)	\$ 12,342
<b>Net income per share:</b>				
Basic	\$ 0.41			\$ 0.36
Diluted	\$ 0.38			\$ 0.33
<b>Weighted average common shares outstanding:</b>				
Basic	34,559,558			34,559,558
Diluted	36,877,599			36,877,599

- (1) Amounts reflect the consolidated statement of operations of Envestnet as reported in Envestnet's annual report on Form 10-K for the twelve months ended December 31, 2014, filed with the SEC on March 2, 2015.
- (2) Certain reclassifications were made to conform to Envestnet's financial statement presentation.

See notes to the unaudited pro forma condensed combined financial statements.

Table of Contents**Notes to Unaudited Pro Forma Condensed Combined Statement of Operations****1. Basis of pro forma presentation**

On October 1, 2014, pursuant to the Placemark Agreement, Envestnet acquired all of the outstanding capital stock of Placemark.

The total consideration transferred in the Placemark Acquisition was as follows:

Cash paid to owners	\$ 66,000
Cash acquired	(8,419)
Receivable from working capital settlement	701
	\$ 58,282

The unaudited pro forma condensed combined statement of operations of Envestnet and Placemark have been prepared by Envestnet pursuant to the rules and regulations of the SEC.

The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2014 is derived from the audited financial statements of Envestnet for the year ended December 31, 2014, included in Envestnet's Form 10-K for the year ended December 31, 2014, and the unaudited condensed consolidated statement of income of Placemark for the nine month period ended September 30, 2014, included elsewhere in this proxy statement/prospectus.

Certain information and disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. However, Envestnet believes that the disclosures provided herein, taken together with those included in Envestnet's Annual Report on Form 10-K for the year ended December 31, 2014, and the unaudited condensed consolidated financial statements of Placemark for the nine month period ended September 30, 2014 are adequate to make the information presented not misleading.

The unaudited pro forma condensed combined statement of operations is provided for informational purposes only and does not purport to be indicative of Envestnet's results of operations which would actually have been obtained had such transaction been completed for the periods presented, or for the results of operations that may be obtained in the future.

**2. Purchase price allocation**

Under the purchase method of accounting, the total consideration transferred was allocated to Placemark's assets acquired and liabilities assumed based on the fair value of Placemark's tangible and intangible assets and liabilities as of the beginning of business on October 1, 2014, the Placemark Acquisition date. The excess of the total consideration over the net tangible and intangible assets was recorded as goodwill.

Table of Contents**Notes to Unaudited Pro Forma Condensed Combined Statement of Operations (Continued)****2. Purchase price allocation (Continued)**

Envestnet made an allocation of the total consideration as follows:

Total tangible assets acquired	\$ 4,323
Total liabilities assumed	(3,118)
Identifiable intangible assets:	
Customer relationships	24,000
Proprietary technology	5,000
Trade names and domains	1,000
Goodwill	27,077
 Total net assets acquired	 \$ 58,282

Total amortizable identifiable intangible assets total \$30,000 and consist of customer relationships, proprietary technology and trade names with useful lives that range from 5 years to 11 years.

Goodwill of \$27,077 represents the excess of the purchase price of the acquired business over the fair value of the underlying net tangible and identifiable intangible assets and represents the expected synergistic benefits of the transaction, which relate to an increase in future Envestnet revenues as a result of leveraging Placemark's systems and expertise of its employees, and lower future operating expenses and technology platform-related costs due to the migration of Placemark's clients to the Company's platform. The goodwill is also related to the knowledge and experience of the workforce in place. In accordance with applicable accounting standards, goodwill will not be amortized but instead will be tested for impairment at least annually or more frequently if certain indicators are present. In the event that the management of the combined company determines that the value of goodwill has become impaired, the combined company will incur an accounting charge for the amount of impairment during the fiscal quarter in which the determination is made.

The goodwill is not deductible for income tax purposes.

**3. Pro forma adjustments**

The pro forma adjustments included in the unaudited pro forma condensed financial statements are as follows:

- (a) To eliminate transactions between Envestnet and Placemark during the historical period presented.
- (b) To record stock-based compensation for the issuance of restricted shares in conjunction with the acquisition, net of estimated forfeitures and to eliminate stock-based compensation recorded by Placemark for the historical period presented:

	<b>For the Nine Months Ended September 30, 2014</b>	
Stock compensation expense	\$	1,563
Less: Historical Placemark stock compensation expense		(23)
 Net	 \$	 1,540





Table of Contents**Notes to Unaudited Pro Forma Condensed Combined Statement of Operations (Continued)****3. Pro forma adjustments (Continued)**

- (c) To eliminate the direct, incremental transaction costs in the amount of \$1,256 related to the Placemark Acquisition for the year ended December 31, 2014.
- (d) To record amortization expense for the effect of purchase accounting on Placemark's intangible assets:

	Estimated Fair Value	Estimated Useful Life in Years	Amortization For the Nine Months Ended September 30, 2014
Customer relationships	24,000	11.0	\$ 3,010
Proprietary technology	5,000	5.0	750
Trade names and domains	1,000	5.0	150
Total intangible assets acquired	\$ 30,000		3,910
Less:			
Placemark internal use software amortization			(223)
			\$ 3,687

- (e) To record the pro forma tax effect for the year ended December 31, 2014 on the adjustments to pro forma net loss before income taxes based on an estimated statutory rate of 40.0%. The pro forma combined income tax benefits do not reflect the amounts that would have resulted had Envestnet and Placemark filed consolidated income tax returns during the periods presented.

Table of Contents**Notes to Unaudited Pro Forma Condensed Combined Statement of Operations (Continued)****4. Pro Forma Adjusted EBITDA**

The following table sets forth the reconciliation of net income to adjusted EBITDA based on the unaudited pro forma results for the year ended December 31, 2014 for Envestnet and Placemark:

	Year Ended December 31, 2014			
	Historical		Pro Forma	
	Envestnet	Placemark(1)	Adjustments	Combined
Net income (loss)	\$ 13,979	\$ 551	\$ (2,383)	\$ 12,147
Add (deduct):				
Interest income	(139)	(1)		(140)
Interest expense	626			626
Income tax provision (benefit)	8,528	2	(1,588)	6,942
Depreciation and amortization	18,651	477	3,687	22,815
Non-cash compensation expense	11,423	23	1,540	12,986
Restructuring charges and transaction costs	2,672	676	(1,256)	2,092
Severance	735			735
Accretion on contingent consideration	1,472			1,472
Fair market value adjustment on contingent consideration	(1,432)			(1,432)
Litigation related expense	18	388		406
Other income	(1,825)			(1,825)
Pre-tax loss attributable to non-controlling interest	1,230			1,230
<b>Adjusted EBITDA</b>	<b>\$ 55,938</b>	<b>\$ 2,116</b>	<b>\$</b>	<b>\$ 58,054</b>

(1)

Certain reclassifications were made to conform to Envestnet's financial statement presentation.

