iPass

3800 Bridge Parkway, Redwood Shores, California 94065

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held On June 3, 2014

TO THE STOCKHOLDERS:

You are cordially invited to attend the 2014 Annual Meeting of Stockholders of iPass Inc., a Delaware corporation. The meeting will be held on Tuesday, June 3, 2014, at 9:00 a.m. local time at iPass' offices located at 3800 Bridge Parkway, Redwood Shores, CA 94065, for the following purposes:

1. To elect the six nominees for director named herein to hold office until the 2015 Annual Meeting of Stockholders.
2. To ratify the selection by the Audit Committee of the Board of Directors of KPMG LLP as the independent registered public accounting firm of iPass for our fiscal year ending December 31, 2014.
3. To consider an advisory vote on compensation of our "named executive officers," as described in this proxy statement.
4. To conduct any other business properly brought before the meeting.

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

We hope you will be able to attend the Annual Meeting, but if you cannot do so, it is important that your shares be represented. We urge you to read the proxy statement carefully, and to vote for the proposals by telephone or Internet, or by signing, dating, and returning the enclosed proxy card in the postage-paid envelope provided, whether or not you plan to attend the Annual Meeting. Instructions are provided on the proxy card. Any proxy may be revoked at any time prior to its exercise at the Annual Meeting as described in the Proxy Statement.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on Tuesday, June 3, 2014, at 9:00 a.m. local time at 3800 Bridge Parkway, Redwood Shores, CA 94065. The proxy statement and annual report to stockholders are available at investor.ipass.com.

By Order of the Board of Directors

Evan L. Kaplan
President and Chief Executive Officer

Redwood Shores, California
April 29, 2014

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please complete, date, sign and return the enclosed proxy card, or vote over the telephone or the Internet as instructed in these materials, as promptly as possible to ensure your representation at the meeting. A return envelope (which is postage prepaid if mailed in the United States) has been provided for your convenience. Even if you have voted by proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a proxy card issued in your name from that record holder.

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3800 Bridge Parkway, Redwood Shores, California 94065

PROXY STATEMENT FOR THE 2014 ANNUAL MEETING OF STOCKHOLDERS
June 3, 2014

QUESTIONS AND ANSWERS ABOUT THIS PROXY MATERIAL AND VOTING

Why am I receiving these materials?

We sent you this proxy statement and the enclosed proxy card because the Board of Directors of iPass Inc. ("iPass") is soliciting your proxy to vote at the annual meeting of stockholders (the "Annual Meeting") to be held on June 3, 2014. You are invited to attend the Annual Meeting to vote on the proposals described in this proxy statement. However, you do not need to attend the Annual Meeting to vote your shares. Instead, you may simply complete, sign and return the enclosed proxy card, or follow the instructions below to submit your proxy over the telephone or the Internet.

We intend to mail this proxy statement and accompanying proxy card on or about April 29, 2014, to all stockholders of record entitled to vote at the Annual Meeting.

How do I attend the annual meeting?

The meeting will be held on Tuesday, June 3, 2014, at 9:00 a.m. local time at 3800 Bridge Parkway, Redwood Shores, CA 94065. Information on how to vote in person at the Annual Meeting is discussed below.

Who can vote at the Annual Meeting?

Only stockholders of record at the close of business on April 16, 2014, will be entitled to vote at the Annual Meeting. On this record date, there were 64,364,196 shares of common stock outstanding and entitled to vote.

Stockholder of Record: Shares Registered in Your Name

If on April 16, 2014, your shares were registered directly in your name with iPass' transfer agent, Computershare Trust Company, then you are a stockholder of record. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy over the telephone or on the Internet as instructed below to ensure your vote is counted.

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

If on April 16, 2014, your shares were held in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in "street name" and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid proxy from your broker or other agent.

What am I voting on?

There are three matters scheduled for a vote:

- Election of the six nominees for director named herein to hold office until the 2015 Annual Meeting of Stockholders.

- Ratification of KPMG LLP as the independent registered public accounting firm of iPass for our fiscal year ending December 31, 2014.
- An advisory vote on compensation of our "named executive officers," as described in this proxy statement.

In addition, you are entitled to vote on any other matters that are properly brought before the Annual Meeting.

What if another matter is properly brought before the meeting?

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

How do I vote?

It will depend on each proposal.

- For Proposal 1: You may either vote "For" all the nominees to the Board of Directors, "Withhold" your vote for all nominees, or you may "Withhold" your vote for any nominee you specify.
- For Proposal 2: You may vote "For" or "Against" or abstain from voting.
- For Proposal 3: You may vote "For" or "Against" or abstain from voting.

The procedures for voting are fairly simple:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy using the enclosed proxy card, vote by proxy over the telephone, or vote by proxy on the Internet. All stockholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting.

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

- To vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.
- To vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly. If you return your signed proxy card to us before the Annual Meeting, your shares will be voted as you direct.
- To vote over the telephone, dial toll-free 1-800-652-8683 using a touch-tone phone and follow the recorded instructions. You will be asked to provide information from the enclosed proxy card. Your vote must be received by 8:59 p.m., Pacific Daylight Time (11:59 p.m., Eastern Daylight Time) on June 2, 2014, to be counted.
- To vote on the Internet, go to www.investorvote.com/IPAS to complete an electronic proxy card. You will be asked to provide information from the enclosed proxy card. Your vote must be received by 8:59 p.m., Pacific Daylight Time (11:59 p.m., Eastern Daylight Time) on June 2, 2014, to be counted.

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

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

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

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock you own as of April 16, 2014.

What happens if I do not vote?

Stockholder of Record; Shares Registered in Your Name

If you are a stockholder of record and do not vote by completing your proxy card, by telephone, over the internet or in person at the Annual Meeting, your shares will not be voted.

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

If you are a beneficial owner and do not instruct your broker, bank or other agent how to vote your shares, the question of whether your broker or nominee will still be able to vote your shares depends on whether the New York Stock Exchange ("NYSE") deems the particular proposal to be a "routine" matter. Brokers and nominees can use their discretion to vote "uninstructed" shares with respect to matters that are considered to be "routine," but not with respect to "non-routine" matters. Under the rules and interpretations of the NYSE, "non-routine matters are matters that may substantially affect the rights or privileges of stockholders, such as mergers, stockholder proposals, elections of directors (even if not contested), executive compensation (including any advisory stockholder votes on executive compensation and on the frequency of stockholder votes on executive compensation), and certain corporate governance proposals, even if management supported. Accordingly, your broker or nominee may not vote your shares on Proposals 1 or 3 without your instructions, but may vote your shares on Proposal 2.

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

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted "For" the election of all six of the Board of Directors' nominees for director, "For" the ratification of KPMG LLP as the independent registered public accounting firm of iPass for fiscal year ending December 31, 2014, and "For" approval of compensation of our named executive officers. If any other matter is properly presented at the Annual Meeting, your proxy (one of the individuals named on your proxy card) will have the authority to vote your shares using his or her best judgment.

Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. In addition to these mailed proxy materials, our directors and employees may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies.

We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted. Only your latest dated proxy for each account will be voted.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. You may revoke your proxy in any one of four ways:

- You may submit another properly completed proxy card with a later date.
- You may grant a subsequent proxy by telephone or through the internet.
- You may send a written notice that you are revoking your proxy to our Corporate Secretary at 3800 Bridge Parkway, Redwood Shores, CA 94065.
- If you are a stockholder of record, you may attend the Annual Meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

When are stockholder proposals due for next year's annual meeting?

To be considered for inclusion in next year's proxy materials, your proposal must be submitted in writing by December 30, 2014, to our Corporate Secretary at 3800 Bridge Parkway, Redwood Shores, CA 94065; however, if our 2015 Annual Meeting of Stockholders is held before May 4, 2015, or after July 3, 2015, your proposal must be received a reasonable time before we print and mail our proxy materials. If you wish to submit a proposal that is not to be included in next year's proxy materials or nominate a director pursuant to our bylaws, you must provide specified information to us between February 3, 2015, and March 5, 2015; however, if our 2015 Annual Meeting of Stockholders is held before May 4, 2015, or after July 3, 2015, your proposal must be received between 90 and 120 days before the meeting, or not more than 10 days after we announce the date of the meeting. If you wish to submit a stockholder proposal or nomination, please review our Bylaws, which contain a description of the information required to be submitted as well as additional requirements about advance notice of stockholder proposals and director nominations.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count:

- "For" and "Withhold" votes with respect to Proposal 1; and
- "For" and "Against" votes and abstentions and broker non-votes with respect to Proposal 2 and Proposal 3.

Abstentions will be counted towards the vote total for each proposal, and will have the same effect as "Against" votes. Broker non-votes have no effect and will not be counted towards the vote total for any proposal.

If your shares are held by your broker as your nominee (that is, in "street name"), you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form regarding how to instruct your broker to vote your shares.

What are "broker non-votes"?

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

How many votes are needed to approve each proposal?

- In May 2008, our stockholders amended our Bylaws and adopted a majority vote standard for non-contested director elections. Therefore, for Proposal 1, the election of the six nominees for director, each nominee must receive more "For" votes than "Withhold" votes among votes properly cast in person or represented by proxy to be elected. Abstentions and broker non-votes will have no effect.
- To be approved, Proposal 2, ratifying KPMG LLP as the independent registered public accounting firm of iPass for fiscal year ending December 31, 2014, must receive a "For" vote from the majority of shares present and entitled to vote either in person or represented by proxy. If you "Abstain" from voting, it will have the same effect as an "Against" vote.
- To be approved, Proposal 3, approving on an advisory basis the compensation of our named executive officers, must receive a "For" vote from the majority of shares present and entitled to vote either in person or represented by proxy. Because your vote is advisory, it will not be binding on the Board of Directors or iPass. However, the Compensation Committee of the Board of Directors will review the voting results and take them into consideration when making future decisions regarding executive compensation. If you "Abstain" from voting, it will have the same effect as an "Against" vote. Broker non-votes will have no effect.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if a majority of the outstanding shares are represented by stockholders present at the meeting or by proxy. On the record date, there were 64,364,196 shares outstanding and entitled to vote. Thus 32,182,098 shares must be represented by stockholders present at the meeting or represented by proxy to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy vote or vote at the meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, a majority of the votes present at the meeting or the Chairman of the meeting may adjourn the meeting to another date.

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

Preliminary voting results will be announced at the Annual Meeting. Final voting results will be published in a Current Report on Form 8-K to be filed within four business days after the Annual Meeting (or, if the final voting results are not available by that time, we will announce the preliminary voting results in the Current Report on Form 8-K, and the final voting results by an amendment to the Current Report on Form 8-K when the final voting results are available).

What proxy materials are available on the internet?

The proxy statement and annual report to shareholders are available at investor.ipass.com.

PROPOSAL 1

ELECTION OF DIRECTORS

This Proposal 1 is to elect the six nominees for director named herein. All directors elected are elected for one year terms. Vacancies on the Board of Directors may be filled only by persons elected by a majority of the remaining directors. A director elected by the Board of Directors to fill a vacancy shall be elected to serve until the next annual meeting and until his or her successor is elected and qualified, or, if sooner, until the director's death, resignation or removal. This includes vacancies created by an increase in the number of directors.

There are currently six directors whose terms of office expire at the 2014 Annual Meeting, and there are six nominees for election for a one-year term, each of which is a current director of iPass. The six nominees are John D. Beletic, Peter C. Clapman, Gary A. Griffiths, Evan L. Kaplan, Robert J. Majteles and Samuel L. Schwerin. Each of these six nominees has consented to being named in this proxy statement and to serve as a director of iPass if elected.

Each of the six nominees, if elected, will serve until the 2015 Annual Meeting and until his successor is elected and has qualified, or until the director's death, resignation or removal. It is our policy to encourage directors to attend the annual meeting, and for those purposes to permit attendance by telephone. Three of the six iPass directors attended the 2013 Annual Meeting of Stockholders.

NOMINEES FOR ELECTION

The following is a brief biography of each nominee for director.

John D. Beletic, age 62, has served as a member of our Board of Directors since November 1999 and as our Chairman since November 2008.

Background. Since November 2011, Mr. Beletic has been President and Chief Executive Officer of Xiotech Inc. (X-IO Technologies), a provider of enterprise level disk storage systems. Since July 2002, Mr. Beletic has been a venture partner with Oak Investment Partners, a venture capital firm. Until December 2009 he was Chairman of FiberTower Corporation, a provider of wireless backhaul services to mobile network carriers, where he previously served from August 2006 to September 2008 as Executive Chairman. From July 2002 to September 2004, Mr. Beletic served as Executive Chairman of Oculan Corporation, a network monitoring and intrusion detection company. From August 1994 until December 2001, Mr. Beletic was the Chief Executive Officer and Chairman of the Board of PageMart Inc., a wireless messaging service, which became Weblink Wireless, Inc., a communications service company, in January 2000. Mr. Beletic was Chairman and Chief Executive Officer of Tigon Corporation, a voicemail service provider, which was acquired by Ameritech Corporation, a telecommunications company, in 1988. Mr. Beletic also serves as lead director on the board of directors of Tessco Technologies, a wireless technology provider.

Qualifications. Mr. Beletic has spent most of the past two decades in executive and board-level leadership positions at wireless and telecommunications corporations. The Board of Directors believes that his business experience as a successful Chief Executive Officer of several telecommunications companies, and his leadership position on the board of directors of other telecommunications companies, allows Mr. Beletic to provide valuable advice and guidance to the Board of Directors and iPass' management team, particularly in strategic matters, and to provide leadership as the Chairman of the Board.

Directorships. Mr. Beletic currently serves on the board at Tessco Technologies, a publicly traded wireless technology provider, and on the boards of a number of privately held companies. During the past five years, Mr. Beletic has also served on the board of directors at FiberTower Corporation, a publicly traded provider of wireless backhaul services to mobile network carriers.

Peter C. Clapman, age 78, has served as member of our Board of Directors since February of 2007.

Background. From November 1972 until July 2005, Mr. Clapman was Senior Vice President and Chief Investment Counsel to TIAA-CREF, an investment fund and the largest pension system globally. From October 2005 until July 2013, he was a partner at Governance for Owners LLP, a UK based investment organization which offers governance and investment products to institutional investors, and was the president and chairman of its U.S. corporate governance operations. Mr. Clapman is a consultant in the fields of corporate governance and director education. Mr. Clapman has advised other publicly traded companies on these topics and has served on the faculty of director education programs at Stanford, Yale, the National Association of Corporate Directors and other venues. Mr. Clapman was appointed to the Standing Advisory Group of the Public Accounting Oversight Board (PCAOB) for a three year term commencing 2013. Mr. Clapman is a Senior Advisor of Camberview Partners, an organization that provides consulting services to company managements and boards regarding their relationships with institutional investors.

