

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

| OMB APPROVAL | |
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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| 1. Name and Address of Reporting Person* <u>Madden James C.</u> (Last) (First) (Middle) 610 NEWPORT CENTER DRIVE, SUITE 1220 (Street) NEWPORT CA 92660 (City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year) 07/01/2020 | 3. Issuer Name and Ticker or Trading Symbol <u>Accolade, Inc.</u> [ACCD] | |
| | | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) | 5. If Amendment, Date of Original Filed (Month/Day/Year) |
| | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Common Stock | 100,000 | I | By James C. Madden V. Living Trust ⁽⁴⁾ |

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|----------------------------|--|--|---|
| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | |
| Series B Preferred Stock | (1) | (1) | Common Stock | (2) | (2) | I | By James C. Madden V. Living Trust ⁽⁴⁾ |
| Series C Preferred Stock | (3) | (3) | Common Stock | (3) | (3) | I | By James C. Madden V. Living Trust ⁽⁴⁾ |
| Series D Preferred Stock | (5) | (5) | Common Stock | (5) | (5) | I | See Footnote ⁽⁶⁾⁽⁷⁾ |
| Series E Preferred Stock | (8) | (8) | Common Stock | (8) | (8) | I | See Footnote ⁽⁹⁾⁽¹⁰⁾ |
| Warrants | (11) | (11) | Common Stock | (11) | (11) | I | See Footnote ⁽¹¹⁾ |

Explanation of Responses:

- The James C. Madden V. Living Trust (the "Trust") currently holds 12,946 shares of the Issuer's Series B Preferred Stock (the "Series B Preferred"). The Series B Preferred is convertible at any time into shares of the Issuer's Common Stock ("Common Stock") at the then-effective conversion rate for no additional consideration in accordance with the Issuer's Seventh Amended and Restated Certificate of Incorporation, as amended to date (the "Charter"), and has no expiration date.
- Each share of Series B Preferred held by the Trust will automatically convert, on a certificate by certificate basis, upon the closing of the Issuer's initial public offering (the "IPO") into the number of shares of Common Stock equal to (i) 12,946 plus (ii) a number equal to 12,946 multiplied by a fraction of \$4.1748 divided by the Issuer's initial public offering price per share of Common Stock offered to the public in the IPO (the "IPO Price"). No fractional shares shall be issued as a result of this conversion.
- The Trust currently holds 4,784 shares of the Issuer's Series C Preferred Stock (the "Series C Preferred"). The Series C Preferred is convertible at any time into shares of Common Stock at the then-effective conversion rate for no additional consideration in accordance with the Charter and has no expiration date. Each share of Series C Preferred held by the Trust will automatically convert, on a certificate by certificate basis, upon the closing of the IPO into the number of shares of Common Stock equal to (i) 4,784 plus (ii) 4,784 multiplied by a fraction of \$11.6442 divided by the IPO Price. No fractional shares shall be issued as a result of this conversion.
- These shares are held of record by the Trust. The reporting person, a member of the Issuer's board of directors, is the trustee of the Trust.
- The Issuer's Series D Preferred Stock (the "Series D Preferred") is convertible at any time into shares of Common Stock at the then-effective conversion rate for no additional consideration in accordance with the Charter and has no expiration date. Each share of Series D Preferred held by the Carrick Series D Group (as defined below) will automatically convert, on a certificate by certificate basis, upon the closing of the IPO into the number of shares of Common Stock equal to (i) 1,424,360 plus (ii) 1,424,360 multiplied by a fraction of \$17.1245 divided by the IPO Price. No fractional shares shall be issued as a result of this conversion.
- Certain shares of Series D Preferred are held of record as follows: (i) 191,833 shares held of record by Carrick Capital Associates Fund, L.P. ("CCAF"), (ii) 65,543 shares held of record by Carrick Capital Founders Fund, L.P. ("CCFF") and (iii) 1,166,984 shares held of record by Carrick Capital Partners, L.P. ("CCP"). Carrick Management Partners, LLC

("CMP" and, together with CCAF, CCFF and CCP, the "Carrick Series D Group") is the general partner of each of CCAF, CCFF and CCP. CMP may be deemed to have voting, investment and dispositive power with respect to the shares of Series D Preferred held by the Carrick Series D Group.