See Note 7 to the Unaudited Pro Forma Condensed Combined Financial Statements of Envestnet and Yodlee for the six months ended June 30, 2015 for a discussion of the reasons why Envestnet's management believes that presentation of adjusted EBITDA provides useful information and the additional purposes for which Envestnet's management uses adjusted EBITDA.

Table of Contents**COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION**

Envestnet common stock trades on the NYSE under the symbol "ENV" and Yodlee common stock trades on the NASDAQ under the symbol "YDLE."

**Comparative Per Share Market Price Information**

The following table presents the closing prices of Yodlee common stock and Envestnet common stock on August 7, 2015, the last trading day before the public announcement of the merger agreement, and October 12, 2015, the last practicable trading day prior to the date of this proxy statement/prospectus. The table also shows the estimated value of the per share consideration for each share of Yodlee common stock on the relevant date.

Date	Yodlee Closing Price	Envestnet Closing Price	Exchange Ratio	Estimated Value of the Per Share Consideration(1)
August 7, 2015	\$ 12.58	\$ 44.07	0.1838	\$ 18.88
October 12, 2015	\$ 16.51	\$ 31.37	0.1826	\$ 17.19

(1)

The implied value of the per share consideration for each share of Yodlee common stock represents the sum of \$10.78, the cash portion of the merger consideration, plus the stock portion of the merger consideration, based on the closing prices of Envestnet common stock of \$44.07 on August 7, 2015 and \$31.37 on October 12, 2015, and, in each case, the applicable exchange ratio, assuming that price was the Envestnet stock value for purposes of calculating the stock portion of the merger consideration. The actual exchange ratio at the closing of the merger will be determined by dividing (i) \$8.10 by (ii) the Envestnet stock value, and there can be no assurance that the actual exchange ratio will be greater or less than, or equal to, 0.1838 or 0.1826. For purposes of the merger agreement, the "Envestnet stock value" will be equal to the volume weighted average of the sales price per share of Envestnet common stock for the ten full trading days ending on and including the second full trading day prior to the closing date of the merger, as calculated by Bloomberg Financial LP; provided that if the Envestnet stock value is less than \$39.006, then the Envestnet stock value will be equal to \$39.006 and if the Envestnet stock value is greater than \$47.674, the Envestnet stock value will be equal to \$47.674. The amount of Envestnet common stock to be issued in the transaction is limited to 19.9% of Envestnet's outstanding common stock as of immediately prior to the closing of the transaction. In order to remain below the threshold, Envestnet will pay up to an additional \$32 million in cash in the aggregate at closing.

The above table shows only historical comparisons. The market price of Yodlee common stock and Envestnet common stock will fluctuate prior to the Yodlee special meeting and before completion of the merger, which will affect the implied value of the stock portion of the merger consideration paid to the Yodlee stockholders. These comparisons may not provide meaningful information to Yodlee stockholders in determining whether to adopt the merger agreement. Yodlee stockholders are urged to obtain current market quotations for Envestnet common stock and Yodlee common stock and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus in considering whether to adopt the merger agreement. See the section entitled "Where You Can Find More Information" beginning on page 1 of this proxy statement/prospectus.

Table of Contents**Comparative Stock Prices and Dividends**

The following table sets forth, for the respective periods of Envestnet and Yodlee indicated, the high and low sale prices per share of Envestnet common stock and Yodlee common stock. Envestnet and Yodlee have not historically paid any dividends on common stock, and Envestnet and Yodlee do not presently anticipate paying any dividends on their respective common stock in the foreseeable future.

	Envestnet		Yodlee	
	High	Low	High	Low
<b>Year Ended December 31, 2015</b>				
Fourth Quarter (through October 12, 2015)	\$ 33.01	\$ 28.31	\$ 16.83	\$ 15.67
Third Quarter	46.45	28.58	17.75	11.91
Second Quarter	56.45	40.38	17.00	11.67
First Quarter	58.21	46.79	14.25	8.90
<b>Year Ended December 31, 2014</b>				
Fourth Quarter(1)	55.02	37.76	17.97	11.36
Third Quarter	49.38	42.72		
Second Quarter	50.38	33.12		
First Quarter	48.54	37.65		
<b>Year Ended December 31, 2013</b>				
Fourth Quarter	41.11	28.25		
Third Quarter	31.86	24.58		
Second Quarter	25.93	16.87		
First Quarter	17.88	13.15		

(1)

Yodlee common stock commenced trading on the NASDAQ on October 3, 2014.

Table of Contents

**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA**  
**(all numbers are in thousands except share and per share information unless otherwise indicated)**

The following table sets forth selected historical and unaudited pro forma combined per share information for Envestnet and Yodlee.

**Historical Per Share Information of Envestnet and Yodlee.** The historical per share information of each of Envestnet and Yodlee below is derived from the audited consolidated statement of operations of each of Envestnet and Yodlee as of, and for the year ended, December 31, 2014, and the unaudited consolidated financial statements of each of Envestnet and Yodlee as of, and for the six months ended, June 30, 2015.

	As of/For the Year Ended December 31, 2014	As of/For the Six Months Ended June 30, 2015
<b>Envestnet Historical per Common Share Data:</b>		
Net income basic	\$ 0.41	\$ 0.14
Net income diluted	0.38	0.13
Book value(1)	5.85	6.67
<b>Yodlee Historical per Common Share Data:</b>		
Net income basic	(0.54)	(0.19)
Net income diluted	(0.54)	(0.19)
Book value(1)	2.74	2.72

(1)

Amounts calculated by dividing total equity by shares of Envestnet common stock, shares of Yodlee common stock, and unaudited pro forma combined common shares, as applicable, outstanding. Pro forma book value per share as of December 31, 2014 is not applicable as the estimated pro forma adjustments to equity were calculated as of June 30, 2015.

**Unaudited Pro Forma Combined per Envestnet Common Share Data.** The unaudited pro forma combined per Envestnet common share data set forth below includes the pro forma impact of the Placemark Acquisition on October 1, 2014 as this transaction was deemed significant in accordance with Regulation S-K. The unaudited pro forma combined per Envestnet common share data set forth below give effect to the merger under the acquisition method of accounting, as if the Envestnet/Placemark merger had been effective on January 1, 2013, the first day of Envestnet's fiscal year ended December 31, 2013 and as if the Envestnet/Yodlee merger had been effective on January 1, 2014, in the case of net income per share. The unaudited pro forma combined book value per Envestnet common share data set forth below give effect to the merger under the acquisition method of accounting, as if the Envestnet/Yodlee merger had been effective June 30, 2015, assuming that each outstanding share of Yodlee common stock, and the Yodlee vested stock options had been converted into Envestnet common shares based on the exchange ratio.

The unaudited pro forma combined per Envestnet common share data is derived from the unaudited pro forma condensed combined statement of operations of Envestnet and Placemark as of, and for the year ended December 31, 2014 and the audited consolidated statement of operations of Yodlee as of, and for the year ended, December 31, 2014, and the unaudited consolidated financial statements of each of Envestnet and Yodlee as of, and for the six months ended, June 30, 2015.