Qualifications. Mr. Clapman has over three decades of experience in the financial services and investment sectors, and is a recognized authority on matters of corporate governance and, as such, the Board of Directors believes that Mr. Clapman is able to provide valuable advice and guidance to the Board of Directors and the iPass management team in matters pertaining to corporate governance.

Directorships. Mr. Clapman was a board member for the National Association of Corporate Directors. From 2005 until 2010, Mr. Clapman served as independent chairman of the board of trustees of the AARP mutual funds.

Gary A. Griffiths**,** age 64, has served as a member of our Board of Directors since June 2009.

Background. Mr. Griffiths is co-founder and Chief Executive Officer of Trapit, Inc., a company focused on Internet information discovery, which was founded in 2009. Mr. Griffiths joined WebEx Communications, Inc., a telecommunications firm specializing in the provision of web-based conferencing solutions, in December 2005 as Vice President of Products, and became President, Products and Operations. Upon the acquisition in May 2007 by Cisco Systems, Inc. of WebEx, Mr. Griffiths became a Vice President at Cisco, where he remained until April 2008. From June 1999 to December 2005, Mr. Griffiths was Chairman, President and Chief Executive Officer at Everdream Corporation, a technology services company. Mr. Griffiths was also the Chief Executive Officer at SegaSoft, Inc. from January 1996 until its acquisition by Sega, Inc. in March of 1999.

Qualifications. Mr. Griffiths has held leadership positions at several large and prominent telecommunications companies, and was a vice president in charge of both products and operations at these companies. The Board of Directors believes that his senior management experience across both the technical and operational sides of these businesses allows Mr. Griffiths to provide valuable advice and guidance to iPass' management team and Board of Directors in terms of both product sales and marketing and corporate operations. In addition, Mr. Griffiths has extensive experience with overseeing financial and accounting matters and strategic initiatives at small technology companies.

Directorships. Mr. Griffiths currently serves on the board of directors of Silicon Graphics International Corp., a publicly traded server, storage systems and data center infrastructure company.

Evan L. Kaplan*,* age 54, has served as our President and Chief Executive Officer, and as a member of our Board of Directors, since November 2008.

Background. From February 1996 to July 2007, Mr. Kaplan served as founder, President, Chief Executive Officer and Chairman of Aventail Corporation, a virtual private networking equipment and services company and a long time strategic partner of iPass, where he was responsible for overseeing all aspects of Aventail's business. After Aventail was acquired by SonicWALL, Inc., an information technology security and data backup and recovery solutions company in 2007, Mr. Kaplan remained with SonicWALL from July 2007 until January 2008 as Vice President of Business Development. From January to June 2008 Mr. Kaplan was on extended vacation with his family. From August 2008 until November 2008, Mr. Kaplan acted as a consultant to iPass, providing business planning and strategic and tactical advice and counseling to iPass.

Qualifications. Mr. Kaplan has over seventeen years of experience as a founder and executive officer in the information technology and security industry. Further, as our Chief Executive Officer he represents management on our Board of Directors and provides the Board of Directors with valuable insight into the day-to-day operation of iPass' business.

Directorships. Mr. Kaplan does not currently serve on the board of directors of any public company.

Robert J. Majteles, age 49, has served on our Board of Directors since June of 2009.

Background. Mr. Majteles is the managing partner of Treehouse Capital LLC, an investment firm, and has held that position since 2000. He has been a Chief Executive Officer at three companies, including one which was publicly traded, and has served successfully as a board member of, and an investor in, many public and private technology companies. In addition, Mr. Majteles has worked as a mergers and acquisitions attorney and an investment banker.

Qualifications. Mr. Majteles' qualifications to serve on our Board of Directors include, among other skills and qualifications, his current activities as founder and managing partner of Treehouse Capital LLC, an investment firm; his extensive experience serving on and chairing boards of directors and audit, compensation and nominating and governance committees; his prior experiences as a Chief Executive Officer of three technology companies; and his prior experiences as an investment banker and an attorney.

Directorships. Mr. Majteles currently sits on the board of directors of U.S. Auto Parts Network, Inc., an e-commerce company focused on auto parts, where he serves as Chairman of the Board. During the past five years, Mr. Majteles has also served on the board of directors at Rovi Corporation (formerly Macrovision), a digital entertainment technology company; Unify Corporation, a business software and services company; Adept Technology, Inc., a robotics systems and services company and Comarco, Inc., a company focused on the design and manufacture of mobile power devices.

Samuel L. Schwerin, age 41, has been a member of our Board of Directors since January 2010.

Background. Since 2002, Mr. Schwerin has been a co-founder and Managing Partner at Millennium Technology Value Partners, a private investment fund. Prior to Millennium, Mr. Schwerin held positions at The Blackstone Group and Salomon Brothers. Mr. Schwerin has also served as a founder, Chief Financial Officer and Vice President of Corporate Development at OpenPeak, a mobile enterprise management company. Mr. Schwerin also served as Vice President of Finance and Strategy at StorageApps, a data storage management company that was acquired by Hewlett-Packard.

Qualifications. Mr. Schwerin has extensive experience in technology investing, investment banking and as a senior corporate financial officer of successful companies in the technology industry. In total, he has completed more than 300 transactions involving $50 billion of principal investments, mergers, acquisitions, restructurings, and debt and equity financings. Mr. Schwerin has also served in a strategic and senior corporate development role at several technology companies and therefore is able to provide valuable advice and guidance to the Board of Directors and iPass management team in the areas of both corporate financial management and corporate strategy. Millennium Technology Value Partners is the largest single stockholder of iPass, and Mr. Schwerin provides the Board of Directors with valuable insight from an investor's perspective.

Directorships. Mr. Schwerin does not currently serve on the board of directors of any public company other than iPass.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE IN FAVOR OF EACH NAMED NOMINEE

Independence of the Board of Directors

As required under the Nasdaq Listing Rules, a majority of the members of a listed company's board of directors must qualify as "independent," as affirmatively determined by the board of directors. The Board of Directors consults with our legal counsel to ensure that the Board of Directors' determinations are consistent with all relevant securities and other laws and regulations regarding the definition of "independent," including those set forth in the Nasdaq Listing Rules, as in effect from time to time.

Consistent with these considerations, after review of all relevant transactions or relationships between each director, or any of his family members, and iPass, our senior management and our independent registered public accounting firm, the Board of Directors affirmatively has determined that all of our directors, including former directors who were serving as directors during any portion of 2013, are independent directors within the meaning of the applicable Nasdaq Listing Rules, except for Mr. Kaplan, our President and Chief Executive Officer.

Diversity of the Board of Directors

In considering diversity, the Board of Directors and Corporate Governance and Nominating Committee views "diversity" as diversity of experience and expertise. The Board of Directors and Corporate Governance and Nominating Committee believe that having a Board of Directors diverse in experience and expertise enables the Board of Directors, as a group, to guide the company and management and to fulfill its role of oversight and stewardship. However, neither the Board of Directors nor the Corporate Governance and Nominating Committee has developed a policy with respect to diversity in identifying nominees for director, other than the consideration of diversity when assessing nominees as set forth in our corporate governance guidelines.

The Board of Directors' Leadership Structure

The Board of Directors has determined that having an independent director serve as Chairman of the Board is in the best interest of stockholders at this time. This structure has been particularly useful given the strategic initiatives undertaken by iPass to turnaround our business. The structure ensures a greater role for the independent directors in the oversight of iPass and active participation of the independent directors in setting agendas and establishing priorities and procedures for the work of the Board of Directors. The Board of Directors believes this leadership structure also is preferred by a significant number of our stockholders.

The Board of Directors' Role in Risk Management

The Board of Directors has an active role, as a whole and also at the committee level, in overseeing management of iPass' risks. The Board of Directors regularly reviews information regarding the risks associated with our strategy, business, operations, regulatory and financial position. The Compensation Committee of the Board of Directors is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements. The Audit Committee oversees management of financial risks. The Corporate Governance and Nominating Committee manage risks associated with the independence of the Board of Directors and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports about such risks.

Information Regarding the Board of Directors and its Committees

Mr. Beletic has been the Chairman of the Board since November 2008.

Our Board of Directors has an Audit Committee, a Compensation Committee, and a Corporate Governance and Nominating Committee. The following table provides membership information for 2013 for each of the committees:

Name	Audit	Compensation	Corporate Governance and Nominating
John D. Beletic		X	X
Peter C. Clapman	X		X*
Gary A. Griffiths	X	X*	
Robert J. Majteles	X*		
Samuel L. Schwerin			
Kenneth H. Traub(1)		X	X

* Committee Chairperson

(1) Mr. Traub served on the Board of Directors until June 4, 2013, at which time he ceased to be a member of the Board of Directors and the committees upon which he was serving.

Below is a description of each committee of the Board of Directors. Each of the committees has authority to engage legal counsel or other experts or consultants, as it deems appropriate to carry out its responsibilities. The Board of Directors has determined that each member of each committee meets the applicable rules and regulations regarding "independence" and that each member is free of any relationship that would interfere with his or her individual exercise of independent judgment with regard to iPass.

Audit Committee

The Audit Committee of the Board of Directors oversees our corporate accounting and financial reporting process. For this purpose, the Audit Committee performs several functions. The Audit Committee evaluates the performance of and assesses the qualifications of the independent registered public accounting firm; determines and approves the engagement of the independent registered public accounting firm; determines whether to retain or terminate the existing independent registered public accounting firm or to appoint and engage a new independent registered public accounting firm; reviews, and approves the independent registered public accounting firm to perform, any proposed permissible non-audit services; monitors the rotation of partners of the independent registered public accounting firm on our audit engagement team as required by law; confers with management and the independent registered public accounting firm regarding the effectiveness of internal controls over financial reporting; establishes procedures, as required under applicable law, for the receipt, retention and treatment of complaints received by iPass regarding internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and meets with management and the independent registered public accounting firm to review our annual audited financial statements, quarterly financial statements, quarterly earnings releases and disclosures in our Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. The Audit Committee met seven times during 2013. Our Audit Committee Charter is available on our website at investor.ipass.com.

The Board of Directors has reviewed the Nasdaq Listing Rules definition of "independence" for Audit Committee members and has determined that all members of our Audit Committee, both in 2013 and currently, are independent (as independence is currently defined in Rule 5605(c)(2) of the Nasdaq Listing Rules). The Board of Directors has determined that for 2013, Mr. Majteles qualified as an "audit committee financial expert," as defined in applicable Securities and Exchange Commission (SEC) rules. The Board of Directors made a qualitative assessment of Mr. Majeteles' level of knowledge and experience based on a number of factors, including his formal education and experience as Chief Executive Officer of three companies; CAMAX, ULTRADATA and Citadon and his experience serving on the audit committees of a number of public companies.

Compensation Committee

The Compensation Committee of the Board of Directors reviews and approves the overall compensation strategy and policies for iPass. The Compensation Committee: reviews and approves corporate performance goals and objectives relevant to the compensation of our executive officers and other senior management; reviews and approves the compensation and other terms of employment of our Chief Executive Officer; reviews and approves the compensation and other terms of employment of the other officers; and administers our stock option and purchase plans, and other similar plans and programs. All members of our Compensation Committee are independent (as independence is currently defined in Rule 5605(a)(2) of the Nasdaq Listing Rules). The Compensation Committee met eight times during 2013, and acted via unanimous written consent five times. Our Compensation Committee Charter is available on our website at investor.ipass.com.

The processes used by the Compensation Committee for the consideration and determination of executive officer compensation consist of the following:

- meeting regularly to review and evaluate compensation matters;
- evaluating the Chief Executive Officer's recommendation regarding the amount and form of compensation for other executive officers;
- analyzing third party survey data in connection with establishing the amount and form of the Chief Executive Officer's compensation; and
- analyzing third party survey data in connection with evaluation of compensation matters.

The Compensation Committee may, under its charter, form and delegate all or some of its authority to one or more subcommittees of the Compensation Committee. No subcommittees are currently formed. The Compensation Committee has full access to all of our books, records, facilities and personnel as deemed necessary or appropriate by any member of the Compensation Committee to discharge his or her responsibilities under its charter. The Compensation Committee has the authority to obtain, at our expense, advice and assistance from internal or external legal, accounting or other advisors and consultants. In addition, the Compensation Committee has sole authority to retain and terminate any compensation consultant to assist in the evaluation of chief executive officer or senior executive compensation. The Compensation Committee has the authority to incur other reasonable expenditures for external resources that the Compensation Committee deems necessary or appropriate in the performance of its duties.

The Committee engaged Barney & Barney LLC, in October 2011 to perform a comprehensive executive compensation study. Barney & Barney was instructed to review the compensation paid to executive officers at comparable companies. The results of this study were considered by the Committee in connection with compensation decisions made in 2013. The Compensation Committee reviews on at least an annual basis the six factors required by NASDAQ to be reviewed by the Compensation Committee regarding the compensation consultant prior to receiving advice from the compensation consultant.

The specific determinations of the Compensation Committee with respect to executive compensation, for fiscal 2013, as well as additional information regarding the role of Barney & Barney, are described in greater detail in the Compensation Discussion and Analysis section of this proxy statement.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee of the Board of Directors is responsible for identifying, reviewing and evaluating candidates to serve as directors of iPass, reviewing and evaluating incumbent directors, recommending to the Board of Directors for selection candidates for election to the Board of Directors, making recommendations to the Board of Directors regarding the membership of the committees of the Board of Directors and assessing the performance of the Board of Directors. All members of the Corporate Governance and Nominating Committee are independent (as independence is currently defined in Rule 5605(a) (2) of the Nasdaq Listing Rules). The Corporate Governance and Nominating Committee met three times during 2013. Our Corporate Governance and Nominating Committee Charter is available on our website at investor.ipass.com.

