

SMART WIRES TECHNOLOGY LTD

2021 OMNIBUS INCENTIVE COMPENSATION PLAN

Effective as of the Effective Date (as defined below), the Smart Wires Technology Ltd 2021 Omnibus Incentive Compensation Plan (the “Plan”) is hereby established. The purpose of the Plan is to provide employees of Smart Wires Technology Ltd (the “Company”) and its subsidiaries, certain consultants and advisors who perform services for the Company or its subsidiaries, and non-employee members of the Board of Directors of the Company or board of directors or similar body of any of the Company’s subsidiaries with the opportunity to receive grants of incentive stock options, nonqualified stock options, share appreciation rights, share awards, share units, and other share-based awards.

The Company believes that the Plan will encourage the participants to contribute materially to the growth of the Company, thereby benefitting the Company and the Company’s shareholders, and will align the economic interests of the participants with those of the Company’s shareholders.

Section 1. Definitions

The following terms shall have the meanings set forth below for purposes of the Plan:

(a) “Board” shall mean the Board of Directors of the Company.

(b) “Cause” shall have the meaning given to that term in any written employment agreement, offer letter or severance agreement between the Employer and the Participant, or if no such agreement exists or if such term is not defined therein, and unless otherwise defined in the Grant Instrument, Cause shall mean a finding by the Board that the Participant (i) has breached his or her employment or service contract with the Employer, (ii) has engaged in disloyalty to the Employer, including, without limitation, fraud, embezzlement, theft, commission of a felony or proven dishonesty, (iii) has disclosed trade secrets or confidential information of the Employer to persons not entitled to receive such information, (iv) has breached any written non-competition, non-solicitation, invention assignment or confidentiality agreement between the Participant and the Employer or (v) has engaged in such other behavior detrimental to the interests of the Employer as the Board determines.

(c) Unless otherwise set forth in a Grant Instrument, a “Change of Control” shall mean the occurrence of any of the following events:

(i) Any “person” (as such term is used in sections 13(d) and 14(d) of the Exchange Act) becomes a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of shares in the Company representing more than 50% of the voting power of the then issued shares in the Company; provided that a Change of Control shall not be deemed to occur as a result of a transaction in which the Company becomes a subsidiary of another corporation and in which the shareholders of the Company, immediately prior to the transaction, will beneficially own, immediately after the transaction, shares entitling such shareholders to more than 50% of all votes to which all shareholders of the parent corporation would be entitled; or

(ii) The consummation of (A) a merger or consolidation of the Company with another entity, other than a merger or consolidation in which voting securities of the Company outstanding immediately prior thereto continue to represent more than 50% of the total voting power of the Company or the surviving entity immediately after such merger or consolidation (or, if the Company or such surviving entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of the Company or such surviving entity); (B) a sale or other disposition of all or substantially all of the assets of the Company; or (C) a plan of complete dissolution or liquidation of the Company.

Notwithstanding the foregoing, a Change of Control will not include (1) any consolidation or merger effected exclusively to change the domicile of the Company or to establish a holding company as the parent of the Company or implement a holding company structure for the Company and its subsidiaries, (2) any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof, (3) any initial public offering registered under the Securities Act of 1933, as amended (4) any transaction with a special purpose acquisition company or any affiliate thereof, (4) the listing of any securities (including depository receipts) of the Company or any of its subsidiaries or affiliates on Nasdaq First North Growth Market Sweden Exchange or any other foreign or domestic exchange, and (5) any transaction that otherwise results in the Company being an independent publicly-traded company. In addition, if a Grant constitutes deferred compensation subject to section 409A of the Code and the Grant provides for payment upon a Change of Control, then no Change of Control shall be deemed to have occurred upon an event described in items (i) and (ii) above unless the event would also constitute a change in ownership or effective control of, or a change in the ownership of a substantial portion of the assets of, the Company under section 409A of the Code.

(d) “Code” shall mean the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

(e) “Company” shall mean Smart Wires Technology Ltd and shall include its successors.

(f) “Disability” or “Disabled” shall have the meaning given to such term in any written employment agreement, offer letter or severance agreement between the Employer and the Participant, or if no such agreement exists or if such term is not defined therein, and unless otherwise defined in the Grant Instrument, shall mean a Participant’s becoming disabled within the meaning of the Employer’s long-term disability plan applicable to the Participant.

(g) “Dividend Equivalent” shall mean an amount determined by multiplying the number of Shares subject to a Share Unit or Other Share-Based Award by the per-Share cash dividend paid by the Company on its outstanding Shares, or the per-Share Fair Market Value of any dividend paid on its outstanding Shares in consideration other than cash. If interest is credited on accumulated dividend equivalents, the term “Dividend Equivalent” shall include the accrued interest.