Table of Contents

The acquisition method of accounting is based on Financial Accounting Standards Board, Accounting Standards Codification (which is referred to in this proxy statement/prospectus as ASC 805, *Business Combinations*), and uses the fair value concepts defined in ASC 820, *Fair Value Measurements and Disclosures*, which Envestnet has adopted as required. Acquisition accounting requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. Fair value measurements recorded in acquisition accounting are dependent upon certain valuation studies of Yodlee's assets and liabilities and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments reflect the assets and liabilities of Yodlee at their preliminary estimated fair values. Differences between these preliminary estimates and the final values in acquisition accounting will occur, and these differences could have a material impact on the unaudited pro forma combined per share information set forth in the following table.

You should read the below information in conjunction with the selected historical consolidated financial data included elsewhere in this proxy statement/prospectus and the historical consolidated financial statements of Envestnet and Placemark and related notes that have been filed with the SEC, certain of which are incorporated by reference into this proxy statement/prospectus.

	<b>As of/For the Year Ended December 31, 2014</b>	<b>As of/For the Six Months Ended June 30, 2015</b>
<b>Envestnet/Placemark/Yodlee Unaudited Pro Forma Combined per Common Share Data:</b>		
Net income basic	\$ (0.61)	\$ (0.36)
Net income diluted	(0.61)	(0.36)
Book value(1)	N/A	9.88
Adjusted EBITDA	63,522	36,566

- (1) Amounts calculated by dividing total equity by shares of Envestnet common stock, shares of Yodlee common stock, and unaudited pro form combined common shares, as applicable, outstanding. Pro forma book value per share as of December 31, 2014 is not applicable as the estimated pro forma adjustments to equity were calculated as of June 30, 2015.

Table of Contents

**RISK FACTORS**

*In addition to the other information contained in or incorporated by reference into this proxy statement/prospectus, including the matters addressed under the section entitled "Cautionary Statement Regarding Forward-Looking Statements," Yodlee stockholders should carefully consider the following risk factors in deciding whether to vote for the approval of the merger agreement. You should also consider the other information in this proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus. See the sections entitled "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference" of this proxy statement/prospectus.*

**Risks Relating to the Merger**

*Yodlee stockholders cannot be certain of the precise value of the merger consideration they may receive in the merger.*

At the time the merger is completed, each issued and outstanding share of Yodlee common stock (except for (i) shares of Yodlee common stock as to which the holders thereof have not voted in favor of the merger or consented thereto in writing and have demanded appraisal for such shares in accordance with Section 262 of the DGCL and have not effectively withdrawn or lost their rights to appraisal and (ii) shares of Yodlee common stock owned by Yodlee as treasury stock or owned by Envestnet or any direct or indirect wholly owned subsidiary of Envestnet) will be converted into the right to receive the merger consideration in the form of a combination of Envestnet common stock and cash.

There will be a time lapse between each of the date of this proxy statement/prospectus, the date on which Yodlee stockholders vote to adopt the merger agreement at the Yodlee special meeting and the date on which Yodlee stockholders are entitled to receive the per share stock consideration in the form of Envestnet common stock or the per share cash consideration in the form of cash from Envestnet. The market value of Envestnet common stock may fluctuate during these periods as a result of a variety of factors, including general market and economic conditions, changes in Envestnet's businesses, operations and prospects and regulatory considerations. Many of these factors are outside the control of Yodlee and Envestnet. Consequently, at the time Yodlee stockholders must decide whether to adopt the merger agreement, they will not know the actual market value of the Envestnet common stock they will receive when the merger is completed. The actual value of the Envestnet common stock received by Yodlee stockholders will depend on the market value of the Envestnet common stock at that time. This market value may differ, possibly materially, from the value used to determine the exchange ratio. Yodlee stockholders should obtain current stock quotations for Envestnet common stock before voting their shares of Yodlee common stock. In addition, the per share cash consideration is subject to adjustment under certain circumstances depending on the number of Envestnet common stock issuable to Yodlee stockholders and, accordingly, at the time Yodlee stockholders must decide to adopt the merger agreement, they will not know the precise per share cash consideration they will receive when the merger is completed.

*Yodlee's stockholders will have a reduced ownership and voting interest in the combined company after the merger and will exercise less influence over management.*

Currently, Yodlee's stockholders have the right to vote in the election of the Yodlee Board and the power to approve or reject any matters requiring stockholder approval under Delaware law and Yodlee's charter and bylaws. Upon the completion of the merger, each Yodlee stockholder will become a stockholder of Envestnet with a percentage ownership of Envestnet that is smaller than the stockholder's current percentage ownership of Yodlee. Based on the number of issued and outstanding Envestnet common stock and shares of Yodlee common stock as of October 12, 2015 and based on the minimum and maximum potential exchange ratios of 0.1699 and 0.1826, respectively, after the merger,



Table of Contents

Yodlee stockholders are expected to become owners of between 12.7% and 13.6% of the outstanding Envestnet common stock, without giving effect to any Envestnet common stock held by Yodlee stockholders prior to the completion of the merger. Even if all former Yodlee stockholders voted together on all matters presented to Envestnet's stockholders from time to time, the former Yodlee stockholders would exercise significantly less influence over Envestnet after the completion of the merger relative to their influence over Yodlee prior to the completion of the merger, and thus would have a less significant impact on the approval or rejection of future Envestnet proposals submitted to a stockholder vote.

***Envestnet common stock received by Yodlee stockholders as a result of the merger will have different rights from shares of Yodlee common stock.***

Following completion of the merger, Yodlee stockholders will no longer be stockholders of Yodlee and will become stockholders of Envestnet. There are some differences between the current rights of Yodlee stockholders and the rights to which such stockholders will be entitled as stockholders of Envestnet. See the section entitled "Comparison of Stockholders' Rights" for a discussion of the different rights associated with the Envestnet common stock.

***The market price of Envestnet common stock may be affected by factors different from those that historically have affected shares of Yodlee common stock.***

Upon completion of the merger, holders of Yodlee common stock will become holders of Envestnet common stock. Envestnet's business differs from those of Yodlee, and accordingly the results of operations of Envestnet will be affected by some factors that are different from those currently affecting the results of operations of Yodlee. For a discussion of the businesses of Envestnet and Yodlee and of some important factors to consider in connection with those businesses, see the sections entitled "Information About the Companies," "Description of Yodlee's Business" and "Risk Factors Risks Relating to Yodlee's Business" of this proxy statement/prospectus and the documents incorporated by reference by Envestnet referred to under the section entitled "Incorporation of Certain Documents by Reference," including, in particular, in the sections entitled "Risk Factors" of Envestnet's Annual Report on Form 10-K for the year ended December 31, 2014.