The Corporate Governance and Nominating Committee has established specific, minimum attributes that would be desirable for a candidate to have to serve on our Board of Directors. The Corporate Governance and Nominating Committee will consider all of the relevant qualifications of candidates for the Board of Directors, including the following minimum qualifications: possessing relevant expertise upon which to be able to offer advice and guidance to management, having sufficient time to devote to the affairs of iPass, having demonstrated excellence in his or her field, having the ability to exercise sound business judgment and having the commitment to rigorously represent the long-term interests of our stockholders. The Corporate Governance and Nominating Committee will also consider the current needs of the Board of Directors and iPass, including whether the candidates for the Board of Directors will be independent for Nasdaq purposes. In the case of incumbent directors whose terms of office are set to expire, the Corporate Governance and Nominating Committee will also review such directors' overall service to iPass during their term, and any relationships and transactions that might impair such directors' independence. The Corporate Governance and Nominating Committee will conduct any appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of the Board of Directors. To date, the Corporate Governance and Nominating Committee has not paid a fee to any third party to assist in the process of identifying or evaluating director candidates.

The Corporate Governance and Nominating Committee will consider director candidates recommended by stockholders. The Corporate Governance and Nominating Committee does not intend to alter the manner in which it evaluates candidates based on whether the candidate was recommended by a stockholder or not. Stockholders who wish to recommend individuals for consideration by the Corporate Governance and Nominating Committee to become nominees for election to the Board of Directors may do so by delivering a written recommendation to the Corporate Governance and Nominating Committee at the following address: 3800 Bridge Parkway, Redwood Shores, CA 94065. Submissions must include the full name of the proposed nominee, a description of the proposed nominee's business experience for at least the previous five years, complete biographical information, a description of the proposed nominee's qualifications as a director and a representation that the nominating stockholder is a beneficial or record owner of our common stock. Any such submission must be accompanied by the written consent of the proposed nominee to be named as a nominee and to serve as a director if elected.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met five times during 2013 and during those meetings met four times, in person, without the CEO or other members of management present. The Board of Directors acted via unanimous written consent twice. Each director attended at least 75% of the aggregate of the meetings of the Board of Directors and of the committees on which he served, held during the period for which he was a director or committee member, respectively.

STOCKHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Our Board of Directors has adopted a formal process by which stockholders may communicate with the Board of Directors or any of our directors. Stockholders who wish to communicate with the Board of Directors may do so by sending written communications addressed to the Secretary of iPass at 3800 Bridge Parkway, Redwood Shores, California 94065. All communications should include the number of shares of iPass common stock held and will be forwarded by the Secretary of iPass to the Board of Directors or the individual directors, as designated. All communications directed to the Audit Committee in accordance with our policy regarding accounting matters complaint procedures that relate to questionable accounting or auditing matters involving iPass will be promptly and directly forwarded to the Audit Committee.

CODE OF CONDUCT AND ETHICS

We have adopted a code of conduct and ethics that applies to all members of our Board of Directors and employees, including the principal executive officer, principal financial officer and principal accounting officer. This code of conduct and ethics is posted on our website at www.ipass.com, and our code of conduct and ethics may be found as follows:

1. From our main web page, roll over “About.”
2. Next, click on “Investors.”
3. Scroll to the bottom of the page on the Investor’s site.
4. Then, click on “Corporate Governance.”
5. Finally, under “Governance Documents”, click on “Code of Conduct.”

We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding amendments to, or waivers from, a provision of this code of conduct and ethics by posting such information on our website, at the address and location noted above.

PROHIBITION OF HEDGING TRANSACTIONS

We have adopted a stock trading policy that prohibits our directors, officers and employees from engaging in short sales, transactions in put or call options, hedging transactions or other inherently speculative transactions with respect to our stock.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS[1]

The Audit Committee has reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2013, with management of iPass. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Auditing Standard No. 16, *Communications with Audit Committees*, as adopted by the Public Company Accounting Oversight Board ("PCAOB"). The Audit Committee has also received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the independent accountants' communications with the audit committee concerning independence, and has discussed with the independent registered public accounting firm the accounting firm's independence. Based on the foregoing, the Audit Committee has recommended to the Board of Directors that the audited financial statements be included in iPass' Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

AUDIT COMMITTEE:

Robert J. Majteles, Chairman
Peter C. Clapman
Gary A. Griffiths

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1 The material in this report is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference in any filing of iPass under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

PROPOSAL 2

RATIFICATION OF INDEPENDENT AUDITORS

The Audit Committee of the Board of Directors has selected KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014, and has further directed that management submit the selection of the independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. KPMG LLP has audited our financial statements since May 2002. Representatives of KPMG LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither our Bylaws nor other governing documents or law require stockholder ratification of the selection of KPMG LLP as our independent registered public accounting firm. However, the Audit Committee is submitting the selection of KPMG LLP to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if they determine that such a change would be in the best interests of iPass and our stockholders.

The affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting will be required to ratify the selection of KPMG LLP. Abstentions will be counted toward the tabulation of votes cast on proposals presented to the stockholders and will have the same effect as negative votes.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table represents aggregate fees billed to iPass for fiscal years ended December 31, 2013, and December 31, 2012, by KPMG LLP, our independent registered public accounting firm:

Fee Category	2013 Fees	2012 Fees
Audit Fees	$1,023,500	$1,039,500
Audit-Related Fees	—	—
Tax Fees	50,355	15,000
All Other Fees	—	—
Total Fees	$1,073,855	$1,054,500

Audit Fees. Consists of fees for professional services rendered for the audit of iPass' consolidated financial statements and internal controls over financial reporting, review of the interim consolidated financial statements included in quarterly reports, review of the tax provision in iPass' financial statements, comfort letters and consents and services that are normally provided by KPMG LLP in connection with statutory audits and regulatory filings or engagements as well as certain out-of-pocket expenses incurred by KPMG LLP in connection with services provided to iPass. In addition, 2013 and 2012 audit fees included professional services rendered in connection with the audit of the implementation of iPass' new enterprise resource planning system.

Tax Fees. Consists of fees for professional services rendered for tax compliance, tax audit assistance and tax planning.

All of these services were approved by the Audit Committee prior to the services being rendered to us.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE IN FAVOR OF PROPOSAL 2

PROPOSAL 3

ADVISORY VOTE ON EXECUTIVE COMPENSATION

At the 2011 Annual Meeting of Stockholders, we solicited the advice of our stockholders as to how often our stockholders would like to cast an advisory vote on executive compensation, and our stockholders indicated their preference that we solicit a non-binding advisory vote on the compensation of the named executive officers, commonly referred to as a "say-on-pay vote," every year. Our Board of Directors has adopted a policy that is consistent with that preference. In accordance with that policy, and pursuant to Section 14A of the Securities Exchange Act of 1934, we are asking the stockholders to approve, on an advisory basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with SEC rules. This vote is not intended to address any specific item of compensation, but rather the overall compensation of iPass' named executive officers and the philosophy, policies and practices described in this proxy statement.

The compensation of iPass' named executive officers subject to the vote is disclosed in the Compensation Discussion and Analysis, the compensation tables, and the related narrative disclosure contained in this proxy statement. As discussed in those disclosures, we believe that our compensation policies and decisions are focused on pay-for-performance principles, strongly aligned with our stockholders' interests and consistent with current market practices. Compensation of iPass' named executive officers is designed to enable iPass to attract and retain talented and experienced executives to lead iPass successfully in a competitive environment.

Our compensation programs are designed to pay for performance. As described under the caption "Compensation Discussion and Analysis" later in this proxy statement, the cash compensation programs for our named executive officers include a significant portion of "at-risk" performance-based pay. For 2013, 40% of our CEO's target cash compensation and 20%–50% of our other named executive officers' target cash compensation was performance-based. According to Barney & Barney's analysis, this mix of "at-risk" performance-based pay is well aligned with the practices of our peer group and industry.

Our compensation programs are designed to incentivize achievement of both short term and long term performance results. We utilize a combination of financial and strategic metrics (and, for executives other than the CEO, individual goals) to evaluate performance under our short-term incentive plan. Results are measured on both a quarterly and annual basis, with above target awards earned for sustained strong performance over multiple quarters. Our long-term incentive program is designed to reward executives for positive returns to stockholders over multiple years. Together, these incentive programs reflect a holistic view of performance in alignment with our business' strategic and operating plans.

Our compensation programs are designed to align our executives' interests with our stockholders' interests. A substantial portion of our executives' annual compensation for 2013 consisted of performance-accelerated service-vested restricted stock awards that are subject to vesting over multiple years, subject to acceleration in the event of iPass achieving specified levels of Open Mobile quarterly revenues. The use of restricted stock awards is intended to provide strong retention value during our period of continued transition, while simultaneously aligning our executives' interests with those of our stockholders in the long-term value of iPass stock.

Our compensation programs are designed to be fair and competitive. Our Compensation Committee comprises only independent directors, and executive compensation decisions are made only after careful deliberation, with the decision making process typically spanning multiple Compensation Committee meetings. The Compensation Committee considers a range of factors when applying its judgment to compensation matters and retains an independent compensation consultant to advise it on competitive market trends and governance best practices.

Accordingly, the Board of Directors is asking the stockholders to indicate their support for the compensation of iPass' named executive officers as described in this proxy statement by casting a non-binding advisory vote "FOR" the following resolution:

> "RESOLVED, that the compensation paid to iPass' named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion in this proxy statement, is hereby APPROVED."

Because the vote is advisory, it is not binding on the Board of Directors or iPass. Nevertheless, the views expressed by the stockholders, whether through this vote or otherwise, are important to management and the Board of Directors and, accordingly, the Board of Directors and the Compensation Committee intend to consider the results of this vote in making determinations in the future regarding executive compensation arrangements.

Advisory approval of this proposal requires the vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the annual meeting.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE IN FAVOR OF PROPOSAL 3

EXECUTIVE OFFICERS

Set forth below is information regarding our executive officers as of March 31, 2014.

Name	Age	Position
Evan L. Kaplan	54	President, Chief Executive Officer and Director
Karen J. Willem	58	Senior Vice President, Chief Financial Officer
Christophe J. Culine	49	Senior Vice President, General Manager Enterprise Business
Barbara M. Nelson	53	Chief Technology Officer
June L. Bower	59	Chief Marketing Officer
Darin R. Vickery	49	Vice President and Corporate Controller

Evan L. Kaplan has served as our President and Chief Executive Officer, and as a member of our Board of Directors, since November 2008. From August 2008 until November 2008, Mr. Kaplan acted as a consultant to iPass, providing business planning and strategic and tactical advice and counseling to the company. From January 2008 until July 2008, Mr. Kaplan was on an extended vacation. From February 1996 to July 2007, Mr. Kaplan served as founder, President, Chief Executive Officer and Chairman of Aventail Corporation, a virtual private networking equipment and services company and a long time strategic partner of iPass, where he was responsible for overseeing all aspects of Aventail's business. After Aventail was acquired by SonicWALL, Inc., an IT security and data backup and recovery solution company, in 2007, Mr. Kaplan remained with SonicWALL from July 2007 until January 2008 as Vice President of Business Development. Mr. Kaplan received a B.S. in environmental science from Western Washington University and an M.B.A from the University of Washington.

Karen J. Willem has served as our Senior Vice President and Chief Financial Officer since July 2013. Prior to joining iPass, Ms. Willem was the Chief Financial Officer for Xsigo Systems, a provider of network virtualization technology, from October 2010 until it was acquired by Oracle in December 2012, where she was responsible for all aspects of the company's financial functions. Ms. Willem served as Senior Vice President and Chief Financial Officer of Openwave Systems Inc., a provider of software applications and infrastructure to converge the mobile and broadband experience across all devices, from July 2008 to March 2010, where she was responsible for all aspects of the company's financial functions. From September 2003 to June 2008, Ms. Willem served as Executive Vice President and Chief Financial Officer of Cassatt Corporation, a utility computing software company. From September 2002 to August 2003, Ms. Willem served as Senior Vice President and Chief Financial Officer of iVAST, Inc., a digital media software company. From 2000 to 2002, Ms. Willem served as President and Chief Executive Officer of ViewCentral, Inc., a web-based training automation software company. From 1997 to 2000, Ms. Willem served as Executive Vice President and Chief Financial Officer of Brio Technology, Inc., a business intelligence software company. Ms. Willem received her BS in Biology from Bucknell University and her M.B.A from the University of Pittsburgh.

Christophe J. Culine has served as our Senior Vice President and General Manager Enterprise Business since August 2012, and prior to that served as our Senior Vice President, Worldwide Sales since joining iPass in July 2011. From January 2010 to June 2011, Mr. Culine was Vice President of Sales for Iron Mountain Digital, a wholly owned subsidiary of Iron Mountain Corporation, an information management company, where he was responsible for all field sales operations. From April 2007 to January 2010, Mr. Culine was Senior Vice President of Sales for Mimosa Systems, Inc., an enterprise content archiving company which was acquired by Iron Mountain in January 2010. At Mimosa Systems, Mr. Culine was responsible for all sales operations. From February 2005 to April 2007, Mr. Culine was the Senior Vice President of Worldwide Field Operations at Mirapoint Software, an email server appliance company. Prior to that, Mr. Culine held other sales and sales management positions at several other high-tech companies.

Barbara M. Nelson has served as our Senior Vice President and Chief Technology Officer since April 2012 and served as our Chief Technology Officer since 2008. Ms. Nelson joined iPass in 2002, and has held a variety of roles including Client Architect, Vice President, Information Systems and Vice President, Engineering. Prior to her employment at iPass, Ms. Nelson held a number of engineering and engineering management positions at

Extricity, General Magic and Retix. Ms. Nelson holds a bachelor's degree with honors in computer science from University College Dublin, Ireland.

June L. Bower has served as our Chief Marketing Officer since November 2013. From January 2012 to January 2013, Ms. Bower served as Executive Vice President of Marketing at Financial Engines where she developed marketing programs and products for corporate and employee customers. From May 2008 to December 2011, Ms. Bower served as Vice President, Online Business, Collaboration Software Group at Cisco Systems, where she was responsible for global marketing, sales and products sold directly online through the WebEx web site. From November 2006 to April 2008, Ms. Bower served as Vice President, Consumer and Entertainment Marketing for Alcatel-Lucent, a communications technology company. From June 2005 to October 2006, she was Vice President and Chief Marketing Officer for Mobiltec, a mobile startup acquired by Alcatel-Lucent. Previous to Alcatel-Lucent, Ms. Bower worked in senior marketing positions at a number of high-tech companies including Apple, Adobe and Openwave. Ms. Bower received an M.B.A from Pepperdine University and a bachelor's degree in psycholinguistics from Stanford University.