(h) “Effective Date” shall mean _____.

(i) “Employee” shall mean an employee of the Employer (including an officer or director who is also an employee), but excluding any person who is classified by the Employer as a “contractor” or “consultant,” no matter how characterized by the Internal Revenue Service, other governmental agency or a court. Any change of characterization of an individual by the Internal Revenue Service or any court or government agency shall have no effect upon the classification of an individual as an Employee for purposes of this Plan, unless the Board determines otherwise.

(j) “Employed by, or providing service to, the Employer” shall mean employment or service as an Employee, Key Advisor or member of the Board, so that, for purposes of exercising Options and SARs and satisfying conditions with respect to Share Awards, Share Units, and Other Share-Based Awards, a Participant shall not be considered to have terminated employment or service until the Participant ceases to be an Employee, Key Advisor and member of the Board, unless the Board determines otherwise. If a Participant’s relationship is with a subsidiary of the Company and that entity ceases to be a subsidiary of the Company, the Participant will be deemed to cease employment or service when the entity ceases to be a subsidiary of the Company, unless the Participant transfers employment or service to an Employer.

(k) “Employer” shall mean the Company and its direct or indirect subsidiaries.

(l) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

(m) “Exercise Price” shall mean the price at which a Share may be purchased under an Option, as designated by the Board.

(n) “Fair Market Value” shall mean: (i) if Shares are publicly traded, the Fair Market Value per Share shall be determined as follows, unless otherwise determined by the Board: (A) if the principal trading market for the Shares is a U.S. national securities exchange, the closing sales price during regular trading hours on the relevant date or, if there were no trades on that date, the latest preceding date upon which a sale was reported, (B) if the principal trading market for the Shares is a designated offshore securities market, the closing sales price during regular trading hours on the relevant date or, if there were no trades on that date, the latest preceding date upon which a sale was reported, or (C) if Shares are not principally traded on any such exchange, the last reported sale price of a Share during regular trading hours on the relevant date, as reported by the OTC Bulletin Board; (ii) if Shares are not publicly traded or, if publicly traded, are not subject to reported transactions as set forth in subsection (i), and if Swedish Depositary Receipts of the Company (“SDR”) are publicly traded, the Fair Market Value per Share shall be determined as follows, unless otherwise determined by the Board: (A) if the principal trading market for the SDRs is a U.S. national securities exchange, the closing sales price during regular trading hours on the relevant date or, if there were no trades on that date, the latest preceding date upon which a sale was reported, (B) if the principal trading market for the SDRs is a designated offshore securities market, the closing sales price during regular trading hours on the relevant date or, if there were no trades on that date, the latest preceding date upon

which a sale was reported, or (C) if SDRs are not principally traded on any such exchange, the last reported sale price of an SDR during regular trading hours on the relevant date, as reported by the OTC Bulletin Board; and (iii) if neither Shares nor SDRs are publicly traded or, if publicly traded, are not subject to reported transactions as set forth in subsections (ii) or (iii), the Fair Market Value per Share shall be determined by the Board through any reasonable valuation method authorized under the Code. For purposes of this paragraph, an “offshore securities market” shall mean a “designated offshore securities market” within meaning of Regulation S under the Securities Act of 1933, as amended, including the Nasdaq First North Growth Market.

(o) “Grant” shall mean an Option, SAR, Share Award, Share Unit or Other Share-Based Award granted under the Plan.

(p) “Grant Instrument” shall mean the written agreement that sets forth the terms and conditions of a Grant, including all amendments thereto.

(q) “Incentive Stock Option” shall mean an Option that is intended to meet the requirements of an incentive stock option under section 422 of the Code.

(r) “Key Advisor” shall mean a consultant or advisor of the Employer or a non-employee member of the board of directors (or similar body) of any subsidiary of the Company, including for the avoidance of doubt a contractor or consultant providing services in a jurisdiction other than those where the Company or its subsidiaries are primarily located.

(s) “Non-Employee Director” shall mean a member of the Board who is not an Employee.

(t) “Nonqualified Stock Option” shall mean an Option that is not intended to be taxed as an incentive stock option under section 422 of the Code.

(u) “Option” shall mean an option to purchase Shares, as described in Section 6.

(v) “Other Share-Based Award” shall mean any Grant based on, measured by or payable in Shares (other than an Option, Share Unit, Share Award, or SAR), as described in Section 10.

(w) “Participant” shall mean an Employee, Key Advisor or Non-Employee Director designated by the Board to participate in the Plan.