***The merger agreement limits Yodlee's ability to pursue alternatives to the merger.***

The merger agreement contains provisions that may discourage a third party from submitting an acquisition proposal to Yodlee that might result in greater value to Yodlee's stockholders than the merger, or may result in a potential competing acquirer proposing to pay a lower per share price to acquire Yodlee than it might otherwise have proposed to pay. These provisions include a general prohibition on Yodlee from soliciting or, subject to certain exceptions relating to the exercise of fiduciary duties by the Yodlee Board, entering into discussions with any third party regarding any acquisition proposal or offers for competing transactions. In addition, Yodlee may be required to pay Envestnet a termination fee of \$17.8 million in certain circumstances involving acquisition proposals for competing transactions. See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach" of this proxy statement/prospectus.

***The merger agreement may be terminated in accordance with its terms and the merger may not be completed.***

The merger agreement is subject to a number of conditions that must be fulfilled in order to complete the merger. Those conditions include: the approval of the merger agreement by Yodlee stockholders, the expiration or termination of any waiting period (and extensions thereof) applicable to the transactions contemplated by the merger agreement under the HSR Act, the accuracy of representations and warranties under the merger agreement (subject to the materiality standards set forth in the merger agreement) and Envestnet's and Yodlee's performance of their respective

Table of Contents

obligations under the merger agreement in all material respects. These conditions to the closing of the merger may not be fulfilled in a timely manner or at all, and, accordingly, the merger may be delayed or may not be completed.

In addition, if the merger is not completed by February 15, 2016, either Envestnet or Yodlee may choose not to proceed with the merger, and the parties can mutually decide to terminate the merger agreement at any time, before or after stockholder approval. In addition, Envestnet and Yodlee may elect to terminate the merger agreement in certain other circumstances. If the merger agreement is terminated under certain circumstances, Yodlee may be required to pay a termination fee of \$17.8 million to Envestnet. See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach."

***Failure to complete the merger could negatively impact the price of Envestnet common stock and Yodlee common stock, as well as Envestnet's and Yodlee's respective future business and financial results.***

The merger agreement contains a number of conditions that must be satisfied or waived prior to the completion of the merger. There can be no assurance that all of the conditions to the merger will be so satisfied or waived. If the conditions to the merger are not satisfied or waived, Envestnet and Yodlee will be unable to complete the merger.

If the merger is not completed for any reason, including the failure to receive the required adoption of the merger agreement by Yodlee stockholders, Envestnet's and Yodlee's respective businesses and financial results may be adversely affected as follows:

Envestnet and Yodlee may experience negative reactions from the financial markets, including negative impacts on the market price of Envestnet common stock and Yodlee common stock;

the manner in which customers and other third parties perceive Envestnet and Yodlee may be negatively impacted, which in turn could affect Envestnet's and Yodlee's ability to retain or compete for new business;

Envestnet and Yodlee may experience negative reactions from employees; and

Envestnet and Yodlee will have expended time and resources that could otherwise have been spent on Envestnet's and Yodlee's existing businesses and the pursuit of other opportunities that could have been beneficial to each company, and Envestnet's and Yodlee's ongoing business and financial results may be adversely affected.

In addition to the above risks, if the merger agreement is terminated and either party's Board of Directors seeks an alternative transaction, such party's stockholders cannot be certain that such party will be able to find a party willing to engage in a transaction on more attractive terms than the merger. If the merger agreement is terminated under certain circumstances, Yodlee may be required to pay a termination fee of \$17.8 million to Envestnet. See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach" of this proxy statement/prospectus.

***Yodlee will be subject to business uncertainties while the merger is pending, which could adversely affect its business.***

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on Yodlee, and, consequently, Envestnet. These uncertainties may impair Yodlee's ability to attract, retain and motivate key personnel until the merger is completed and for a period of time thereafter, and could cause customers and others that deal with Yodlee to seek to change their existing business relationships with Yodlee. Employee retention at Yodlee may be particularly challenging during the pendency of the merger, as employees may experience uncertainty about their roles with Envestnet following the merger. In addition, the merger agreement restricts Yodlee from making

Table of Contents

certain acquisitions and taking other specified actions without the consent of Envestnet, and generally requires Yodlee to continue its operations in the ordinary course, until completion of the merger. These restrictions may prevent Yodlee from pursuing attractive business opportunities that may arise prior to the completion of the merger. Please see the sections entitled "The Merger Agreement Conduct of Business" and "The Merger Agreement Other Covenants and Agreements" of this proxy statement/prospectus for a description of the restrictive covenants to which Yodlee is subject.

***Directors and executive officers of Yodlee may have interests in the merger that are different from, or in addition to, the interests of Yodlee stockholders.***

Directors and executive officers of Yodlee may have interests in the merger that are different from, or in addition to, the interests of Yodlee stockholders generally. These interests include, among others, the treatment of outstanding equity and equity-based awards pursuant to the merger agreement; potential severance and other benefits upon a qualifying termination in connection with the merger; the appointment of Anil Arora, the current President and Chief Executive Officer of Yodlee, as a director and Vice Chairman of Envestnet upon completion of the merger; and rights to ongoing indemnification and insurance coverage.

These interests are described in more detail in the section entitled "The Merger Interests of Yodlee's Directors and Executive Officers in the Merger" of this proxy statement/prospectus.

***The merger may not be accretive, and may be dilutive, to Envestnet's earnings per share, which may negatively affect the market price of Envestnet common stock.***

Because Envestnet common stock will be issued in the merger, it is possible that, although Envestnet currently expects the merger to be accretive to adjusted earnings per share beginning in 2017, the merger may be dilutive to Envestnet earnings per share, which could negatively affect the market price of Envestnet common stock.

In connection with the completion of the merger, based on the number of issued and outstanding shares of Yodlee common stock as of October 12, 2015, Envestnet would issue approximately 5.6 million shares of Envestnet common stock. The issuance of these new shares of Envestnet common stock could have the effect of depressing the market price of Envestnet common stock, through dilution of earnings per share or otherwise.

Any dilution of, or delay of any accretion to, Envestnet's earnings per share could cause the price of Envestnet common stock to decline or increase at a reduced rate.

***Envestnet and Yodlee will incur significant transaction and merger-related costs in connection with the merger.***

Each of Envestnet and Yodlee has incurred and will incur substantial expenses in connection with the negotiation and completion of the transactions contemplated by the merger agreement, including the costs and expenses of filing, printing and mailing this proxy statement/prospectus and all filing and other fees paid to the SEC in connection with the merger.

Envestnet and Yodlee expect to continue to incur a number of non-recurring costs associated with completing the merger, combining the operations of the two companies and achieving desired synergies. These fees and costs have been, and will continue to be, substantial. The substantial majority of non-recurring expenses will consist of transaction costs related to the merger and include, among others, employee retention costs, fees paid to financial, legal and accounting advisors and benefit costs and filing fees.

These costs described above, as well as other unanticipated costs and expenses, could have a material adverse effect on the financial condition and operating results of Envestnet following the completion of the merger.