Darin R. Vickery has served as our Vice President and Corporate Controller since August 2012, and served as our interim principal financial officer from January 2013 to June 2013. From August 2010 to August 2012, Mr. Vickery was our Director of Accounting Operations. From September 2009 to August 2010, Mr. Vickery was an accounting and auditing consultant to iPass. From 2000 to September 2009, Mr. Vickery was an independent consultant providing accounting, auditing, and financial consulting services to a number of public companies in Silicon Valley, including providing outsourced internal audit oversight, internal control design and implementation, interim accounting operations management, and SEC reporting support. From 1989 to 1999, Mr. Vickery was with PricewaterhouseCoopers LLC in its auditing and consulting practice areas. Mr. Vickery is a certified public accountant (current status inactive) and holds a B.A. in economics from the University of Colorado and an M.B.A. in finance from the University of Texas.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the ownership of our common stock as of January 31, 2014, except as otherwise specified in the footnotes to the table, by: (a) each director and nominee for director; (b) each of the executive officers named in the Summary Compensation Table presented later in this proxy statement; (c) all current executive officers and directors of iPass as a group; and (d) all those known by us to be beneficial owners of more than five percent of our common stock. Unless otherwise provided, the stockholder referenced has sole voting and investment power with respect to the outstanding shares listed. All percentages in this table are based on a total of 64,461,734 shares of common stock outstanding on January 31, 2014.

Name and Address of Beneficial Owner	Shares Issuable Pursuant to Options Exercisable Within 60 Days of January 31, 2014	Beneficially Owned (Including the Number of Shares Shown in the Column to the left)	
		Shares	Percent
Evan L. Kaplan	1,014,336	1,815,389	2.8%
Karen J. Willem	—	100,000	*
June L. Bower	—	80,000	*
Christophe J. Culine	442,916	750,721	1.2%
Barbara M. Nelson	363,608	633,621	1.0%
Darin R. Vickery	41,665	66,665	*
John D. Beletic(1)	409,623	537,684	*
Peter C. Clapman	166,785	246,785	*
Gary A. Griffiths(2)	139,355	263,355	*
Robert J. Majteles	139,355	386,252	*
Samuel L. Schwerin(3)	120,480	7,095,935	11.0%
Entities affiliated with Millennium Technology Value Partners, L.P.(4)	—	6,925,455	10.7%
All current directors and executive officers as a group (11 persons)	2,838,123	11,976,407	17.8%

* Less than one percent (1%).

(1) Includes 54,000 shares held in the John and Anne Beletic Partnership LTD and 12,000 shares held in Drexel Partnership LTD.

(2) Includes 5,000 shares held in the Belle Griffiths Inherited IRA, 5,000 shares held in the Belle Griffiths IRA, 5,000 shares held in the Gary Griffiths SEP IRA, 5,000 shares held in the Gary Griffiths IRA, 15,000 shares held in the Griffiths Family Trust and 34,000 shares held in a custodial account for Gary and Ryan Griffiths.

(3) Includes 6,925,455 shares held by funds affiliated with Millennium Technology Value Partners Management, L.P. ("Millennium Management"). Mr. Schwerin is the managing member of Millennium TVP (GP), LLC ("Millennium TVP"), which is the general partner of Millennium Management. Mr. Schwerin disclaims beneficial ownership of the shares held by Millennium Management and its affiliated entities except to the extent of his pecuniary interest therein. Mr. Schwerin's address is the same as Millennium Management's address, as set forth in footnote 4 below.

(4) Millennium Technology Value Partners, L.P. ("Millennium LP") has sole voting and dispositive power over 3,428,815 shares. Millennium Technology Value Partners (RCM), L.P. ("Millennium RCM") has sole voting and dispositive power over 3,496,640 shares. Millennium Management is the general partner of Millennium LP and Millennium RCM. Millennium TVP is the general partner of Millennium Management and

Mr. Schwerin is the managing member of Millennium TVP. Each of the entities affiliated with Millennium Management specifically disclaims beneficial ownership of the securities it does not directly own. The address for each of the entities affiliated with Millennium Management is 32 Avenue of the Americas, 17th Floor, New York, NY 10013. The data regarding the stock ownership of the entities affiliated with Millennium Management is as of May 26, 2010, from the Schedule 13D/A filed by such persons on June 7, 2010.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires iPass' directors and executive officers, and persons who own more than ten percent of a registered class of iPass' equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of iPass. Officers, directors and greater than ten percent stockholders are required by SEC regulation to furnish iPass with copies of all Section 16(a) forms they file.

To iPass' knowledge, based solely on a review of the copies of such reports furnished to iPass, during the fiscal year ended December 31, 2013, all Section 16(a) filing requirements applicable to our officers, directors and greater than ten percent beneficial owners were complied with.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Information with respect to securities authorized for issuance under equity compensation plans as of the end of the most recently completed fiscal year is aggregated as follows:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a))(1) (c)
Equity compensation plans approved by stockholders	7,606,580	$1.89	25,612,234
Equity compensation plans not approved by stockholders	—	—	—
Total	7,606,580	$1.89	25,612,234

(1) Consists of (i) 21,452,678 shares available for future issuance under the 2003 Equity Incentive Plan, and (ii) 4,159,556 shares available for future issuance under the Employee Stock Purchase Plan.

EXECUTIVE COMPENSATION AND RELATED INFORMATION

COMPENSATION OF DIRECTORS

The following table shows for the fiscal year ended December 31, 2013, certain information with respect to the compensation of all our non-employee directors:

Name	Fees Earned or Paid in Cash ($)(1)	Stock Awards ($)(2)(3)	Option Awards ($)(2)(3)	Total ($)
John D. Beletic	$66,000	$16,900	$19,752	$102,652
Peter C. Clapman	$51,000	$16,900	$19,752	$87,652
Gary A. Griffiths	$54,000	$16,900	$19,752	$90,652
Robert J. Majteles	$47,000	$16,900	$19,752	$83,652
Samuel L. Schwerin	$26,000	$16,900	$19,752	$62,652
Kenneth H. Traub(4)	$24,000	$—	$—	$24,000

(1) This column reflects annual director and chairman of the Board of Directors retainer fees, annual committee and committee chairman retainer fees, Board of Directors' meeting fees, and committee meeting fees.

(2) The dollar amount in this column represents the aggregate grant date fair value computed in accordance with FASB Accounting Standard Codification ("ASC") Topic 718 – *Stock Compensation* for stock awards granted in 2013. Assumptions used in the calculation of these amounts are included in note 10 to our audited financial statements for the fiscal year ended December 31, 2013, included in our Annual Report on Form 10-K.

(3) At December 31, 2013, the following directors held stock options and unvested shares of restricted stock as follows:

Name	Number of Shares Underlying Options	Number of Shares of Restricted Stock
Mr. Beletic	439,623	10,000
Mr. Clapman	196,785	10,000
Mr. Griffiths	169,355	10,000
Mr. Majteles	169,355	10,000
Mr. Schwerin	150,480	10,000
Mr. Traub(4)	139,355	—

(4) Mr. Traub served on the Board of Directors until June 4, 2013.

The table below sets forth the options and stock awards that were issued in 2013 to our non-employee directors.

Name	Grant Date	Number of Shares of Stock (#)(1)	Number of Shares Underlying Options (#)(1)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)(2)
Mr. Beletic	6/4/2013	5,000			$8,450
	6/4/2013	5,000			$8,450
	6/4/2013		15,000	$1.69	$9,876
	6/4/2013		15,000	$1.69	$9,876
Mr. Clapman	6/4/2013	5,000			$8,450
	6/4/2013	5,000			$8,450
	6/4/2013		15,000	$1.69	$9,876
	6/4/2013		15,000	$1.69	$9,876
Mr. Griffiths	6/4/2013	5,000			$8,450
	6/4/2013	5,000			$8,450
	6/4/2013		15,000	$1.69	$9,876
	6/4/2013		15,000	$1.69	$9,876
Mr. Majteles	6/4/2013	5,000			$8,450
	6/4/2013	5,000			$8,450
	6/4/2013		15,000	$1.69	$9,876
	6/4/2013		15,000	$1.69	$9,876
Mr. Schwerin	6/4/2013	5,000			$8,450
	6/4/2013	5,000			$8,450
	6/4/2013		15,000	$1.69	$9,876
	6/4/2013		15,000	$1.69	$9,876

(1) Shares vest upon the earlier of one year from the date of grant or the date of the 2014 annual meeting of stockholders.
(2) These amounts have been calculated in accordance with FASB ASC Topic 718 using the Black-Scholes pricing model for the grants of options.

The members of our Board of Directors who are not employees of iPass are reimbursed for travel, lodging and other reasonable expenses incurred in attending Board of Directors' or committee meetings. The table below sets forth the cash compensation arrangements for our non-employee directors for services as a non-employee director:

Annual cash retainer	$20,000
Chairman of the Board annual retainer	$20,000
Committee annual retainer	$5,000
Audit committee chairman annual retainer	$10,000
Compensation committee chairman annual retainer	$5,000
Corporate Governance and Nominating committee chairman annual retainer	$5,000
Per meeting board meeting fees	$1,000
Per meeting committee meeting fees	$1,000

Under the terms of the iPass Inc. 2003 Non-Employee Directors Plan, as amended, or the Directors Plan, we grant stock options and restricted stock to our non-employee directors as follows:

- grants of stock options of 30,000 shares for initial grants, and 15,000 shares for annual grants, and
- restricted stock awards of 10,000 shares for initial grants and 5,000 shares for annual grants.

Options granted under the Directors Plan vest as follows: (a) with respect to options that are awarded pursuant to initial grants, the 30,000 shares will vest with respect to 10,000 shares on the first anniversary of the date of grant, and thereafter in equal monthly installments over 24 months, and (b) with respect to options that are awarded pursuant to annual grants, the 15,000 shares will vest on the first anniversary of the date of grant or, if earlier, on the date of the next annual meeting following the date of grant. Options granted under the Directors Plan may permit exercise prior to vesting, but in such event the participant may be required to enter into an early exercise stock purchase agreement that allows iPass to repurchase unvested shares if the participant's service terminates before vesting. All outstanding options under the Directors Plan are early exercisable.

Shares of stock acquired under a restricted stock award are subject to forfeiture in favor of iPass in accordance with the following vesting schedule: (a) with respect to restricted stock awards that are awarded pursuant to initial grants, one third of the 10,000 shares will vest on each of the first, second and third anniversaries of the date of grant, and (b) with respect to restricted stock awards that are awarded pursuant to annual grants, the 5,000 shares will vest on the first anniversary of the date of grant or, if earlier, on the date of the next annual meeting following the date grant.

In addition, at each annual meeting, we will make additional annual grants, from our 2003 Equity Incentive Plan, of stock options and restricted stock to our non-employee directors as follows:

- grant of a stock option of 15,000 shares, and
- restricted stock award of 5,000 shares.

The options will vest on the first anniversary of the date of grant or, if earlier, on the date of the next annual meeting following the date of grant. Shares of stock acquired under a restricted stock award are subject to forfeiture in favor of iPass in accordance with the following vesting schedule: such shares will vest on the first anniversary of the date of grant or, if earlier, on the date of the next annual meeting following the date grant.

COMPENSATION DISCUSSION AND ANALYSIS

Business Overview and Strategy

We are a global Wi-Fi roaming leader for enterprises and telecom service providers and their consumer subscribers. We believe that we are uniquely positioned to take advantage of expanding global demand for Wi-Fi.

We provide global enterprises and telecommunications carriers with cloud-based mobility management and Wi-Fi connectivity services. Through our proprietary technology platform and global Wi-Fi network, we offer enterprises Internet connectivity services and cost savings. Based on this same technology platform and our global authentication and settlements infrastructure, we also offer global telecommunication carriers Wi-Fi enablement services allowing them to monetize their Wi-Fi networks and enable data roaming solutions for their subscribers.

Our compensation structure is designed to support our business strategy by providing incentives to executives to successfully execute the business strategy and operate the business in a financially efficient manner, while retaining and motivating our executive talent. In 2013, we delivered on a number of key business initiatives, including increasing momentum for our Open Mobile growth engine, growing both users and revenues, and gaining additional traction in our Open Mobile Exchange service by signing a number of new carrier and technology partners.

Executive Compensation Guiding Principles

We compete for executive talent in the Silicon Valley which is among the most volatile and fast-moving labor markets in the world. In order to attract, motivate, and retain key executive officers with the ability to drive our success, the Compensation Committee (the "Committee") has established our compensation program to be competitive with that of other companies with which we compete for talent, and provide our executives incentives to drive stockholder value over the long-term. As a result, the Committee has established the following principles to guide the design and operation of our executive compensation program:

- Compensation programs must enable us to attract and retain talent from the internet software and services industry and technology industries in general;
- Incentive awards will be based on financial results and strategic goals that support our long-term business objectives;
- Incentive programs must motivate desired behaviors and reward executive officers based on results, not effort; and
- The compensation strategy should be straightforward and easy to understand to facilitate clear communication of expectations to executive officers and stockholders.

The Committee reviews these principles periodically to ensure continued alignment with our business strategy. In addition, the Committee considers relevant business and external factors in determining how to implement these principles from year-to-year.

Summary of Executive Compensation Practices and Policies

We have implemented a number of policies and practices to drive performance, mitigate excessive risk taking and promote alignment of executive and shareholder interests. A summary of these policies and practices is below.

What We Do:

- Place a significant percentage of compensation at risk;
- Include double-trigger change in control provisions for Stock Options and Stock Awards;
- Review historical compensation and realizable compensation projections when making executive compensation decisions;
- Prohibit hedging transactions and short sales;
- Utilize an independent compensation consulting firm which provides no other services to the company; and
- Provide reasonable post-employment/change in control provisions.

What We Don't Do:

- No re-pricing of underwater Stock Options;
- No inclusion of the value of equity awards in severance calculations;
- No excise tax gross-up upon a change in control; and
- No perquisites or supplementary retirement benefits.

Key 2013 Compensation Decisions

In 2013, the Committee made the following key decisions regarding the compensation program for executive officers:

- Maintained the same base salaries and annual incentive opportunities as the prior year, with the exception of Darin Vickery, our Vice President and Corporate Controller, who was also our principal financial officer in the first half of 2013;

- Revised the metrics and weights in the Executive Management Bonus Plan to shift emphasis to the monetization of customers;
- Eliminated the individual component in the Executive Management Bonus Plan to provide greater linkages to corporate results; and
- Granted executives equity that consisted primarily of performance-accelerated restricted stock awards to provide retention value in a range of performance scenarios, while simultaneously motivating achievement of targeted Open Mobile revenue goals in support of the long-term business strategy.