(x) “Plan” shall mean this Smart Wires Technology Ltd 2021 Omnibus Incentive Compensation Plan, as in effect from time to time.

(y) “Restriction Period” shall have the meaning given that term in Section 7(a).

(z) “SAR” shall mean a Share appreciation right, as described in Section 9.

(aa) “Share” shall mean an ordinary share of the Company, with par value of US \$0.01.

(bb) “Share Award” shall mean an award of Shares, as described in Section 7.

(cc) “Share Unit” shall mean an award of a phantom unit representing a Share, as described in Section 8.

(dd) “Substitute Awards” shall have the meaning given to that term in Section 4(b).

Section 2. Administration

(a) Board. The Plan shall be administered and interpreted by the Board. The Board may delegate, on such terms and conditions as it determines in its sole and absolute discretion, to a sub-committee or to one or more officers of the Company or any of its subsidiaries or to any other individuals, all or any portion of its authority, to the extent consistent with applicable law, the Company's constitutional documents and the applicable rules of any securities exchange. Any delegation may be revoked by the Board at any time

(b) Board Authority. The Board shall have the sole authority to (i) determine the individuals to whom Grants shall be made under the Plan, (ii) determine the type, size, terms and conditions of the Grants to be made to each such individual, (iii) determine the time when the Grants will be made and the duration of any applicable exercise or restriction period, including the criteria for exercisability and the acceleration of exercisability, (v) amend the terms of any previously issued Grant, subject to the provisions of Section 17 below, and (vi) deal with any other matters arising under the Plan.

(c) Board Determinations. The Board shall have full power and express discretionary authority to administer and interpret the Plan, to make factual determinations and to adopt or amend such rules, regulations, agreements and instruments for implementing the Plan and for the conduct of its business as it deems necessary or advisable, in its sole discretion. The Board's interpretations of the Plan and all determinations made by the Board pursuant to the powers vested in it hereunder shall be conclusive and binding on all persons having any interest in the Plan or in any awards granted hereunder. All powers of the Board shall be executed in its sole discretion, in the best interest of the Company, not as a fiduciary, and in keeping with the objectives of the Plan and need not be uniform as to similarly situated individuals.

(d) Indemnification. No member of the Board, and no Employee shall be liable for any act or failure to act with respect to the Plan, except in circumstances involving his or her bad faith or willful misconduct, or for any act or failure to act hereunder by any other member of the Board or Employee or individual or by any agent or to whom duties in connection with the administration of this Plan have been delegated. The Company shall indemnify members of the Board and any agent of the Board who is an Employee against any and all liabilities or expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan, to the fullest extent permissible under applicable law and in accordance with any applicable agreements with the Company.

Section 3. Grants

Grants under the Plan may consist of Options as described in Section 6, Share Awards as described in Section 7, Share Units as described in Section 8, SARs as described in Section 9 and Other Share-Based Awards as described in Section 10. All Grants shall be subject to the terms and conditions set forth herein and to such other terms and conditions consistent with this Plan as the Board deems appropriate and as are specified in writing by the Board to the individual in the Grant Instrument. All Grants shall be made conditional upon the Participant's acknowledgement, in writing or by acceptance of the Grant, that all decisions and determinations of the Board shall be final and binding on the Participant, his or her beneficiaries and any other person having or claiming an interest under such Grant. Grants under a particular Section of the Plan need not be uniform as among the Participants.

Section 4. Shares Subject to the Plan

(a) Shares Authorized. Subject to adjustment as described below in Section 4(d), the aggregate number of Shares that may be issued or transferred under the Plan shall be 9,700,000, all of which may be issued or transferred under the Plan pursuant to Incentive Stock Options.

(b) Source of Shares; Share Counting. Shares issued or transferred under the Plan may be authorized but unissued Shares or reacquired Shares. If and to the extent Options or SARs granted under the Plan terminate, expire or are canceled, forfeited, exchanged or surrendered without having been exercised, or if any Share Awards, Share Units or Other Share-Based Awards are forfeited, terminated or otherwise not paid in full, the Shares subject to such Grants shall again be available for purposes of the Plan. If Shares otherwise issuable under the Plan are surrendered in payment of the Exercise Price of an Option, then the number of Shares available for issuance under the Plan shall be reduced only by the net number of Shares actually issued by the Company upon such exercise and not by the gross number of Shares as to which such Option is exercised. Upon the exercise of any SAR under the Plan, the number of Shares available for issuance under the Plan shall be reduced only by the net number of Shares actually issued by the Company upon such exercise. If Shares otherwise issuable under the Plan are withheld by the Company in satisfaction of the withholding taxes incurred in connection with the issuance, vesting or exercise of any Grant or the issuance of Shares thereunder, then the number of Shares available for issuance under the Plan shall be reduced by the net number of Shares issued, vested or exercised under such Grant, calculated in each instance after payment of such withholding. To the extent any Grants are paid in cash, and not in Shares, any Shares previously subject to such Grants shall again be available for issuance or transfer under the Plan.