7. The reporting person is a member of the Issuer's board of directors and a managing member of CMP, and may be deemed to share voting, investment and dispositive power with respect to the shares of Series D Preferred held by the Carrick Series D Group. The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.

8. The Issuer's Series E Preferred Stock (the "Series E Preferred") is convertible at any time into shares of Common Stock at the then-effective conversion rate for no additional consideration in accordance with the Charter and has no expiration date. Each share of Series E Preferred held by the Carrick Series E Group (as defined below) will automatically convert, on a certificate by certificate basis, upon the closing of the IPO into the number of shares of Common Stock equal to (i) 419,076 plus (ii) 419,076 multiplied by a fraction of \$23.8619 divided by the IPO Price. No fractional shares shall be issued as a result of this conversion.

9. Certain shares of Series E Preferred are held of record as follows: (i) 209,538 shares held of record by Carrick Capital Partners II Co-Investment Fund, L.P. ("CIF") and (ii) 209,538 shares held of record by Carrick Capital Partners II Co-Investment Fund II, L.P. ("CIFII"). Carrick Management Partners II, LLC ("CMP II" and, together with CIF and CIFII, the "Carrick Series E Group") is the general partner of each of CIF and CIFII. CMP II may be deemed to have voting, investment and dispositive power with respect to the shares of Series E Preferred held by the Carrick Series E Group.

10. The reporting person is a member of the Issuer's board of directors and a managing member of CMP II and may be deemed to share voting, investment and dispositive power with respect to the shares of Series E Preferred held by the Carrick Series E Group. The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.

11. CIF and CIFII each hold fully-vested warrants, which expire on March 16, 2028, for the purchase of up to 50,800 shares of Common Stock and, upon the closing of the IPO, will be automatically net exercised and surrendered such that the holders of the warrants will receive the number of shares of Common Stock based on the IPO Price after deduction of the exercise price, which is \$0.0005 per share. No fractional shares shall be issued as a result of this warrant exercise. The reporting person may be deemed to share voting, investment and dispositive power with respect to these securities. The reporting person disclaims beneficial ownership of these securities except to the extent of their pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.

Remarks:

Exhibit List: Exhibit 24.1 - Power of Attorney

/s/ Alan Habelton, as
Attorney-in-Fact for James 07/01/2020
C. Madden, V

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

Know all by these presents that the undersigned hereby constitutes and appoints each of Richard Esckew of Accolade, Inc. (the "Company") and Alan Hambelton, Julia Stark, Colleen Badgley, Rodrigo Seira, Phoebe Huang and Brian Woodard of Cooley LLP, signing individually, the undersigned's true and lawful attorneys-in-fact and agents to:

(1) prepare, execute in the undersigned's name and on the undersigned's behalf, and submit to the Securities and Exchange Commission (the "SEC") a Form ID, including amendments thereto, and any other documents necessary or appropriate to obtain codes and passwords enabling the undersigned to make electronic filings with the SEC of reports required by Section 16(a) of the Securities Exchange Act of 1934 or any rule or regulation thereunder;

(2) prepare, execute in the undersigned's name and on the undersigned's behalf, and submit to the SEC Forms 3, 4 and 5 (including amendments thereto and joint filing agreements in connection therewith) in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder;

(3) do and perform any and all acts for and on behalf of the undersigned that may be necessary or desirable to prepare and execute any such Form 3, 4 or 5 (including amendments thereto and joint filing agreements in connection therewith) and file such Forms with the SEC and any stock exchange, self-regulatory association or any other authority; and

(4) take any other action of any type whatsoever in connection with the foregoing that, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required of the undersigned, it being understood that the documents executed by the attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as the attorney-in-fact may approve in the attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney in fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney in fact, or such attorney in fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, and their substitutes, in serving in such capacity at the request of the undersigned, are not assuming (nor is the Company assuming) any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4 and 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the Company and the attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of the date written below.

Dated: November 21, 2019

By: /s/ James C. Madden
Signature

James C. Madden
Printed Name