The Role of Stockholder Say-on-Pay Votes

At our 2013 annual meeting of stockholders, we provided our stockholders with the opportunity to cast an advisory vote on our executive compensation. The company's stockholders approved 2012 compensation of our named executive officers with 94.7% of the shares present and entitled to vote at the meeting voting "for" approval. The Committee viewed this approval as an endorsement of our compensation policies and practices and has continued to conduct itself consistent with past practice. Although the stockholder vote is non-binding, the Committee will consider the outcome of future votes when making future compensation decisions for our executive officers.

Market Positioning Philosophy

In general, the Committee targets the 50th percentile, defined as the middle point of relevant peer group and survey market data (the median), for each element of compensation and with respect to total compensation. The Committee has determined this is an appropriate target market position as it has generally allowed us to attract and retain the level of executive talent we believe will improve operational performance and stockholder value. The Committee in certain circumstances establishes compensation above the market median of the peer group based on an executive officer's experience and proficiency and our desire to attract or retain the executive officer. The positioning of each element of compensation may also vary based on broader considerations, such as the desired pay mix for certain roles, or the impact of compensation decisions on accounting expense or stockholder dilution.

The Committee determines peer group formation with assistance from an external consultant retained by the Committee. The Committee selects peer companies primarily based on industry similarity and company size, which is measured by revenue and enterprise value. The Committee considers company size as a proxy for executive job complexity. The Committee also uses industry criteria to produce a set of peer companies that represent a sampling of executive labor for which we compete. The Committee chose the peer group based on the following criteria: Public companies located in the U.S. in the software and services industry, communication equipment, IT services and computer peripherals industries with revenue between $70 million and $280 million, market capitalization below $800 million and approximately 150 to 2,000 employees. The peer group used for making 2013 compensation decisions comprised 20 companies, 15 of which were used for benchmarking purposes the prior year and five of which were newly added:

Actuate Corporation	Callidus Software*	CSP Inc.	Dialogic*	Dot Hill Systems Corporation
DSP Group Inc.	Echelon*	Epiq Systems Inc.	Falconstor Software Inc.	Liveperson Inc.
Marchex Inc.	Monotype Imaging Hldg.	Nortech Systems Inc.	Pericom Semiconductor Corporation	ShoreTel*
Sigmatron International	SMTC Corporation	TeleNav*	Vocus Inc.	XO Group

*Newly added peer company. The following companies were removed from the peer group: Comverge Inc., Demandtec Inc., Kenexa Corporation, Key Tronic Corporation, LoopNet Inc., Openwave Systems Inc., and Navisite Inc.

The compensation program is designed to provide downside risk and upside potential aligned with performance. Below target cash compensation is earned if performance goals are not achieved. Above target incentive cash compensation may be earned when annual performance objectives are exceeded.

To ensure alignment of executive compensation with the above internal objectives and external market practice, the Committee conducts a regular assessment of executive compensation versus the market with assistance from an external consultant. This assessment typically includes an evaluation of base salary, annual incentive opportunities, and long-term incentives against the compensation practices of the peer group of companies described above. For select executives, the Committee also analyzed compensation practices from the broader industry through published survey compensation data. Published survey data analyzed consisted of U.S. technology companies with revenue between $50 million and $500 million. The peer group data provides highly specific data on executive officer compensation for all elements of pay, whereas the broader industry published survey data provides market information on a job-by-job basis. The Committee takes the market assessment into consideration, in concert with other factors, when making decisions regarding executive compensation design and specific actions. For decisions regarding 2013 compensation, the Committee relied on the results of an assessment provided by Barney & Barney LLC in December 2012.

Role of Chief Executive Officer and Management in Compensation

As President and Chief Executive Officer, Mr. Kaplan, in consultation with the Vice President of Worldwide Human Resources & Administration, provided the Committee with the following:

- Input and advice on hiring and succession planning considerations;
- Recommendations on the design, structure and opportunities associated with quarterly incentive and long-term equity incentive compensation;
- Information on recruiting and hiring trends and key employment statistics; and
- Other information as requested by the Committee.

The Chief Executive Officer, Vice President of Worldwide Human Resources & Administration and the Chief Financial Officer typically attend Committee meetings. However, at each in-person meeting the Committee generally holds an executive session without management present. In addition, Mr. Kaplan was not present during the deliberations or voting with regard to his own individual compensation package.

Compensation Consultant

The Committee retained Barney & Barney LLC to advise the Committee with its responsibilities related to the company's executive compensation programs. In fiscal 2013, Barney & Barney provided the Committee with the following services:

- Assisted the Committee in selecting the peer companies to be used in the annual executive compensation evaluation; and
- Conducted an assessment of base salary, target annual incentives, target total cash compensation, long-term incentives, retention incentives, and equity ownership for the top executive management positions relative to market data with the goal of establishing executive compensation programs that align the interests of executive management, iPass and our stockholders.

Barney & Barney reports directly to the Committee Chairman. During 2013, the Committee reviewed the six independence factors required by the Dodd-Frank Act and determined that no conflict of interest exists. Because Barney & Barney does not perform any other services for iPass and had no existing relationships with Committee members or iPass that would impact its independence, the Committee concluded that the advice it received from Barney & Barney was objective.

Compensation and Benefits Elements

The Committee uses four core compensation and benefits elements to provide a competitive overall compensation and benefits package to executive officers that is tied to creating stockholder value and supporting the execution of our business strategies, as follows:

Compensation Elements and Benefits	Description and Key Objectives
Base Salary	Fixed pay intended to directly compensate executives for the time and service they provide in their respective roles
Quarterly Cash Incentives	Variable pay component intended to reward executives for the achievement of our short-term objectives
Long-term Equity Incentives (which has historically included Stock Options, Restricted Stock and Performance Share Awards)	Variable compensation intended to retain, motivate and reward executives for the achievement of our long-term objectives, including the creation of stockholder value
401(k) and other benefits also provided to the broader employee population	Benefit programs that are intended to provide executives with competitive retirement savings and health and welfare protections

The Committee determines the target value of each compensation element primarily based on data collected during the competitive market assessment. In addition to reviewing competitive market values, the Committee considers other factors in managing target compensation levels each year, including the impact of equity grants on dilution, the accounting costs associated with equity award vehicles, the tax implications of various compensation elements for iPass and our executives, and iPass' cash flow requirements.

The Committee establishes the total compensation package with the intent to provide a competitive level of compensation and benefits to executives, while placing an increasing emphasis on variable pay for performance at more senior levels in the organization, as more senior executives are more likely to be able to impact company performance. The emphasis on long-term compensation versus short-term compensation (and the emphasis on equity rewards versus cash compensation), also increases at more senior levels. The specific purpose and mechanics of each compensation element is described in more detail below.

The Committee also takes into consideration factors specific to the individual executive officer, such as individual performance, past compensation, role in executing our strategic plans and relative positioning to other executives within iPass when taking specific actions relating to compensation. For example, the Committee considers historical compensation outcomes (such as expected gain on unvested equity awards) in determining the level and timing of annual equity awards. The Committee reviews and considers each component for each executive officer before making compensation decisions.

Currently, we do not offer our executive officers any perquisites or supplemental retirement benefits.

Base Salary

We provide salaries to executive officers as compensation for defined job responsibilities and services to iPass. The Committee bases annual salary determinations on competitive assessment, experience and proficiency in the role, the need to retain key talent and individual and company performance.

The Committee reviews executive base salaries annually based on the results of the annual market assessment and target competitive positioning (market median). Other factors taken into consideration in making base pay adjustments include individual performance and changes to role or responsibilities.

In 2013, the Committee determined that no changes to base salary for executives employed the prior year were necessary as salaries remained within a competitive range of market median, with the exception of Mr. Vickery. Mr. Vickery's base salary was increased 8% to recognize an increase in his responsibilities and to improve internal equity with others in the organization. The base salaries for Karen Willem, our Senior Vice President and Chief Financial Officer hired in July 2013, and June Bower, our Chief Marketing Officer hired in November 2013, were set based on arm's length negotiation with each executive during the hiring process.

Based on the analysis of market compensation conducted by Barney & Barney, Mr. Kaplan's 2013 base salary was 15% above the market median, while the salary levels for the other named executive officers ranged from 10% to 16% below the market median.

Quarterly Cash Incentives

The Committee pays cash bonuses as an incentive to executive officers to focus on achieving near term operational and financial objectives that are important to the longer-term success of the business. The Committee has determined that quarterly cash incentives are appropriate for the organization given the rapidly changing business environment in which iPass operates. The Committee sets goals at the beginning of the fiscal year and reviews and approves payouts quarterly.

The Committee selected performance metrics and established target goals for each metric in alignment with iPass' business strategy and to reflect realistic expectations for the business as it continues to grow the Open Mobile business. The intention of the incentive program is to motivate executives and provide a bridge to future value creation. Consequently, the Committee expected that goals would be achieved at or near the target 100% level if iPass performed in accordance with our operating plan. In the event the target goal was met, the target bonus was to be paid out at 100% of that component of the bonus. The Committee also established lower and upper boundaries for most corporate objectives, as described below.

Target Award Amounts: The Committee determines target annual bonus amounts for each executive officer at the beginning of the plan year. The Committee considered bonus opportunities relative to peers, the desired mix between fixed and variable compensation, and the resulting target total cash compensation (annual base salary plus target annual bonus) relative to peers. Target annual bonus amounts for all of the named executive officers employed the prior year remained the same as 2012, with the exception of Mr. Vickery, whose annual bonus target was increased by $10,000 to recognize an increase in his responsibilities and to improve internal equity with other named executive officers. Target annual bonus amounts for Ms. Willem and Ms. Bower were set based on arm's length negotiation. Target annual bonus amounts for each named executive officer, in dollars and as a percent of base salary, are summarized in the table below:

Executive	2013 Target Bonus (% of Base Salary)	2013 Target Bonus (Dollars)
Evan L. Kaplan	66%	$300,000
Karen J. Willem	50%	$150,000
Darin R. Vickery	25%	$50,000
June L. Bower	52%	$140,000
Christophe J. Culine	100%	$250,000
Barbara M. Nelson	44%	$100,000

While the Committee generally targets the market 50th percentile for each element of compensation, actual target bonus amounts reflect numerous factors as described above. Based on the analysis of market compensation conducted by Barney & Barney, the target bonus opportunity (as a percent of base salary) for Mr. Kaplan was 24% below the market 50th percentile, which reflects his relatively higher base salary positioning relative to comparable roles at comparable companies. Mr. Culine's target bonus opportunity was 6% below the market 75th percentile, reflecting the Committee's desire to place more emphasis on variable pay given his responsibility for leading sales. The target bonus opportunity for Ms. Nelson was within ten percentage points of the market median. The other named executive officers were not included in the analysis of market compensation.

Performance Measures and Weightings: The Committee chose the metrics used to evaluate executive performance to motivate executives to achieve our near-term operational and financial objectives. The bonus was linked entirely to corporate performance results under the 2013 Executive Management Bonus Plan for all four quarters for all of the named executive officers (including the Chief Executive Officer), with the exception of Mr. Culine. The bonus for Mr. Culine was based 20% on corporate performance results under 2013 Executive Management Bonus Plan and 80% on the Open Mobile Enterprise (OME) Executive Sales Compensation Plan. Additionally, Mr. Vickery's calculated bonus amount could be adjusted upward or downward based on discretion, consistent with the bonus plan for employees that do not report to the Chief Executive Officer.

The Committee established the metrics to emphasize the achievement of key operational and financial objectives for our Open Mobile business and iPass as a whole. The specific weightings and definition of each metric, as well as the rationale the Committee used for selecting each metric, is described below.

2013 Executive Management Bonus Plan Performance Metrics, Weighting and Award Calculation

Metrics and Weightings: The 2013 Executive Management Bonus Plan (also referred to as the "2013 Executive Incentive Plan") was approved by the Committee in February 2013. The plan comprised three metrics, defined and weighted as follows:

Metric	Weighting	Definition	Rationale
Total Open Mobile Revenue	65%	Open Mobile revenue, consistent with how the company calculates and reports revenue in its public filings.	Measures ability to monetize enterprise and consumer customers of the Open Mobile platform.
Unity Network Services* Revenue	10%	Unity Network Services revenue, consistent with how the company calculates and reports revenue in its public filings.	Measures ability to monetize contracts to build and manage Internet based Wi-Fi networks for retailers, enterprise branch offices, real estate holders and telecom providers.
Adjusted EBITDA	25%	Adjusted EBITDA, as reported by iPass in our quarterly earnings reports, and as further adjusted to remove the impact of foreign exchange gains and/or losses and, as applicable, and adjusted for any impact from amounts associated with state sales taxes.	Measures operating profitability.

*Formerly Managed Network Services

The Committee established the relative weightings of the performance metrics based on its subjective assessment of the importance of each metric to achieving our overall business objectives.

Performance Targets and Payout Calculation: The Committee sets quarterly and annual incentive plan goals in alignment with our near-term financial and strategic objectives. The Committee set target performance goals for 2013 at levels that were challenging, but realistic to achieve assuming strong performance relative to the company's operating plan.

The table below shows the 2013 annual performance targets and upper limit for each metric, as well as the payout to be earned (as a percent of target bonus) for achieving the corresponding performance level.

	Target Performance Level		Upper Performance Level	
	2013 Full-Year Goal	**Payout Earned (% target)**	**2013 Full-Year Goal**	**Payout Earned (% target)**
Total Open Mobile Revenue	$61.2 Million	100%	$73.0 Million	150%
Unity Network Services Revenue	$38.8 Million	100%	$47.0 Million	150%
Adjusted EBITDA	$2.0 Million	100%	$4.0 Million	150%

Quarterly target performance goals were also established for each metric. In addition, a lower boundary was established for each metric at which a set percentage of the target bonus (80% for the Total Open Mobile Revenue and Unity Network Services Revenue metrics and 70% for the Adjusted EBITDA metric) would be earned and below which no bonus for the metric would be earned for the quarter. The actual quarterly bonus payout for each metric was calculated on a straight-line interpolated basis between the Lower and Target Performance Level.

The maximum quarterly payout for each metric was limited to 100% of target each quarter; however, with the close of Q4 2013, performance that exceeded full-year targets was eligible to be paid out on a straight-line interpolated basis between the Target and Upper Performance Levels.

2013 quarterly and annual performance goals for each metric at the Threshold, Target and Upper Performance levels, as well as the actual results are set forth in the table below.