(c) Substitute Awards. Shares issued or transferred under Grants made pursuant to an assumption, substitution or exchange for previously granted awards of a company acquired by the Company in a transaction ("Substitute Awards") shall not reduce the number of Shares available under the Plan and available shares under a shareholder-approved plan of an acquired company (as appropriately adjusted to reflect the transaction) may be used for Grants under the Plan and shall not reduce the Plan's Share reserve, to the extent permitted by applicable securities exchange listing and Code requirements).

(d) Adjustments. If there is any change in the number or kind of Shares outstanding by reason of (i) a Share dividend, spinoff, recapitalization, Share split, or combination or exchange of Shares, (ii) a merger, reorganization or consolidation, (iii) a reclassification or change in par value, or (iv) any other extraordinary or unusual event affecting the outstanding Shares as a class without the Company's receipt of consideration, or if the value of outstanding Shares is substantially reduced as a result of a spinoff or the Company's payment of an extraordinary dividend or distribution, the maximum number and kind of shares available for issuance under the Plan, the kind and number of shares covered by outstanding Grants, the kind and number of shares issued and to be issued under the Plan, and the price per share or the applicable market value of such Grants shall be equitably adjusted by the Board to reflect any increase or decrease in the number of, or change in the kind or value of, the issued Shares to preclude, to the extent practicable, the enlargement or dilution of rights and benefits under the Plan and such outstanding Grants; provided, however, that any fractional shares resulting from such adjustment shall be eliminated. In addition, in the event of a Change of Control, the provisions of Section 12 of the Plan shall apply. Any adjustments to outstanding Grants shall be consistent with section 409A of the Code, to the extent applicable. The adjustments of Grants under this Section 4(d) shall include adjustment of Shares, Exercise Price of Options, base amount of SARs, performance goals or other terms and conditions, as the Board deems appropriate. The Board shall have the sole discretion and authority to determine what appropriate adjustments shall be made and any adjustments determined by the Board shall be final, binding and conclusive.

Section 5. Eligibility for Participation

(a) Eligible Persons. All Employees and Non-Employee Directors shall be eligible to participate in the Plan. Key Advisors shall be eligible to participate in the Plan if the Key Advisors render bona fide services to the Employer, the services are not in connection with the offer and sale of securities in a capital-raising transaction and the Key Advisors do not directly or indirectly promote or maintain a market for the Company's securities.

(b) Selection of Participants. The Board shall select the Employees, Non-Employee Directors and Key Advisors to receive Grants and shall determine the number of Shares subject to a particular Grant in such manner as the Board determines.

Section 6. Options

The Board may grant Options to an Employee, Non-Employee Director or Key Advisor upon such terms as the Board deems appropriate. The following provisions are applicable to Options:

(a) Number of Shares. The Board shall determine the number of Shares that will be subject to each Grant of Options to Employees, Non-Employee Directors and Key Advisors.

(b) Type of Option and Exercise Price.

(i) The Board may grant Incentive Stock Options or Nonqualified Stock Options or any combination of the two, all in accordance with the terms and conditions set

forth herein. Incentive Stock Options may be granted only to employees of the Company or its parent or subsidiary corporations, as defined in section 424 of the Code. Nonqualified Stock Options may be granted to Employees, Non-Employee Directors and Key Advisors.

(ii) The Exercise Price of an Option shall be determined by the Board and shall be equal to or greater than the Fair Market Value of a Share on the date the Option is granted. However, an Incentive Stock Option may not be granted to an Employee who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of shares of the Company, or any parent or subsidiary corporation of the Company, as defined in section 424 of the Code, unless the Exercise Price per Share is not less than 110% of the Fair Market Value of a Share on the date of grant.

(c) Option Term. The Board shall determine the term of each Option. The term of any Option shall not exceed ten years from the date of grant. However, an Incentive Stock Option that is granted to an Employee who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of shares of the Company, or any parent or subsidiary corporation of the Company, as defined in section 424 of the Code, may not have a term that exceeds five years from the date of grant. Notwithstanding the foregoing, in the event that on the last business day of the term of an Option, the exercise of the Option is prohibited by applicable law, including a prohibition on purchases or sales of Shares under the Company's insider trading policy, the term of the Option shall be extended for a period of 30 days following the end of the legal prohibition, unless the Board determines otherwise.