Table of Contents

***The opinion of Yodlee's financial advisor will not reflect changes in circumstances between the signing of the merger agreement and the completion of the merger.***

Yodlee has received an opinion from its financial advisor, Goldman Sachs, in connection with the signing of the merger agreement, but has not obtained an updated opinion from Goldman Sachs as of the date of this proxy statement/prospectus. Changes in the operations and prospects of Yodlee or Envestnet, general market and economic conditions and other factors that may be beyond the control of Yodlee or Envestnet, and on which Yodlee's financial advisor's opinion was based, may significantly alter the value of Yodlee or the prices of Envestnet common stock or Yodlee common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. Because Yodlee does not currently anticipate asking its financial advisor to update its opinion, the opinion will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. The Yodlee Board's recommendation that Yodlee stockholders vote "**FOR**" approval of the merger agreement, however, is made as of the date of this proxy statement/prospectus. For a description of the opinion that Yodlee received from its financial advisor, please see the section entitled "The Merger Opinion of Yodlee's Financial Advisor" of this proxy statement/prospectus. A copy of the opinion of Goldman Sachs, is attached as **Appendix C**.

***Envestnet will require additional capital or financing sources for the merger or in the future, which may not be available or may be available only on unfavorable terms.***

There is no financing condition under the merger agreement, which means that if the conditions to closing are otherwise satisfied or waived, Envestnet is obligated to complete the merger whether or not it has sufficient funds to pay the consideration under the merger agreement. Envestnet intends to pay the consideration using cash on hand and bank borrowings. In addition, although Envestnet has obtained a debt commitment from Bank of Montreal to lend Envestnet cash to pay the consideration in the merger, such commitment is subject to a number of conditions and Envestnet cannot provide any assurances that it will be able to close this financing. See the section entitled "The Merger Financing of the Merger" of this proxy statement/prospectus.

Envestnet's future capital and financing requirements depend on many factors, including future acquisitions and capital expenditures. Envestnet may need to raise additional funds through financings or access funds through existing or new credit facilities. Envestnet also from time to time seeks to refinance debt or credit as amounts become due or commitments expire. Any equity or debt financing or refinancing, if available at all, may be on terms that are not favorable to Envestnet. In the case of equity financings, dilution to Envestnet's stockholders could result, and in any case, such securities may have rights, preferences, and privileges that are senior to those of Envestnet common stock. Envestnet's access to funds under existing credit facilities is dependent on the ability of the banks that are parties to the facilities to meet their funding commitments. If Envestnet cannot obtain adequate capital or sources of credit on favorable terms, or at all, it could be forced to use assets otherwise available for its business operations, and its business, results of operations, and financial condition could be adversely affected.

**Risks Relating to the Combined Company Upon Completion of the Merger**

***Future results of Envestnet may differ, possibly materially, from the Unaudited Pro Forma Combined Financial Data of Envestnet presented in this proxy statement/prospectus.***

The future results of Envestnet following the completion of the merger may be different, possibly materially, from those shown in the Unaudited Pro Forma Combined Financial Data of Envestnet presented in this proxy statement/prospectus, which show only a combination of Envestnet's and Yodlee's historical results after giving effect to the merger. Additionally, if the merger occurs, Envestnet

Table of Contents

anticipates incurring integration costs, which have not been reflected in the Unaudited Pro Forma Combined Financial Data presented in this proxy statement/prospectus. In addition, the merger and post-merger integration process may give rise to unexpected liabilities and costs. Unexpected delays in completing the merger or in connection with the post-merger integration process may significantly increase the related costs and expenses incurred by Envestnet.

***The integration of Yodlee into Envestnet may not be as successful as anticipated.***

The merger involves numerous operational, strategic, financial, accounting, legal, tax and other risks; potential liabilities associated with the acquired businesses; and uncertainties related to design, operation and integration of Yodlee's internal control over financial reporting. Difficulties in integrating Yodlee into Envestnet may result in Yodlee performing differently than expected, in operational challenges or in the failure to realize anticipated revenue opportunities and/or expense-related efficiencies. Envestnet's and Yodlee's existing businesses could also be negatively impacted by the merger. In addition, goodwill and intangible assets recorded in connection with insurance company acquisitions may be impaired if certain results differ from expectations.

***Even if Envestnet and Yodlee complete the merger, Envestnet may fail to realize all of the anticipated benefits of the merger.***

The success of the merger will depend, in part, on Envestnet's ability to realize the anticipated revenue benefits and cost savings from combining Envestnet's and Yodlee's businesses. The anticipated revenue benefits and cost savings of the proposed merger may not be realized fully or at all, or may take longer to realize than expected or could have other adverse effects that Envestnet does not currently foresee. Some of the assumptions that Envestnet has made, such as the achievement of operating synergies, may not be realized. The integration process may, for each of Envestnet and Yodlee, result in the loss of key employees, the disruption of ongoing businesses or inconsistencies in standards, controls, procedures and policies. There could be potential unknown liabilities and unforeseen expenses associated with the merger that were not discovered in the course of performing due diligence.

***Envestnet's results will suffer if it does not effectively manage its expanded operations following the merger.***

Following completion of the merger, Envestnet's success will depend, in part, on its ability to manage its expansion through the completion of the merger, which poses numerous risks and uncertainties, including the need to integrate the operations and business of Yodlee into its existing business in an efficient and timely manner, to combine systems and management controls and to integrate relationships with customers, vendors and business partners.

***The market price of Envestnet common stock may decline in the future as a result of the sale of such shares held by former Yodlee stockholders or current Envestnet stockholders or due to other factors.***

Based on the number of shares of Yodlee common stock outstanding as of October 12, 2015, Envestnet expects to issue an aggregate of 5.6 million shares of Envestnet common stock to Yodlee stockholders in the merger. Upon the receipt of Envestnet common stock as merger consideration, former holders of shares of Yodlee common stock may seek to sell the Envestnet common stock delivered to them. Current Envestnet stockholders may also seek to sell Envestnet common stock held by them following, or in anticipation of, completion of the merger. These sales (or the perception that these sales may occur), coupled with the increase in the outstanding number of Envestnet common stock, may affect the market for, and the market price of, Envestnet common stock in an adverse manner. None of these stockholders are subject to "lock-up" or "market stand off" agreements.

Table of Contents

The market price of Envestnet common stock may also decline in the future as a result of the completion of the merger for a number of other reasons, including:

the unsuccessful integration of Yodlee into Envestnet;

the failure of Envestnet to achieve the anticipated benefits of the merger, including financial results, as rapidly as or to the extent anticipated;

decreases in Envestnet's financial results before or after the completion of the merger; and

general market or economic conditions unrelated to Envestnet's performance.

These factors are, to some extent, beyond the control of Envestnet.

**Risks Relating to Envestnet's Business**

You should read and consider risk factors specific to Envestnet's businesses that will also affect the combined company after the completion of the merger. These risks are described in Part I, Item 1A of Envestnet's Annual Report on Form 10-K for the year ended December 31, 2014, and in other documents that are incorporated by reference into this proxy statement/prospectus. See the section entitled "Incorporation of Certain Documents by Reference" for the location of information incorporated by reference in this proxy statement/prospectus.