	Threshold(1)	Target(1)	Upper(1)	Actual(1)	Payout(2)
Quarter 1					
Total Open Mobile Revenue	$8.6	$10.8	-	$10.5	97%
Unity Network Services Revenue	$6.9	$8.7	-	$8.7	100%
Adjusted EBITDA	($1.7)	($1.3)	-	($1.3)	99%
Total Corporate Payout Q1					**98%**
Quarter 2					
Total Open Mobile Revenue	$10.5	$13.1		$12.0	91%
Unity Network Services Revenue	$7.4	$9.2	-	$8.3	91%
Adjusted EBITDA	($0.3)	($0.0)	-	($0.0)	98%
Total Corporate Payout Q2					**93%**
Quarter 3					
Total Open Mobile Revenue	$13.2	$16.5		$12.6	0%
Unity Network Services Revenue	$8.0	$10.0	-	$8.3	83%
Adjusted EBITDA	$0.8	$1.1	-	($0.8)	0%
Total Corporate Payout Q3					**8%**
Quarter 4					
Total Open Mobile Revenue	$16.7	$20.8		$13.0	0%
Unity Network Services Revenue	$8.7	$10.9	-	$7.9	0%
Adjusted EBITDA	$1.5	$2.2	-	($2.5)	0%
Total Corporate Payout Q4					**0%**
Total Corporate Payout Q4 + Adjustment for Annual Achievement					**0%**
2013 Year End Summary					
Total Open Mobile Revenue	$49.0	$61.2	$73.0	$48.0	47%
Unity Network Services Revenue	$31.0	$38.8	$47.0	$33.3	68%
Adjusted EBITDA	$0.3	$2.0	$4.0	($4.6)	49%
Total Corporate Payout 2013					**50%**

(1) Dollar amounts are in millions.
(2) Quarterly payouts for each metric are capped at 100% of Target.

The quarterly bonuses for Mr. Culine also reflected payouts earned for performance against the Open Mobile Enterprise (OME) Executive Sales Compensation Plan. Payouts under the OME Executive Sales Compensation Plan were based on performance against goals related to revenue generated and smartphone and tablet usage. Quarterly achievement ranged from 40% to 91% for the OME Executive Sales Compensation Plan.

The aggregate bonus amount earned by the Chief Executive Officer and Ms. Nelson was 50% of their respective annual target. Including the OME sales component for Mr. Culine, the bonus amount earned was 66% of his annual target. The bonus amount for Mr. Vickery was 61% of his annual target, and includes a discretionary adjustment to the amount calculated based on corporate financial performance to recognize his extraordinary efforts and individual accomplishments in supporting the successful transition of leadership within the financial function. The bonus amounts received by Ms. Willem and Ms. Bower in 2013 were set forth in their employment agreements: Ms. Willem was guaranteed a minimum bonus amount equal to target for Q3 and Q4, while Ms. Bower was guaranteed a minimum target bonus equal to target for Q4 (prorated based on her date of hire). The dollar amounts of the actual awards paid in accordance with the performance under the 2013 Executive Management Bonus Plan are set forth in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table following this Compensation Discussion and Analysis. The Committee believes that bonus awards achieved by executives were reasonable in light of overall corporate results.

Long-Term Equity Incentives ("LTEI")

To ensure a strong link to the long-term interests of stockholders, the Committee places significant emphasis on long-term equity incentives. The Committee generally targets delivering LTEI with a fair market value on the date of grant aligned with the 50th percentile of the market, with the understanding that above target value will be realized only if stockholder value is created. For 2013, the Committee relied primarily on an assessment of equity grants as a percent of common shares outstanding, as well as the potential realizable value of LTEI under various stock price scenarios to set LTEI levels for executive officers. The Committee also considered the grant history and expected future contributions of individual executives, as well as the aggregate impact of LTEI awards on stockholder dilution. The Committee believes that the 2013 LTEI awards provide meaningful retention value and competitive opportunities for executives to share in the creation of stockholder value.

The Committee generally grants annual equity awards at the first quarterly Committee meeting of the year, unless otherwise specified by our Board of Directors or the Committee. The Committee grants all stock option grants to named executive officers with an exercise price equal to the fair market value of the underlying stock on the last market trading day prior to the day of grant. The Committee does not grant equity compensation awards in anticipation of the release of material nonpublic information. Similarly, we do not time the release of material nonpublic information based on equity award grant dates.

For 2013, the Committee granted performance-accelerated service-vested restricted stock awards ("Performance-Accelerated RSAs") to our named executive officers who were employed and members of the senior leadership team at the beginning of the year. Performance-Accelerated RSAs are intended to cover a two year equity grant cycle for these executives.

The Committee made the decision to use Performance-Accelerated RSAs for 2013 rather than stock options because the value of unvested equity held by executives was low and voluntary turnover among the executive team had increased, and the Committee determined that Performance-Accelerated RSAs would provide greater retention value than other equity arrangements. The Committee decided to provide further retention value by delivering an amount of Performance-Accelerated RSAs intended to cover two years in a single, front-loaded grant. The Committee included the ability to accelerate vesting of a portion of the Performance-Accelerated RSAs upon achievement of specific Open Mobile revenue targets (including revenue from the Open Mobile network and platform and the Open Mobile Exchange) to further motivate behaviors intended to drive growth in the Open Mobile business, which is critical to the execution of iPass' business strategy.

The vesting schedules were set by taking into consideration the vesting patterns of unvested equity grants held by the executives at the time of grant, as well as the corporate operating plan. For the Chief Executive Officer and other executives receiving a Performance-Accelerated RSA grant, assuming continued service the awards vest in full on December 31, 2017, with respect to any awards not then vested. Additionally, awards are subject to accelerated vesting at an earlier date (assuming continued service) upon the satisfaction of performance conditions as follows:

- 25% of shares shall vest two business days after iPass has released to the public that iPass achieved $19M of quarterly Open Mobile revenue;
- 25% of shares shall vest two business days after iPass has released to the public that iPass achieved $22M of quarterly Open Mobile revenue;
- 25% of shares shall vest two business days after iPass has released to the public that iPass achieved $25M of quarterly Open Mobile revenue; and
- 25% of shares shall vest two business days after iPass has released to the public that iPass achieved $28M of quarterly Open Mobile revenue.

As of December 31, 2013, none of the Performance-Accelerated RSAs had vested upon meeting the performance conditions.

LTEI awards delivered to Ms. Willem and Ms. Bower were determined based on arm's length negotiation with each executive during the hiring process and comprised both stock options, which were granted as an incentive to join iPass, and Performance-Accelerated RSAs, which were granted to provide alignment with the other members of the senior leadership team. Stock options vest over four years. Ms. Willem was also guaranteed an additional grant of 150,000 stock options in January 2014 subject to her continued employment and approval of the Board. Consistent with the awards to the other named executive officers, the Performance-Accelerated RSAs awarded to Ms. Willem and Ms. Bower vest in full on December 31, 2017, and are subject to accelerated vesting at an earlier date (assuming continued service) upon the satisfaction of certain performance conditions. The vesting schedule was designed to align the executive team with the operating plan, while recognizing differences in date of hire as follows:

- For the grant to Ms. Willem, 20% of shares shall vest upon achievement of $19M and $22M in quarterly Open Mobile revenue, respectively, and 30% of shares shall vest upon achievement of $25M and $28M of quarterly Open Mobile revenue, respectively; and
- For the grant to Ms. Bower, 25% of shares shall vest upon achievement of $22M, $25M, $28M and $31M in quarterly Open Mobile revenue, respectively.

The Committee intends to maintain an equity burn rate during 2014 and over the next two fiscal years of less than or equal to iPass' industry mean, plus one standard deviation, as calculated by the Institutional Shareholder Services.

Other Benefits

We offer additional benefits designed to be competitive with overall market practices, and to attract and retain the talent we need. All salaried employees are eligible to participate in our Section 401(k) plan, health care coverage, life insurance, disability, paid time off and paid holidays.

Clawback of Compensation Paid to Executives

Effective with the publishing of the relevant Securities and Exchange Commission regulations, the Committee intends to develop and implement a policy regarding the recovery, or "clawback," of any excess incentive compensation paid to executives based on an accounting restatement due to material noncompliance with any financial reporting requirements.

Employment, Severance, and Change-in-Control Agreements

We provide severance benefits to our executive officers in the event of a termination without cause as a competitive benefit to recruit and retain qualified executives. These severance benefits include a lump sum cash payment based on the executive officer's annual base salary plus an amount equal to one quarter of the annual target bonus and continued health benefits coverage for a period of time.

We also provide benefits in the event that an executive officer's employment is involuntarily terminated following a corporate change-in-control. These benefits are triggered only to the extent that a qualifying change-in-control takes place. The purpose of these benefits is to promote management continuity and cooperation during a potential transaction that is being pursued by the Board of Directors to maximize stockholder value (such as a merger with or acquisition by another company) despite the fact that such a transaction may jeopardize the future employment of our executives. These change-in-control benefits include a lump sum cash payment based on the executive officer's annual salary and annual bonus target, continued health benefits coverage for a period of time, and accelerated vesting of equity awards. Ms. Willem and Ms. Bower were provided with these benefits based on arm's length negotiation with each executive during the hiring process.

In determining the value, terms and structure of severance and change-in-control benefits, the Committee considered market practice, the value of such benefits to the executives and the aggregate potential cost of such a program assuming actual termination. Additionally, in determining the level of severance benefits the Committee considered our past experience and precedent for providing severance in the event of a company-initiated termination.

In connection with his hire, Mr. Kaplan was guaranteed certain severance benefits if the Board of Directors terminates him without cause or he resigns for good reason, including: (a) a lump sum cash severance payment equal to 12 months of base salary; (b) the prorated portion of the target annual bonus for the year less any payments already made for the year, calculated at the rate at which bonuses were paid earlier in the year (or in the prior year, if the first quarter bonus has not yet been determined); (c) the target bonus for the year multiplied by the rate at which bonuses were earned in the prior four quarters; (d) payment of COBRA premiums for up to 18 months and (e) accelerated vesting of the time-based component of any equity awards for 12 months and extended exercisability of option grants for up to 9 months. In addition, upon the close of a corporate transaction, vesting conditions of outstanding equity grants, whether determined by the passage of time or in reference to performance targets, shall be deemed satisfied. Further, under the scenario of a termination of his employment in connection with a change-in-control, Mr. Kaplan would receive a bonus payment equal to 12 months of his then annual target bonus. Mr. Kaplan will also receive a $15,000 reimbursement for accounting and tax advice to be provided in connection with a change in control of iPass, with any such reimbursement to be deemed a taxable benefit.

The full benefits and related terms and conditions are comprehensively explained in the "Supplementary Compensation Policies and Potential Payments Upon Termination or Change-in-Control" sections of this document.

COMPENSATION COMMITTEE REPORT[2]

The Compensation Committee of the Board of Directors of iPass Inc. has reviewed and discussed with management the information contained in the Compensation Discussion and Analysis section of this Proxy Statement and, based upon the review and discussions, recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement (and incorporated by reference in our Annual Report on Form 10-K for the year ended December 31, 2013).

COMPENSATION COMMITTEE:

Gary A. Griffiths, Chairman
John D. Beletic

RISK ASSOCIATED WITH COMPENSATION PLANS

In 2013, the Compensation Committee, in consultation with Barney & Barney, determined that the company's compensation policies and practices for our employees are not reasonably likely to cause employees to take risks that would have a material adverse effect on the company.

[2] The material in this report is not "soliciting material," is not deemed "filed" with the SEC, and is not to be incorporated by reference into any filing of iPass under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language contained in such filing.

COMPENSATION OF EXECUTIVE OFFICERS

The following table shows for the fiscal years ended December 31, 2013, 2012, and 2011, compensation awarded or paid to, or earned by, our Chief Executive Officer, our Chief Financial Officer and an executive officer serving as our principal financial officer during the first half of 2013, and our other three most highly compensated executive officers at December 31, 2013 (collectively, the "named executive officers").

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)		Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)		Total ($)
Evan L. Kaplan	2013	$450,000	$819,000	(2)	$—	$149,412	$690	(3)	$1,419,102
President and Chief Executive Officer	2012	$450,000	$630,000	(9)	$—	$318,676	$719	(3)	$1,399,395
	2011	$350,000	$—		$—	$212,909	$125,960	(4)	$688,869
Karen J. Willem Senior Vice President and Chief Financial Officer(5)	2013	$150,000	$189,000	(12)	$278,813	$75,000	$645	(3)	$693,458
Darin R. Vickery Vice President and Corporate Controller	2013	$188,750	$41,250	(2)	$—	$25,897	$450	(3)	$256,347
Christophe J. Culine	2013	$250,000	$429,000	(2)	$—	$165,085	$469	(3)	$844,554
Senior Vice President and General Manager Enterprise Business(7)	2012	$250,000	$236,250	(8)	$—	$191,569	$450	(3)	$678,269
	2011	$114,583	$—		$411,858	$102,083	$360	(3)	$628,884
Barbara M. Nelson	2013	$225,000	$234,000	(2)	$—	$49,804	$690	(3)	$509,494
Chief Technology Officer	2012	$225,000	$168,000	(8)	$—	$96,935	$—		$489,935
	2011	$210,000	$45,900	(6)	$30,990	$53,851	$576	(3)	$341,317
June L. Bower Chief Marketing Officer(10)	2013	$ 27,692	$136,800	(11)	$243,936	$13,696	$161	(3)	$422,285

(1) The dollar amounts in this column reflect the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in note 10 to our audited financial statements for the fiscal year ended December 31, 2013, included in our Annual Report on Form 10-K.

(2) The shares subject to restricted stock awards vest in full on December 31, 2017 with respect to any awards not then vested, provided that applicable recipient remains in continuous service with iPass on the applicable accelerated vesting date. The vesting of the awards shall be subject to accelerated vesting based on targeted quarterly revenue of Open Mobile as follows: 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $19 million or more of Open Mobile ("OM") revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $22 million or more of OM revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, and 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter, so long as the applicable recipient remains in continuous service with iPass on the applicable accelerated vesting date.

(3) Consists of life insurance premiums paid by us.

(4) Consists of $125,096 of reimbursed brokerage fees in connection with the sale of a residence and $864 for life insurance premiums paid by us.

(5) Ms. Willem's employment started on July 1, 2013.