(d) Exercisability of Options. Options shall become exercisable in accordance with such terms and conditions, consistent with the Plan, as may be determined by the Board and specified in the Grant Instrument. The Board may accelerate the exercisability of any or all outstanding Options at any time for any reason.

(e) Grants to Non-Exempt Employees. Notwithstanding the foregoing, Options granted to persons who are non-exempt employees under the Fair Labor Standards Act of 1938, as amended, may not be exercisable for at least six months after the date of grant (except that such Options may become exercisable, as determined by the Board, upon the Participant's death, Disability or retirement, or upon a Change of Control or other circumstances permitted by applicable regulations).

(f) Termination of Employment or Service. Except as provided in the Grant Instrument, an Option may only be exercised while the Participant is employed by, or providing services to, the Employer. The Board shall determine in the Grant Instrument under what circumstances and during what time periods a Participant may exercise an Option after termination of employment or service.

(g) Exercise of Options. A Participant may exercise an Option that has become exercisable, in whole or in part, by delivering a notice of exercise to the Company or its delegate. The Participant shall pay the Exercise Price for an Option as specified by the Board (i) in cash, (ii) if permitted by the Board, through an open-market, broker-assisted sales transaction pursuant to which the Company is promptly delivered the amount of proceeds necessary to satisfy the

Exercise Price, (iii) if permitted by the Board, through a net exercise of the Option whereby the Participant instructs the Company to withhold that number of Shares having a Fair Market Value on the date of exercise equal to the aggregate Exercise Price of the portion of the Option being exercised and deliver to the Grantee the remainder of the Shares subject to such exercise or (iv) by such other method as the Board may approve. Shares used to exercise an Option shall have been held by the Participant for the requisite period of time necessary to avoid adverse accounting consequences to the Company with respect to the Option. Payment for the Shares to be issued or transferred pursuant to the Option, and any required withholding taxes, must be received by the Company by the time specified by the Board depending on the type of payment being made, but in all cases prior to the issuance or transfer of such Shares.

(h) Limits on Incentive Stock Options. Each Incentive Stock Option shall provide that, if the aggregate Fair Market Value of the Shares on the date of the grant with respect to which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year, under the Plan or any other stock option plan of the Company or a parent or subsidiary, exceeds \$100,000, then the Option, as to the excess, shall be treated as a Nonqualified Stock Option.

Section 7. Share Awards

The Board may issue or transfer Shares to an Employee, Non-Employee Director or Key Advisor under a Share Award, upon such terms as the Board deems appropriate. The following provisions are applicable to Share Awards:

(a) General Requirements. Shares issued or transferred pursuant to Share Awards may be issued or transferred for consideration in cash or in kind, and subject to restrictions or no restrictions, as determined by the Board. The Board may, but shall not be required to, establish conditions under which restrictions on Share Awards shall lapse over a period of time or according to such other criteria as the Board deems appropriate, including, without limitation, restrictions based upon the achievement of specific performance goals. The period of time during which the Share Awards will remain subject to restrictions will be designated in the Grant Instrument as the “Restriction Period.”

(b) Number of Shares. The Board shall determine the number of Shares to be issued or transferred pursuant to a Share Award and the restrictions applicable to such Shares.

(c) Requirement of Employment or Service. If the Participant ceases to be employed by, or provide service to, the Employer during a period designated in the Grant Instrument as the Restriction Period, or if other specified conditions are not met, the Share Award shall terminate as to all Shares covered by the Grant as to which the restrictions have not lapsed, and those Shares must be immediately returned to the Company. The Board may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(d) Restrictions on Transfer. During the Restriction Period, a Participant may not sell, assign, transfer, pledge or otherwise dispose of the Shares underlying a Share Award except under Section 15 below.

(e) Right to Vote and to Receive Dividends. Unless the Board determines otherwise, during the Restriction Period, the Participant shall have the right to vote Shares underlying Share Awards and to receive any dividends or other distributions paid on such Shares, subject to any restrictions deemed appropriate by the Board, including, without limitation, the achievement of specific performance goals.

(f) Lapse of Restrictions. All restrictions imposed on Share Awards shall lapse upon the expiration of the applicable Restriction Period and the satisfaction of all conditions, if any, imposed by the Board. The Board may determine, as to any or all Share Awards, that the restrictions shall lapse without regard to any Restriction Period.