**Risks Relating to Yodlee's Business**

*Yodlee has a history of losses and may not maintain profitability in the future.*

Except in 2010, Yodlee has not been profitable on an annual basis since its formation. Yodlee experienced a net loss of \$5.6 million and \$0.9 million for the six months ended June 30, 2015 and 2014, respectively, and a net loss of \$7.0 million, \$1.2 million and \$6.5 million for the years ended December 31, 2014, 2013 and 2012, respectively. As of June 30, 2015, Yodlee's accumulated deficit was \$362.8 million. While Yodlee's revenue has grown in recent periods, Yodlee was not profitable in the three and six months ended June 30, 2015. Yodlee's revenue growth may not be sustainable and Yodlee may not achieve sufficient revenue to achieve and maintain profitability. Yodlee expects to make significant future expenditures related to the development and expansion of Yodlee's business. As a result of these expenditures, Yodlee must generate and sustain increased revenue to achieve and maintain future profitability. Yodlee may incur significant losses in the future for a number of reasons, including due to the other risks described elsewhere herein, and Yodlee may encounter unforeseen expenses, difficulties, complications and delays and other unknown factors. Yodlee has encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing industries. If Yodlee does not address these risks successfully or if Yodlee's assumptions regarding these risks and difficulties are incorrect or change in reaction to changes in the market, Yodlee's business could be harmed. Accordingly, Yodlee may not be able to maintain profitability and may incur significant losses for the foreseeable future.

*Yodlee derives its revenue from subscriptions to a single software platform, and any factor adversely affecting the Yodlee platform would harm its business and operating results.*

Yodlee derives its revenue from subscriptions to a single software platform and related support and professional services. As such, any factor adversely affecting subscriptions to the Yodlee platform, including those described elsewhere herein, would harm Yodlee's business and operating results. In addition, while Yodlee intends to pursue new business initiatives, such as data analytics solutions and market research services and revenue-sharing arrangements with third-party developers of FinApps, there can be no assurances that Yodlee will recognize significant revenue from those sources. The viability of these business opportunities depends on the continued success of the Yodlee platform, and

Table of Contents

Yodlee's strategy to derive revenue from those activities would suffer if subscriptions to the Yodlee platform were adversely affected.

***Revenue derived from sales to Yodlee's three largest customers, as a group, represented approximately 21.0% and 25.6% of Yodlee's total revenue during the six months ended June 30, 2015 and 2014, respectively, and approximately 25.4%, 32.2% and 31% of Yodlee's total revenue during the years ended December 31, 2014, 2013 and 2012, respectively, and Yodlee expects to continue to derive a significant portion of its revenue from a small number of customers.***

The financial services industry in the United States is highly concentrated, with a small number of large financial institutions holding a majority of total assets held by all U.S. financial institutions. Because a portion of Yodlee's business is targeted at this industry and Yodlee's largest customers include 11 of the 20 largest banks in the United States (based on total assets as of December 31, 2014), a significant portion of Yodlee's revenue is concentrated among a small number of these large financial institution customers. As a percentage of total revenue, revenue derived from Yodlee's three largest customers, as a group, was approximately 21.0% and 25.6% during the six months ended June 30, 2015 and 2014, respectively and approximately 25.4%, 32.2% and 31% during the years ended December 31, 2014, 2013 and 2012, respectively. Although Yodlee's revenue is beginning to become less concentrated among its largest customers and broadening across Yodlee's FI and YI customer base, Yodlee anticipates that revenue from a small group of customers will continue to account for a significant portion of Yodlee's revenue in future periods. It would be difficult to replace any of Yodlee's largest customers or the revenue derived from such customers. In addition, any publicity associated with the loss of any of Yodlee's largest customers could harm Yodlee's reputation, making it more difficult to attract and retain other large customers, and could weaken Yodlee's negotiating position with respect to remaining and prospective customers.

There can be no assurance that Yodlee will be able to continue its relationships with any of its largest customers on the same or more favorable terms in future periods or that Yodlee's relationships will continue beyond the terms of its existing contracts with them. Yodlee's revenue and operating results could suffer if, among other things, any of Yodlee's largest customers were to renegotiate, terminate, renew on less favorable terms or fail to renew their agreement with Yodlee.

***Because some of Yodlee's sales efforts are targeted at large financial institutions and large Internet services companies, Yodlee faces prolonged sales cycles, substantial upfront sales costs and less predictability in completing some of its sales. If Yodlee's sales cycle lengthens, or if upfront sales investments do not result in sufficient revenue, Yodlee's operating results may be harmed.***

Yodlee targets a portion of its sales efforts at large financial institutions and large Internet services companies, which presents challenges that are different from those Yodlee encounters with smaller customers. Because Yodlee's large customers are often making an enterprise-wide decision to deploy Yodlee's solutions, Yodlee faces longer sales cycles, complex customer requirements, substantial upfront sales costs, significant contract negotiations and less predictability in completing sales with these customers. Yodlee's sales cycle can often last one year or more with its largest customers, who often undertake an extended evaluation process, but it is variable and difficult to predict and can be longer or shorter. If Yodlee continues to expand globally, Yodlee anticipates that it may experience even longer sales cycles, more complex customer needs, higher upfront sales costs and less predictability in completing sales with its larger customers and customers located outside of the United States. If Yodlee's sales cycle lengthens or its upfront sales investments do not generate sufficient revenue to justify its investments in its sales efforts, Yodlee's operating results may be harmed.

Table of Contents

***Failure of Yodlee's customers to deploy Yodlee's solutions in a timely and successful manner could negatively affect Yodlee's revenue and operating results.***

The timing of revenue from Yodlee's customers depends on a number of factors outside of Yodlee's control and may vary from period to period. Yodlee's customers may request customization of Yodlee's solutions for their systems or engage in a prolonged, internal decision making process regarding the deployment of Yodlee's solutions. Among Yodlee's larger customers, deployment of Yodlee's solutions can be a complex and prolonged process and requires integration into the existing platform on Yodlee's customers' systems. Any delay during the deployment process related to technical difficulties experienced by Yodlee's customers or Yodlee in integrating Yodlee's solutions into Yodlee's customers' systems could further lengthen the deployment period and create additional costs or customer dissatisfaction. During the deployment period, Yodlee expends substantial time, effort, and financial resources in an effort to assist its customers with the deployment. Some of Yodlee's customers may ultimately decide that it is not in the best interest of their business to deploy Yodlee's solutions at all. Yodlee generally is not able to recognize the full potential value of its customer contracts until its customers actually deploy Yodlee's solutions, though Yodlee's contracts typically provide that minimum payments are due beginning on a specified date whether or not deployments are completed by that date. Cancellation of any deployment after it has begun could result in lost time, effort, and expenses invested in the cancelled deployment process, and would adversely affect Yodlee's ability to recognize revenue that Yodlee anticipated at the time of the execution of the related customer contract. If Yodlee's customers do not timely and successfully deploy its solutions, Yodlee's future revenue and operating results could be negatively impacted.