(6) The stock awards granted to Ms. Nelson in 2011 will vest 100% on February 21, 2015, the fourth anniversary of the grant date, however, vesting will be accelerated in five equal installments upon the company achieving specified targets for active Open Mobile ("OM") monetized users over the four year period.

(7) Mr. Culine's employment started on July 18, 2011.

(8) The shares subject to the restricted stock award vest in the following manner: 50% of the shares vest on February 6, 2013, with the remaining 50% of the shares vest on February 6, 2014.

(9) The shares subject to the restricted stock award vest in the following manner: One-third of the shares vest on June 30, 2012; one-third of the shares vest on June 30, 2013, and one-third of the shares vest on June 30, 2014.

(10) Ms. Bower's employment started on November 25, 2013.

(11) The restricted stock award shall fully vest on December 31, 2017 with respect to any awards not then vested, provided that Ms. Bower remains in continuous service with iPass on such date, and is subject to accelerated vesting as follows: 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $22 million or more of Open Mobile ("OM") revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter, and 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $31 million or more of OM revenue in a calendar quarter.

(12) The restricted stock award shall fully vest on December 31, 2017 with respect to any awards not then vested, provided that Ms. Willem remains in continuous service with iPass on such date, and is subject to accelerated vesting as follows: 20% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $19 million or more of Open Mobile ("OM") revenue in a calendar quarter, 20% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $22 million or more of OM revenue in a calendar quarter, 30% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, and 30% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter.

GRANTS OF PLAN-BASED AWARDS

The following table sets forth information concerning plan-based grants to our named executive officers during fiscal 2013. Stock awards were granted under our 2003 Equity Incentive Plan, and provide for vesting of the underlying common stock set forth below.

Grants of Plan Based Awards in Fiscal 2013

Name	Grant Date(1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Threshold ($)(2)	Target ($)(3)	Maximum ($)(4)	All Other Stock Awards: Number of Securities Underlying Stock or Units (#)(5)	All Other Option Awards: Number of Securities Underlying Options(#) (7)	Exercise or Base Price of Option Awards ($/sh)	Grant Date Fair Value of Stock and Option Awards ($)(6)
Evan L. Kaplan	3/18/2013	$ 232,500	$ 300,000	$ 450,000				
	3/18/2013				**420,000**			**$819,000**
Karen J. Willem	7/1/2013	$ 116,250	$ 150,000	$ 225,000				
	7/1/2013				**100,000**			**$189,000**
	7/1/2013					**375,000**	**$1.89**	**$278,813**
Darin R. Vickery	3/18/2013	$ 38,750	$ 50,000	$ 75,000				
	6/6/2013				**25,000**			**$41,250**
Christophe J. Culine	3/18/2013	$ 140,750	$ 250,000	$ 177,000				
	3/18/2013				**220,000**			**$429,000**
Barbara M. Nelson	3/18/2013	$ 77,500	$ 100,000	$ 150,000				
	3/18/2013				**120,000**			**$234,000**
June L. Bower	11/25/2013	$ 108,500	$ 140,000	$ 210,000				
	11/25/2013				**80,000**			**$136,800**
	11/25/2013					**360,000**	**$1.71**	**$243,936**

(1) Grant date of equity awards and non-equity incentive plan awards.
(2) A lower boundary was established. In the event only the lower boundary is met, the target bonus was to be paid out at 80% for total Open Mobile revenue and total Managed Network Services revenue and 70% in the case of the adjusted EBITDA. A detailed description of the bonus plan can be found in the “Compensation Discussion and Analysis” section above.
(3) This column sets forth the aggregate annual target amount of each named executive officer’s quarterly cash bonus award for the year ended December 31, 2013. The actual cash bonus award earned for the year ended December 31, 2013, for each named executive officer is set forth in the 2013 Summary Compensation Table above. As such, the amounts set forth in this column do not represent additional compensation earned by the named executive officers for the year ended December 31, 2013. The named executive officers’ cash bonus award is based on three corporate performance metrics, comprising total Open Mobile revenue, total Managed Network Services revenue, and adjusted EBITDA.
(4) The bonus for achieving the upper boundary for total Open Mobile revenue, total Managed Network Services revenue, and adjusted EBITDA was 150%. A detailed description of the bonus plan can be found in the “Compensation Discussion and Analysis” section above.
(5) Represent stock awards for shares granted in March, June, July and November 2013.
(6) Represents the grant date fair value of such award determined in accordance with FASB ASC Topic 718.
(7) Represent stock options for shares granted in July and November 2013.

See “Compensation Discussion and Analysis” above for a discussion of our compensation philosophies and practices relating to our named executive officers.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table shows for the fiscal year ended December 31, 2013, certain information regarding outstanding equity awards at fiscal year-end for the named executive officers.

Outstanding Equity Awards at December 31, 2013

	Option Awards					Stock Awards				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable		Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested #	Market Value of Shares or Units of Stock That Have Not Vested $(1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)		Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(1)
Evan L. Kaplan	465,104	9,896	(3)	$1.05	1/28/2020	100,000	157,000	1,173,925	(4)	1,843,062
	500,000	—	(2)	$1.26	11/6/2018					
	26,162	—	(2)	$1.17	11/6/2018					
	8,547	—	(2)	$0.90	11/6/2018					
	3,730	80	(3)	$1.17	1/28/2020					
	670	—	(2)	$0.90	11/6/2018					
	137	—	(2)	$1.17	11/6/2018					
	10	—	(2)	$1.17	11/6/2018					
Karen J. Willem	—	375,000	(3)	$1.89	7/1/2023	—	—	100,000	(5)	157,000
Darin R. Vickery	16,666	3,334	(3)	$1.13	10/26/2020	—	—	25,000	(6)	39,250
	6,458	3,542	(3)	$1.52	5/31/2021					
	14,166	25,834	(3)	$2.32	7/30/2022					
Christophe J. Culine	350,416	229,584	(3)	$1.72	7/18/2021	56,250	88,313	220,000	(6)	345,400
Barbara M. Nelson	35,416	14,584	(3)	$1.53	2/21/2021	40,000	62,800	132,000	(8)	207,240
	120,000	—	(2)	$0.71	4/13/2019					
	13,255	—	(2)	$1.17	4/13/2019					
	8,205	—	(2)	$0.90	4/13/2019					
	2,887	—	(2)	$1.17	4/13/2019					
	339	—	(2)	$0.90	4/13/2019					
	131	—	(2)	$1.17	4/13/2019					
	45,000	—	(2)	$4.24	7/29/2015					
	36,000	—	(2)	$4.79	5/11/2016					
	30,000	—	(2)	$3.94	7/29/2014					
	29,250	—	(2)	$3.75	2/8/2017					
June L. Bower	—	360,000	(3)	$1.71	11/25/2023	—	—	80,000	(7)	125,600

(1) Amount reflects the number of shares multiplied by the closing price of the company's common stock on December 31, 2013.

(2) The shares subject to the option are fully vested and exercisable as of December 31, 2013.

(3) The shares subject to the option vest in the following manner: 25% of the shares vest one year after grant date, and the remaining 75% of the shares vest monthly over the following 36 months

(4) Mr. Kaplan was granted performance stock awards of 420,000 in 2013 that vest in full on December 31, 2017, with respect to any awards not then vested, provided that Mr. Kaplan remains in continuous service with iPass on such date. The vesting of the awards shall be subject to accelerated vesting based on targeted quarterly revenue of Open Mobile, so long as Mr. Kaplan remains in continuous service with iPass on the applicable accelerated vesting date. Prior to 2013, Mr. Kaplan

was granted performance stock awards of 753,925 shares which shall vest in five equal installments upon iPass achieving specified targets for earnings before interest, tax and amortization.

(5) The restricted stock award shall fully vest on December 31, 2017, with respect to any awards not then vested, provided that Ms. Willem remains in continuous service with iPass on such date, and is subject to accelerated vesting as follows: 20% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $19 million or more of Open Mobile ("OM") revenue in a calendar quarter, 20% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $22 million or more of OM revenue in a calendar quarter, 30% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, and 30% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter.

(6) The shares subject to restricted stock awards vest in full on December 31, 2017, with respect to any awards not then vested, provided that the applicable recipient remains in continuous service with iPass on such date. The vesting of the awards shall be subject to accelerated vesting based on targeted quarterly revenue of Open Mobile as follows: 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $19 million or more of Open Mobile ("OM") revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $22 million or more of OM revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, and 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter.

(7) The restricted stock award shall fully vest on December 31, 2017, with respect to any awards not then vested, provided that Ms. Bower remains in continuous service with iPass on such date, and is subject to accelerated vesting as follows: 25% of the shares shall vest two business days after the company has released to the public that iPass has achieved $22 million or more of Open Mobile ("OM") revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter, and 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $31 million or more of OM revenue in a calendar quarter.

(8) The shares subject to restricted stock awards vest in full on December 31, 2017, with respect to any awards not then vested, provided that Ms. Nelson remains in continuous service with iPass on such date. The vesting of 120,000 awards shall be subject to accelerated vesting based on targeted quarterly revenue of Open Mobile as follows: 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $19 million or more of Open Mobile ("OM") revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $22 million or more of OM revenue in a calendar quarter, 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $25 million or more of OM revenue in a calendar quarter, and 25% of the shares shall vest two business days after iPass has released to the public that iPass has achieved $28 million or more of OM revenue in a calendar quarter. The vesting of 12,000 awards shall be subject to accelerated vesting based on targeted number of active Open Mobile monetized users, so long as the applicable recipient remains in continuous service with the company on the applicable accelerated vesting date.

OPTION EXERCISES AND STOCK VESTED

The following table shows for the fiscal year ended December 31, 2013, certain information regarding stock vested during the last fiscal year with respect to the named executive officers. There were no option exercises by the named executive officers in 2013.

Stock Vested in Fiscal 2013

	Stock Awards	
Name	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)(1)**
Evan L. Kaplan	100,000	$206,000
Christophe J. Culine	56,250	$119,813
Barbara M. Nelson	52,000	$110,340

(1) Represents the market value on the day of vesting.

SUPPLEMENTARY COMPENSATION POLICIES

Employment, Severance, and Change-in-Control Agreements

Evan L. Kaplan Employment Agreement

Mr. Kaplan, our President and Chief Executive Officer, accepted employment with us as President and Chief Executive Officer pursuant to the terms of an employment agreement dated November 1, 2008, as amended (the "Kaplan Employment Agreement"). The Kaplan Employment Agreement provides that Mr. Kaplan is an at will employee, which means we can terminate his employment at any time, with or without cause. Under the Kaplan Employment Agreement, Mr. Kaplan received (i) an initial annual salary of $350,000, and (ii) an annual bonus, with an initial target amount of $250,000. In accordance with the Kaplan Employment Agreement, Mr. Kaplan's target annual bonus was increased to $350,000 by the Compensation Committee for 2010. In 2012, the Compensation Committee reduced Mr. Kaplan's target annual bonus to $300,000 and increased his annual salary to $450,000. Additionally, pursuant to the Kaplan Employment Agreement, Mr. Kaplan (i) was granted an option to purchase 500,000 shares of company common stock, vesting with respect to 25% of the shares after one year, and thereafter in a series of thirty-six successive equal monthly installments over a three-year period, and (ii) was granted performance shares covering 500,000 shares of company common stock pursuant to the company's 2003 Equity Incentive Plan. The performance shares will vest in five installments of 100,000 shares each upon the company achieving specified targets for earnings before interest, tax and amortization.

The Kaplan Employment Agreement also provides that if the company terminates his employment without "cause" or if Mr. Kaplan resigns for "good reason", not in connection with a Corporate transaction, and provided Mr. Kaplan signs a release of claims and resigns from the Board of Directors and as an officer of the company, then Mr. Kaplan will receive, as severance: (a) cash severance equal to twelve months base salary; (b) an additional lump sum cash severance payment equal to the pro rata portion of the annual bonus for the year served to the termination date, less any amounts already paid for that year, based on percentage of achievement of target bonus in prior periods; (c) COBRA premiums for Mr. Kaplan and his dependents for up to eighteen months, which will terminate earlier if he becomes eligible for group health insurance coverage through another employer; (d) accelerated vesting of the time-based component of any equity awards which are not fully vested as of the termination date in the amount of twelve (12) months of vesting acceleration, plus nine months extended vesting for stock options.

If Mr. Kaplan resigns for "good reason", in connection with a Corporate transaction, and provided Mr. Kaplan signs a release of claims and resigns from the Board of Directors and as an officer of the company, then Mr. Kaplan will receive, as severance: (a) cash severance equal to twelve months base salary; (b) an additional lump sum cash severance payment equal to the current year's annual target bonus; (c) COBRA premiums for Mr. Kaplan and his dependents for up to eighteen months, which will terminate earlier if he becomes eligible for group health insurance coverage through another employer; (d) any specified performance target or other vesting condition, whether determined by passage of time or by reference to performance targets or operations of the company or its affiliate, in any equity awards issued shall immediately be deemed satisfied. In addition, Mr. Kaplan will be reimbursed for personal accounting and tax services used in connection with a Corporate transaction up to $15,000.

The following definitions apply in the Kaplan Employment Agreement:

"Cause" means the occurrence of any of the following (and only the following): (i) conviction of any felony involving fraud or act of dishonesty against the company or its affiliates; (ii) conduct which, based upon good faith and reasonable factual investigation and determination of the Board of Directors, demonstrates gross unfitness to serve; or (iii) intentional, material violation of any contractual, statutory or fiduciary duty owed to the company or its affiliates;

"Good reason" means any of the following actions or events: (i) the company requires him to relocate to a worksite that is more than sixty (60) miles from its principal executive office; (ii) the company materially reduces his base salary and bonus potential below its then-existing gross rate; or (iii) following a "corporate transaction", he is not the Chief Executive Officer of the surviving entity (unless he agrees in writing not to be the Chief Executive Officer of the surviving entity), or otherwise have his duties/responsibilities materially reduced as a result of the corporate transaction. A corporate transaction which results in the company being private in which he remains as Chief Executive Officer does not constitute a material reduction in responsibilities.

"Corporate transaction" means the occurrence of either of the following events: (i) the sale of all or substantially all of the assets of the company; or (ii) a merger of the company with or into another entity in which the stockholders of the company immediately prior to the closing of the transaction own less than a majority of the ownership interest of the company immediately following such closing; *provided, however*, for purposes of determining whether the stockholders of the company prior to the occurrence of a transaction described above own less than fifty percent (50%) of the voting securities of the relevant entity afterwards, only the lesser of the voting power held by a person either before or after the transaction shall be counted in determining that person's ownership afterwards.