Section 8. Share Units

The Board may grant Share Units to an Employee, Non-Employee Director or Key Advisor upon such terms and conditions as the Board deems appropriate. The following provisions are applicable to Share Units:

(a) Crediting of Units. Each Share Unit shall represent the right of the Participant to receive a Share or an amount of cash based on the value of a Share, if and when specified conditions are met. All Share Units shall be credited to bookkeeping accounts established on the Company's records for purposes of the Plan.

(b) Terms of Share Units. The Board may grant Share Units that vest and are payable if specified performance goals or other conditions are met, or under other circumstances. Share Units may be paid at the end of a specified performance period or other period, or payment may be deferred to a date authorized by the Board. The Board may accelerate vesting or payment, as to any or all Share Units at any time for any reason, provided such acceleration complies with section 409A of the Code. The Board shall determine the number of Share Units to be granted and the requirements applicable to such Share Units.

(c) Requirement of Employment or Service. If the Participant ceases to be employed by, or provide service to, the Employer prior to the vesting of Share Units, or if other conditions established by the Board are not met, the Participant's Share Units shall be forfeited. The Board may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(d) Payment With Respect to Share Units. Payments with respect to Share Units shall be made in cash, Shares or any combination of the foregoing, as the Board shall determine.

Section 9. Share Appreciation Rights

The Board may grant SARs to an Employee, Non-Employee Director or Key Advisor separately or in tandem with any Option. The following provisions are applicable to SARs:

(a) General Requirements. The Board may grant SARs to an Employee, Non-Employee Director or Key Advisor separately or in tandem with any Option (for all or a

portion of the applicable Option). Tandem SARs may be granted either at the time the Option is granted or at any time thereafter while the Option remains outstanding; provided, however, that, in the case of an Incentive Stock Option, SARs may be granted only at the time of the grant of the Incentive Stock Option. The Board shall establish the base amount of the SAR at the time the SAR is granted. The base amount of each SAR shall be equal to or greater than the Fair Market Value of a Share as of the date of grant of the SAR. The term of any SAR shall not exceed ten years from the date of grant. Notwithstanding the foregoing, in the event that on the last business day of the term of a SAR, the exercise of the SAR is prohibited by applicable law, including a prohibition on purchases or sales of Shares under the Company's insider trading policy, the term shall be extended for a period of 30 days following the end of the legal prohibition, unless the Board determines otherwise.

(b) Tandem SARs. In the case of tandem SARs, the number of SARs granted to a Participant that shall be exercisable during a specified period shall not exceed the number of Shares that the Participant may purchase upon the exercise of the related Option during such period. Upon the exercise of an Option, the SARs relating to the Shares covered by such Option shall terminate. Upon the exercise of SARs, the related Option shall terminate to the extent of an equal number of Shares.

(c) Exercisability. An SAR shall be exercisable during the period specified by the Board in the Grant Instrument and shall be subject to such vesting and other restrictions as may be specified in the Grant Instrument. The Board may accelerate the exercisability of any or all outstanding SARs at any time for any reason. SARs may only be exercised while the Participant is employed by, or providing service to, the Employer or during the applicable period after termination of employment or service as specified by the Board. A tandem SAR shall be exercisable only during the period when the Option to which it is related is also exercisable.

(d) Grants to Non-Exempt Employees. Notwithstanding the foregoing, SARs granted to persons who are non-exempt employees under the Fair Labor Standards Act of 1938, as amended, may not be exercisable for at least six months after the date of grant (except that such SARs may become exercisable, as determined by the Board, upon the Participant's death, Disability or retirement, or upon a Change of Control or other circumstances permitted by applicable regulations).

(e) Value of SARs. When a Participant exercises SARs, the Participant shall receive in settlement of such SARs an amount equal to the value of the Share appreciation for the number of SARs exercised. The Share appreciation for an SAR is the amount by which the Fair Market Value of the underlying Share on the date of exercise of the SAR exceeds the base amount of the SAR as described in subsection (a).

(f) Form of Payment. The appreciation in an SAR shall be paid in Shares, cash or any combination of the foregoing, as the Board shall determine. For purposes of calculating the number of Shares to be received, Shares shall be valued at their Fair Market Value on the date of exercise of the SAR.

Section 10. Other Share-Based Awards

The Board may grant Other Share-Based Awards, which are awards (other than those described in Sections 6, 7, 8 and 9 of the Plan) that are based on or measured by Shares, to any Employee, Non-Employee Director or Key Advisor, on such terms and conditions as the Board shall determine. Other Share-Based Awards may be awarded subject to the achievement of performance goals or other conditions and may be payable in cash, Shares or any combination of the foregoing, as the Board shall determine.

Section 11. Dividend Equivalents

The Board may grant Dividend Equivalents in connection with Share Units or Other Share-Based Awards. Dividend Equivalents may be paid currently or accrued as contingent cash obligations and may be payable in cash or Shares, and upon such terms and conditions as the Board shall determine.