***Yodlee's future success depends upon its customers' active and effective promotion of Yodlee's solutions.***

Yodlee's success depends on its customers, their willingness to effectively promote Yodlee's solutions to their end users, and their end users' adoption and use of Yodlee's solutions. In general, Yodlee's contracts with its customers allow them to exercise significant discretion over the promotion of Yodlee's solutions, and they could give higher priority to other products or services they offer. Accordingly, losing the support of Yodlee's customers would likely limit or reduce the use of Yodlee's solutions and the related revenue. Yodlee's revenue may also be negatively affected by Yodlee's customers' operational decisions. For example, if a customer implements changes in its systems that disrupt the integration between its systems and Yodlee's systems, Yodlee could experience a decline in the use of Yodlee's solutions. Even if Yodlee's customers actively and effectively promote its solutions, there can be no assurance that their efforts will result in increased usage of Yodlee's solutions by their end users or the growth of Yodlee's revenue. Failure of Yodlee's customers to effectively promote its solutions, and of their end users to increasingly adopt and use Yodlee's solutions, could have a material adverse effect upon Yodlee's future revenue and operating results.

***Yodlee's reputation is critical to its business, and if its reputation is harmed, its business and operating results could be adversely affected.***

Yodlee's reputation, which depends on earning and maintaining the trust and confidence of its current and potential customers and end users, is critical to Yodlee's business. Yodlee's reputation is vulnerable to many threats that can be difficult or impossible to control, and costly or impossible to remediate. Regulatory inquiries or investigations, data security breaches, lawsuits, employee misconduct, perceptions of conflicts of interest and rumors, among other developments, could substantially damage Yodlee's reputation, even if they are baseless or satisfactorily addressed. In addition, any perception that the quality of Yodlee's solutions may not be the same or better than that of other providers could also damage Yodlee's reputation. Any damage to Yodlee's reputation could harm Yodlee's ability to attract and retain customers and key personnel and adversely affect Yodlee's operating results.



Table of Contents

Attempts to repair Yodlee's reputation, if damaged, may be costly and time consuming, and such efforts may not ultimately be successful.

***Yodlee's hosting, collection, use and storage of customer information and data require the implementation of effective security controls, and a data security breach could disrupt Yodlee's business, result in the disclosure of confidential information, expose Yodlee to liability and protracted and costly litigation, adversely affect Yodlee's reputation and revenue and cause losses.***

Yodlee and its customers, through which Yodlee's solutions are made available to end users, collect, use, transmit and store confidential end user-permissioned financial information such as bank account numbers, portfolio holdings, credit card data and outstanding debts and bills. The measures Yodlee takes to provide security for collection, use, storage, processing and transmission of confidential end user information may not be effective to protect against data security breaches by third parties. Yodlee uses commercially available security technologies, including hardware and software data encryption techniques and multi-layer network security measures, to protect transactions and information. Although Yodlee encrypts data fields that typically include sensitive, confidential information, other unencrypted data fields may include similar information that could be accessible in the event of a security breach. Yodlee uses security and business controls to limit access and use of confidential end user information. However, a portion of the security protection begins with Yodlee's customers because they are the initial point of user authentication of hosted solutions. Although Yodlee requires its Internet services customers and third-party suppliers to implement controls similar to Yodlee's, the technologies and practices of Yodlee's customers and third-party suppliers may not meet all of the requirements Yodlee includes in its contracts and Yodlee may not have the ability to effectively monitor the implementation of security measures of Yodlee's customers and third-party suppliers. In many cases, Yodlee's customers build and host their own web applications and access Yodlee's solutions through its APIs. In these cases, additional risks reside in the customer's system with respect to security and preventive controls. As a result, inadequacies of Yodlee's customers' and third-party suppliers' security technologies and practices may only be detected after a security breach has occurred. Errors in the collection, use, storage or transmission of confidential end user information may result in a breach of privacy or theft of assets.

The risk of unauthorized circumvention of Yodlee's security measures has been heightened by advances in computer capabilities and the increasing sophistication of hackers. Criminals are using increasingly sophisticated techniques to engage in illegal activities involving solutions such as Yodlee's or end user information, such as counterfeiting, fraudulent payment and identity theft. Because the techniques used by hackers change frequently and generally are not recognized until launched against a target, Yodlee may be unable to anticipate these techniques or to implement adequate preventive measures. In addition to hackers, it is possible that a customer could gain unauthorized access to Yodlee's database through the use of Yodlee's solutions. Improper access to Yodlee's systems or databases by hackers or customers intending to commit criminal activities could result in the theft, publication, deletion or modification of confidential end user information. An actual or perceived breach of Yodlee's security may require notification under applicable data privacy regulations.

A data security breach of the systems on which sensitive user data and account information are stored could lead to claims or regulatory actions against Yodlee. If Yodlee is sued in connection with any data security breach, Yodlee could be involved in protracted and costly litigation. If unsuccessful in defending that litigation, Yodlee might be forced to pay damages and/or change its business practices or pricing structure, any of which could have a material adverse effect on Yodlee's revenue and profitability. Yodlee's customer contracts typically include security standards that must be complied with by Yodlee and its customers. If a data security breach occurs and Yodlee has not been in compliance with the security standards included in Yodlee's applicable contracts, Yodlee could be liable for breach of contract claims brought by its customers. Yodlee could also be required to indemnify its customers for third-party claims, fines, penalties and/or other assessments imposed on Yodlee's customers as a result of any data security breach and Yodlee's liability could exceed Yodlee's insurance coverage or ability to pay.

Table of Contents

Yodlee's security procedures and technologies are regularly audited by independent security auditors engaged by Yodlee, and many of Yodlee's prospective and current customers conduct their own audits or review the results of such independent security audits as part of their evaluation of Yodlee's solutions. Yodlee is also periodically audited by regulatory agencies to whom Yodlee's operations or its customers are subject, including The Office of the Comptroller of the Currency, or the OCC, which is the Agency in Charge of multi-agency supervisory examinations of Yodlee's operations. Adverse findings in these audits or examinations, even if not accompanied by any data security breach, could adversely affect Yodlee's ability to maintain its existing customer relationships and establish new customer relationships.

Data security breaches, acts of fraud involving Yodlee's solutions, or adverse findings in security audits or examinations, could result in reputational damage to Yodlee, which could reduce the use and acceptance of Yodlee's solutions, cause Yodlee's customers to cease doing business with Yodlee and have a significant adverse impact on Yodlee's revenue and future growth prospects. Further, any of these events could lead to additional regulation and oversight by federal and state agencies, which could impose new and costly compliance obligations and may lead to the loss of Yodlee's ability to make its solutions available.