Executive Officer Employment Agreements

Each of our other named executive officers has a signed offer letter with us. These offer letters provide that the executive officer is an at-will employee. These offer letters provide for salary, an annual bonus paid quarterly based upon the successful completion of specified performance objectives and equity, as well as other customary benefits and terms. Information regarding the compensation earned by our named executive officers is set forth in "Compensation of Executive Officers—Summary Compensation Table." These offer letters also provide that each of our named executive officers will be a participant in the iPass Inc. Executive Corporate Transaction and Severance Benefit Plan as described below.

In the case of Ms. Willem, her offer letter provides that she will have an annualized base salary of $300,000, a target bonus of $150,000, and that if she started on July 1, 2013, she would be paid the greater of 100% of her third and fourth quarter bonus and the amount actually earned. In addition, her offer letter also provided that she would be granted an option to purchase 375,000 shares of our common stock, a restricted stock award to acquire 100,000 shares of our common stock, and that if she remained employed by us into 2014 she would be granted an additional option in 2014 to purchase 150,000 shares of our common stock.

In the case of Ms. Bower, her offer letter provides that she will have an annualized base salary of $270,000, a target bonus of $140,000, and that if she started on November 25, 2013, she would be paid 100% of her fourth quarter bonus. In addition, her offer letter also provided that she would be granted an option to purchase 360,000 shares of our common stock, a restricted stock award to acquire 80,000 shares of our common stock.

Executive Corporate Transaction and Severance Benefit Plan

On August 9, 2007, our Board of Directors adopted the iPass Inc. Executive Corporate Transaction and Severance Benefit Plan (the "Plan") and amended the Plan on June 29, 2011. Each of our executive officers, other than Mr. Kaplan is designated as a participant in the Plan. Pursuant to the terms of the Plan, each executive officer will be entitled to receive severance benefits in the event that the termination of the executive officer's employment with iPass is an "Involuntarily Termination Without Cause," or the executive officer resigns as a result of a "Constructive Termination." If one of these events occur, iPass shall make a lump sum cash severance payment to the executive officer in an amount equal to six (6) months of the executive officer's monthly base salary, as in effect on the date of the employment termination, or twelve (12) months of the executive officer's monthly base salary if the employment termination is within eighteen (18) months of an acquisition of iPass or all or substantially all of its assets (a "Corporate Transaction Termination").

In addition, if the executive officer is entitled to the cash severance described above and provided that the executive officer received an overall performance rating equivalent to or greater than "meets expectations" in the most recent performance evaluation cycle preceding termination of the executive officer's employment, iPass will make an additional cash severance payment to the executive officer as follows: (i) in the case of a termination that is not a Corporate Transaction Termination, in an amount equal to one quarter of the executive officer's target bonus amount under iPass' annual bonus plan, and (ii) in the case of a Corporate Transaction Termination, in an amount equal to the executive officer's annual target bonus amount under iPass' annual bonus plan.

Further, if the executive officer is entitled to the cash severance described above, the executive officer will also be entitled to COBRA coverage paid by iPass for a period of twenty four (24) months in the case of a Corporate Transaction Termination, or for a period of twelve (12) months otherwise.

In the event of a Change in Control, (i) the vesting and exercisability of 50% of all outstanding options to purchase iPass' common stock and all restricted stock issued pursuant to any iPass equity incentive plan that are held by the executive officer on such date shall be accelerated, and (ii) 50% of all reacquisition or repurchase rights held by iPass with respect to common stock issued or issuable (or with respect to similar rights or other rights with respect to stock of iPass issued or issuable pursuant to any equity incentive plan of iPass) pursuant to any other stock award granted to the executive officer shall lapse.

Upon a Corporate Transaction Termination, (i) the vesting and exercisability of 100% of the outstanding options to purchase iPass common stock and all restricted stock issued pursuant to any iPass equity incentive plan of the company that are held by the Participant on such date shall be accelerated, and (ii) 100% of the reacquisition or repurchase rights held by iPass with respect to common stock issued or issuable (or with respect to similar rights or other rights with respect to stock of iPass issued or issuable pursuant to any equity incentive plan of iPass) pursuant to any other stock award granted to the executive officer shall lapse.

The executive officers will only be entitled to the benefits described above if they execute a release of claims against iPass. Further, certain of the benefits described above may be reduced in the event that the benefits would have an adverse tax effect on the executive officer.

For the purposes of the Plan:

- "*Involuntary Termination Without Cause*" means a termination by iPass of a participant's employment relationship with iPass or an affiliate of iPass for any reason other than for "Cause";
- "*Cause*" means the occurrence of any of the following (and only the following): (i) conviction of the participant of any felony involving fraud or act of dishonesty against iPass or its affiliates; (ii) conduct by the participant which, based upon good faith and reasonable factual investigation and determination of the Board of Directors, demonstrates gross unfitness to serve; or (iii) intentional, material violation by the participant of any contractual, statutory, or fiduciary duty of the participant to iPass or its affiliates;
- "*Corporate Transaction*" means (i) the sale of all or substantially all of iPass' assets or (ii) a merger of iPass with or into another entity in which iPass' stockholders immediately prior to the closing of the transaction own less than a majority of the ownership interest of iPass immediately following such closing. For purposes of determining whether iPass stockholders prior to the occurrence of a transaction described above own less than fifty percent (50%) of the voting securities of the relevant entity afterwards, only the lesser of the voting power held by a person either before or after the transaction shall be counted in determining that person's ownership afterwards;
- "*Constructive Termination*" means a resignation of employment by a participant no later than twelve (12) months after an action or event which constitutes "Good Reason" is undertaken by iPass or occurs; and
- *"Good Reason"* means mean either of the following actions or events: (i) iPass requires that the participant relocate to a worksite that is more than sixty (60) miles from its principal executive office; or (ii) iPass materially reduces the participant's base salary below its then-existing gross rate; *provided however that,* to qualify as "Good Reason," the participant must submit to iPass a written notice, within ninety (90) days after the occurrence of either of the actions or events described in (i) and (ii) above, describing the applicable actions or events, and provide iPass with at least thirty (30) days from its receipt of the participant's written notice in which to cure such actions or events prior to termination of the participant's employment, and *provided further that*, the participant's employment must terminate no later than twelve (12) months after the applicable actions or events described in (i) and (ii) above.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE-IN-CONTROL

Summary of Benefits—Named Executive Officers

The following table describes the potential payments and benefits for each of our named executive officers under their employment agreements and the Plan, upon employment termination without cause or resignation as a result of a constructive termination reason and if a general release of all claims against us is signed, as if employment had terminated as of December 31, 2013:

Name	Compensation and Benefits	Termination Without Cause or Constructive Termination; Within 18 Months of Corporate Transaction		Termination Without Cause or Constructive Termination; Not Within 18 Months of Corporate Transaction	
Evan L. Kaplan	Base Salary	$450,000	(9)	$450,000	(10)
	Bonus	$300,000		$300,000	
	COBRA Payments	$34,791	(1)	$34,791	(1)
	Accounting and Tax Expense	$15,000	(2)	$—	
	Accelerated Vesting	$2,005,240	(3)	$656,728	(3)
	Total	**$2,805,031**		**$1,441,519**	
Karen J. Willem(7)	Base Salary	$300,000	(9)	$150,000	(10)
	Bonus	$150,000	(4)	$37,500	(4)
	COBRA Payments	$31,914	(5)	$15,957	(6)
	Accelerated Vesting	$157,000	(3)	$—	
	Total	**$638,914**		**$203,457**	
Darin R. Vickery	Base Salary	$150,000	(9)	$50,000	(10)
	Bonus	$40,000	(4)	$10,000	(4)
	COBRA Payments	$34,791	(5)	$17,396	(6)
	Accelerated Vesting	$40,894	(3)	$—	
	Total	**$265,685**		**$77,396**	
Christophe J. Culine	Base Salary	$250,000	(9)	$125,000	(10)
	Bonus	$250,000	(4)	$62,500	(4)
	COBRA Payments	$46,389	(5)	$23,194	(6)
	Accelerated Vesting	$433,713	(3)	$—	
	Total	**$980,102**		**$210,694**	
Barbara M. Nelson	Base Salary	$225,000	(9)	$112,500	(10)
	Bonus	$100,000	(4)	$25,000	(4)
	COBRA Payments	$44,991	(5)	$22,496	(6)
	Accelerated Vesting	$270,623	(3)	$—	
	Total	**$640,614**		**$159,996**	
June L. Bower(8)	Base Salary	$270,000	(9)	$135,000	(10)
	Bonus	$140,000	(4)	$35,000	(4)
	COBRA Payments	$46,389	(5)	$23,194	(6)
	Accelerated Vesting	$125,600	(3)	$—	
	Total	**$581,989**		**$193,194**	

(1) Assumes the executive officer would receive the full COBRA reimbursement at iPass' expense for eighteen (18) months.
(2) Assumes the executive officer would receive the full reimbursement for amounts incurred for personal accounting and tax services in connection with a corporate transaction.
(3) With respect to stock options, calculated as the difference between the closing sales price per share on December 31, 2013, and the exercise price, multiplied by the number of shares subject to the accelerated vesting. With respect to restricted stock, calculated as the value, based on the closing sales price per share on December 31, 2013, of the number of shares of restricted stock subject to the accelerated vesting.
(4) Assumes that the executive officer received an overall performance rating equivalent to or greater than "meets expectations" in the most recent performance evaluation cycle preceding termination of the executive officer's employment.
(5) Assumes Ms. Willem, Mr. Culine, Ms. Nelson and Ms. Bower would receive the full COBRA reimbursement at iPass' expense for twenty-four (24) months and Mr. Vickery for eighteen (18) months.
(6) Assumes Ms. Willem, Mr. Culine, Ms. Nelson and Ms. Bower would receive the full COBRA reimbursement at iPass' expense for twelve (12) months and Mr. Vickery for nine (9) months.
(7) Ms. Willem's employment with iPass started on July 1, 2013.
(8) Ms. Bower's employment with iPass started on November 25, 2013.
(9) Assumes Mr. Kaplan, Ms. Willem, Mr. Culine, Ms. Nelson and Ms. Bower would receive the cash severance of their base salary equal to twelve (12) months and Mr. Vickery would receive the cash severance of his base salary equal to nine (9) months.
(10) Assumes Mr. Kaplan would receive the cash severance of his base salary equal to twelve (12) months, Ms. Willem, Mr. Culine, Ms. Nelson and Ms. Bower would receive the cash severance of their base salary equal to six (6) months and Mr. Vickery would receive the cash severance of his base salary equal to three (3) months.

See the table above entitled "Outstanding Equity Awards at December 31, 2013" for total equity awards held by our named executive officers as of December 31, 2013.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

As previous noted, our compensation committee consists of Messrs. Beletic and Griffiths, and included Mr. Traub until June 4, 2013. There are no members of our compensation committee who were officers or employees of iPass during fiscal year 2013, or who were formerly officers of iPass or had any relationship otherwise requiring disclosure hereunder. None of our executive officers serve as a member of the Board of Directors or compensation committee of any entity that has one or more executive officers who serve on our Board of Directors or compensation committee.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

There were no transactions in 2013 and are no currently proposed transactions to which we have been or will be a party, in which the amount involved in the transaction exceeds $120,000, and in which any of our directors, former or current executive officers, any nominee for director, or any of their immediate family members or persons sharing their households, or, to our knowledge holders of more than 5% of our capital stock and their immediate family members or persons sharing their households, had or will have a direct or indirect material interest.

Policies and Procedures for Review of Related Person Transactions

Pursuant to the charter of our Audit Committee, unless previously approved by another independent committee of our Board of Directors, our Audit Committee reviews and, if determined appropriate, approves all related person transactions. It is management's responsibility to bring related person transactions to the attention of the members of the Audit Committee.

Our Code of Conduct and Ethics provides that our employees, which for the purposes of the Code of Conduct and Ethics, includes our officers and directors, should avoid conflicts of interest that occur when their personal interests may interfere in any way with the performance of their duties or the best interests of iPass. Our Code of Conduct and Ethics also addresses specific types of related person transactions and how they should be addressed. All of our employees, including our officers and directors, are expected and required to adhere to the Code of Conduct and Ethics. If an officer or director has any questions regarding whether a potential transaction would be in violation of the Code of Conduct and Ethics, they are required to bring this to the attention of our Compliance Officer or General Counsel. If the potential transaction is a related person transaction, it would be recognized as such and brought to the Audit Committee for pre-approval.

Further, each of our officers and directors is knowledgeable regarding the requirements of obtaining approval of related person transactions and is responsible for identifying any related-person transaction involving such officer or director or his or her affiliates and immediate family members and seeking approval from our Audit Committee before he or she or, with respect to immediate family members, any of their affiliates, may engage in the transaction.

Our Audit Committee will take into account all relevant factors when determining whether to approve or disapprove of any related person transaction.

Director and Officer Indemnification

We have entered into indemnity agreements with certain employees, officers and directors that provide, among other things, that we will indemnify such employee, officer or director, under the circumstances and to the extent provided for therein, for expenses, damages, judgments, fines and settlements he or she may be required to pay in actions or proceedings which he or she is or may be made a party by reason of his or her position as an employee, officer, director or other agent of iPass, and otherwise to the full extent permitted under Delaware law and our Bylaws.

HOUSEHOLDING OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of brokers with account holders who are iPass Inc. stockholders will be "householding" our proxy materials. A single proxy statement will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate proxy statement and annual report, please notify your broker, direct your written request to iPass Inc., attention Corporate Secretary, 3800 Bridge Parkway, Redwood Shores, California 94065 or contact Investor Relations at 650-232-4100. Stockholders who currently receive multiple copies of the proxy statement at their address and would like to request "householding" of their communications should contact their broker. In addition, iPass will promptly deliver, upon written or oral request to the address or telephone number above, a separate copy of the annual report and proxy statement to a stockholder at a shared address to which a single copy of the documents were delivered.

OTHER MATTERS

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

By Order of the Board of Directors

Evan L. Kaplan
President and Chief Executive Officer

April 29, 2014

A copy of our Annual Report to the Securities and Exchange Commission on Form 10-K for the fiscal year ended December 31, 2013, is available without charge upon written request to: Corporate Secretary, iPass Inc., 3800 Bridge Parkway, Redwood Shores, California 94065. Alternatively, our Form 10-K is also available free of charge on our website at investor.ipass.com.