Section 12. Consequences of a Change of Control

(a) Assumption of Outstanding Grants. Upon a Change of Control where the Company is not the surviving corporation (or survives only as a subsidiary of another corporation), unless the Board determines otherwise, all outstanding Grants that are not exercised or paid at the time of the Change of Control shall be assumed by, or replaced with grants that have comparable terms by, the surviving corporation (or a parent or subsidiary of the surviving corporation). After a Change of Control, references to the “Company” as they relate to employment matters shall include the successor employer in the transaction, subject to applicable law.

(b) Vesting Upon Certain Terminations of Employment. Unless the Grant Instrument provides otherwise, if a Participant’s employment or service is terminated by the Employer without Cause upon or within 12 months following a Change of Control, the Participant’s outstanding Grants shall become fully vested as of the date of such termination; provided that if the vesting of any such Grants is based, in whole or in part, on performance, the applicable Grant Instrument shall specify how the portion of the Grant that becomes vested pursuant to this Section 12(b) shall be calculated.

(c) Other Alternatives. In the event of a Change of Control, if any outstanding Grants are not assumed by, or replaced with grants that have comparable terms by, the surviving corporation (or a parent or subsidiary of the surviving corporation), the Board may take any of the following actions with respect to any or all outstanding Grants, without the consent of any Participant: (i) the Board may determine that outstanding Options and SARs shall automatically accelerate and become fully exercisable and the restrictions and conditions on outstanding Share Awards, Share Units and Dividend Equivalents shall immediately lapse; (ii) the Board may determine that Participants shall receive a payment in settlement of outstanding Share Units or Dividend Equivalents, in such amount and form as may be determined by the Board; (iii) the Board may require that Participants surrender their outstanding Options and SARs in exchange for a payment by the Company, in cash or Shares as determined by the Board, in an amount equal to the amount, if any, by which the then Fair Market Value of the Shares subject to the Participant’s

unexercised Options and SARs exceeds the Option Exercise Price or SAR base amount, and (iv) after giving Participants an opportunity to exercise all of their outstanding Options and SARs, the Board may terminate any or all unexercised Options and SARs at such time as the Board deems appropriate. Such surrender, termination or payment shall take place as of the date of the Change of Control or such other date as the Board may specify. Without limiting the foregoing, if the Fair Market Value of a Share does not exceed the per-Share Option Exercise Price or SAR base amount, as applicable, the Company shall not be required to make any payment to the Participant upon surrender of the Option or SAR.

Section 13. Deferrals

The Board may permit or require a Participant to defer receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant in connection with any Grant. If any such deferral election is permitted or required, the Board shall establish rules and procedures for such deferrals and may provide for interest or other earnings to be paid on such deferrals. The rules and procedures for any such deferrals shall be consistent with applicable requirements of section 409A of the Code.

Section 14. Withholding of Taxes

(a) Required Withholding. All Grants under the Plan shall be subject to applicable United States federal (including FICA), state and local, foreign or other tax (including national insurance) withholding requirements. The Employer may require that the Participant or other person receiving Grants or exercising Grants pay to the Employer an amount sufficient to satisfy such tax withholding requirements with respect to such Grants, or the Employer may deduct from other wages and compensation paid by the Employer the amount of any withholding taxes due with respect to such Grants.

(b) Share Withholding. The Board may permit or require the Employer's tax withholding obligation with respect to Grants paid in Shares to be satisfied by having Shares withheld up to an amount that does not exceed the Participant's applicable withholding tax liability. The Board may, in its discretion, and subject to such rules as the Board may adopt, allow Participants to elect to have such Share withholding applied to all or a portion of the tax withholding obligation arising in connection with any particular Grant. Unless the Board determines otherwise, Share withholding for taxes shall not exceed the Participant's minimum applicable tax withholding liability.

Section 15. Transferability of Grants

(a) Nontransferability of Grants. Except as described in subsection (b) below, only the Participant may exercise rights under a Grant during the Participant's lifetime. A Participant may not transfer those rights except (i) by will or by the laws of descent and distribution or (ii) with respect to Grants other than Incentive Stock Options, pursuant to a domestic relations order. When a Participant dies, the personal representative or other person entitled to succeed to the rights of the Participant may exercise such rights. Any such successor must furnish proof

satisfactory to the Company of his or her right to receive the Grant under the Participant's will or under the applicable laws of descent and distribution.