***Privacy concerns could have an adverse impact on Yodlee's revenue and harm its reputation and may require Yodlee to modify its operations.***

As part of Yodlee's business, it uses, transmits and stores end user-permissioned, non-identified transaction data elements. Yodlee is subject to laws, rules and regulations relating to the collection, use, and security of end user data. For privacy or security reasons, privacy groups, governmental agencies and individuals may seek to restrict or prevent Yodlee's use of this data. New laws in this area have been passed by several jurisdictions, and other jurisdictions are considering imposing additional restrictions. These new laws may be interpreted and applied inconsistently from jurisdiction to jurisdiction and Yodlee's current data protection policies and practices may not be consistent with those interpretations and applications. In addition, the ability to execute transactions and the possession and use of personal information and data in conducting Yodlee's business subjects Yodlee to legislative and regulatory burdens that may require notification to customers or employees of a security breach, restrict Yodlee's use of personal information, hinder Yodlee's ability to acquire new customers or market to existing customers, require Yodlee to modify its operations and have an adverse effect on its business, financial condition and operating results. Yodlee has incurred, and will continue to incur, significant expenses to comply with privacy and security standards and protocols imposed by law, regulation, industry standards or contractual obligations. As Yodlee's business continues to expand to new industry segments that may be more highly regulated for privacy and data security, and to countries outside the United States that have more strict data protection laws, Yodlee's compliance requirements and costs may increase.

***If sources from which Yodlee obtains information limits Yodlee's access to such information or charges fees for accessing such information, Yodlee's business could be materially and adversely harmed.***

Yodlee's solutions require certain data that it obtains from thousands of sources, including banks, other financial institutions, retail businesses and other organizations, some of which are not current customers. As of June 30, 2015, Yodlee received 75% of this data through structured data feeds that are provided under the terms of its contracts with most of its financial institution, or FI, customers. Although all of the information Yodlee currently gathers is end user-permissioned, non-identified data and, currently, Yodlee generally has free, unrestricted access to, or ability to use, such information, one or more of Yodlee's current customers could decide to limit or block Yodlee's access to the data feeds it currently has in place with these customers due to factors outside of Yodlee's control such as more burdensome regulation of Yodlee or its customers' industry, increased compliance requirements or

Table of Contents

changes in business strategy. If the sources from which Yodlee obtains information that is important to its solutions limit or restrict Yodlee's ability to access or use such information, Yodlee may be required to attempt to obtain the information, if at all, through end user-permissioned data scraping or other means that could be more costly and time-consuming, and less effective or efficient. In the past, a limited number of third parties, primarily airline and international sites, have either blocked Yodlee's access to their websites or requested that Yodlee cease employing data scraping of their websites to gather information, and Yodlee could receive similar, additional requests in the future. Any such limitation or restriction may also preclude Yodlee from providing its solutions on a timely basis, if at all. In addition, if in the future one or more third parties challenge Yodlee's right to access information from these sources, Yodlee may be required to negotiate with these sources for access to their information or to discontinue certain services currently provided by its solutions. The legal environment surrounding data scraping and similar means of obtaining access to information on third-party websites is not completely clear and is evolving, and one or more third parties could assert claims against Yodlee seeking damages or to prevent Yodlee from accessing information in that manner. In the event sources from which Yodlee obtains this information begin to charge fees for accessing such information, Yodlee may be forced to increase the fees that Yodlee charges its customers, which could make Yodlee's solutions less attractive, or its gross margins and other financial results could suffer.

***Failure by Yodlee's customers to obtain proper permissions and waivers might result in claims against Yodlee or may limit or prevent Yodlee's use of data, which could harm Yodlee's business.***

Yodlee requires its customers to provide necessary notices and to obtain necessary permissions and waivers for use and disclosure of information through its solutions. Yodlee's contracts with its customers include assurances from them that they have done so and will do so, but Yodlee does not audit its customers to ensure that they have acted, and continue to act, consistently with such assurances. If, despite these requirements and contractual obligations, Yodlee's customers do not obtain necessary permissions and waivers, then Yodlee's use and disclosure of information that it receives from them or on their behalf might be limited or prohibited by federal, state or foreign privacy laws or other laws. Such a failure to obtain proper permissions and waivers could impair Yodlee's functions, processes and databases that reflect, contain, or are based upon such data and might prevent use of such data. In addition, such a failure could interfere with, or prevent creation or use of, rules, analyses, or other data-driven activities that benefit Yodlee and its business. Moreover, Yodlee might be subject to claims or liability for use or disclosure of information by reason of lack of valid notices, agreements, permissions or waivers. These claims or liabilities could subject Yodlee to unexpected costs and adversely affect its operating results.

***Yodlee operates in a highly regulated environment, and failure by Yodlee or financial institutions and other customers through which Yodlee's solutions are made available to comply with applicable laws and regulations could have an adverse effect on Yodlee's business, financial position and operating results.***

Yodlee operates in a highly regulated environment at the federal, state and international levels, and failure by Yodlee or FIs and other customers through which Yodlee's solutions are made available to comply with the laws and regulations to which Yodlee and its customers are subject could negatively impact Yodlee's business. In particular, Yodlee's solutions are subject to a strict set of legal and regulatory requirements intended to protect consumers and to help detect and prevent money laundering, terrorist financing and other illicit activities. Although Yodlee has internal controls in place to comply with applicable regulations, Yodlee cannot guarantee that its internal controls will always be effective in ensuring such compliance. Yodlee's FI customers and prospective customers are highly regulated and may be required to comply with stringent regulations in connection with subscribing to and implementing Yodlee's solutions.

Table of Contents

Yodlee is examined on a periodic basis by various regulatory agencies. For example, Yodlee is a supervised third-party technology service provider subject to multi-agency supervisory examinations in a wide variety of areas based on published guidance by the Federal Financial Institutions Examination Council. These examinations include examinations of Yodlee's management, acquisition and development activities, support and delivery, IT, and disaster preparedness and business recovery planning. The OCC is the Agency in Charge of these examinations. If deficiencies are identified, customers may choose to terminate or reduce their relationships with Yodlee. As a result of obligations under Yodlee's customer agreements, Yodlee is required to comply with certain provisions of the Gramm-Leach-Bliley Act, or GLBA, related to the privacy of consumer information and may be subject to other privacy and data security laws because of the solutions Yodlee provides. In addition, numerous regulations have been proposed and are still being written to implement the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, for enhanced due diligence of the internal systems and processes of companies like Yodlee by their FI customers. If Yodlee is required to make changes to its internal processes and solutions as result of this heightened scrutiny, Yodlee could be required to invest substantial additional time and funds and divert time and resources from other corporate purposes to remedy any identified deficiency.

Money movement services are potentially subject to regulation under a variety of federal and state laws, including state statutes regulating "money transmitters" and federal laws, such as the Bank Secrecy Act and the regulations thereunder, which regulate "money transmitting businesses" and "money services businesses." Many of these statutes are broadly worded and have not been subject to published judicial or administrative interpretation. While Yodlee believes that its money movement solutions comply with, or are exempt from, all applicable laws, as Yodlee conducts these se