(b) Transfer of Nonqualified Stock Options. Notwithstanding the foregoing, the Board may provide, in a Grant Instrument, that a Participant may transfer Nonqualified Stock Options to family members, or one or more trusts or other entities for the benefit of or owned by family members, consistent with the applicable securities laws, according to such terms as the Board may determine; provided that the Participant receives no consideration for the transfer of an Option and the transferred Option shall continue to be subject to the same terms and conditions as were applicable to the Option immediately before the transfer.

Section 16. Requirements for Issuance or Transfer of Shares

No Share shall be issued or transferred in connection with any Grant hereunder unless and until all legal requirements applicable to the issuance or transfer of such Share have been complied with to the satisfaction of the Board. The Board shall have the right to condition any Grant on the Participant's undertaking in writing to comply with such restrictions on his or her subsequent disposition of the Shares as the Board shall deem necessary or advisable. For the avoidance of doubt, a Participant may not transfer any Shares received pursuant to a Grant, if and to the extent that such transfer is prohibited by applicable laws, regulations or the Company's constitutional documents.

Section 17. Amendment and Termination of the Plan

(a) Amendment. The Board may amend or terminate the Plan at any time; provided, however, that the Board shall not amend the Plan without shareholder approval if such approval is required in order to comply with the Code or other applicable law, or to comply with applicable stock exchange requirements.

(b) Termination of Plan. The Plan shall terminate on the day immediately preceding the tenth anniversary of its Effective Date, unless the Plan is terminated earlier by the Board or is extended by the Board.

(c) Termination and Amendment of Outstanding Grants. A termination or amendment of the Plan that occurs after the Grant is made shall not materially impair the rights of a Participant unless the Participant consents or unless the Board acts under Section 18(f) below. The termination of the Plan shall not impair the power and authority of the Board with respect to an outstanding Grant prior to the date of such termination. Whether or not the Plan has terminated, an outstanding Grant may be terminated or amended under Section 18(f) below or may be amended by agreement of the Company and the Participant consistent with the Plan.

Section 18. Miscellaneous

(a) Grants in Connection with Corporate Transactions and Otherwise. Nothing contained in the Plan shall be construed to (i) limit the right of the Board to make Grants under the Plan in connection with the acquisition, by purchase, lease, merger, consolidation or otherwise, of the business or assets of any corporation, firm or association, including Grants to employees

thereof who become Employees, or (ii) limit the right of the Company to grant options or make other awards outside of the Plan. The Board may make a Grant to an employee of another corporation who becomes an Employee by reason of a corporate merger, consolidation, acquisition of shares or property, reorganization or liquidation involving the Company, in substitution for an option or other share-based awards grant made by such corporation. Notwithstanding anything in the Plan to the contrary, the Board may establish such terms and conditions of the new Grants as it deems appropriate, including setting the Exercise Price of Options or the base price of SARs at a price necessary to retain for the Participant the same economic value as the prior options or rights.

(b) Governing Document. The Plan shall be the controlling document. No other statements, representations, explanatory materials or examples, oral or written, may amend the Plan in any manner. The Plan shall be binding upon and enforceable against the Company and its successors and assigns.

(c) Funding of the Plan. The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure the payment of any Grants under the Plan.

(d) Rights of Participants. Nothing in the Plan shall entitle any Employee, Non-Employee Director, Key Advisor or other person to any claim or right to receive a Grant under the Plan. Neither the Plan nor any action taken hereunder shall be construed as giving any individual any rights to be retained by or in the employ of the Employer or any other employment rights.

(e) No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Grant. Except as otherwise provided under the Plan, the Board shall determine whether cash, other awards or other property shall be issued or paid in lieu of such fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.

(f) Compliance with Law.

(i) The Plan, the exercise of Options and SARs and the obligations of the Company to issue or transfer Shares under Grants shall be subject to all applicable laws and regulations and the Company's constitutional documents, and to approvals by any governmental or regulatory agency as may be required. In addition, it is the intent of the Company that Incentive Stock Options comply with the applicable provisions of section 422 of the Code, and that, to the extent applicable, Grants comply with the requirements of section 409A of the Code. The Company may adopt policies that impose restrictions on the timing of exercise of Options, SARs or other Grants (e.g., to enforce compliance with Company-imposed black-out periods). The Board may revoke any Grant if it is contrary to law or modify a Grant to bring it into compliance with any valid and mandatory government regulation. The Board may also adopt rules regarding the withholding of taxes on payments to Participants. The Board may, in its sole discretion, agree to limit its authority under this Section.

(ii) The Plan is intended to comply with the requirements of section 409A of the Code, to the extent applicable. Each Grant shall be construed and administered such that the Grant either (A) qualifies for an exemption from the requirements of section 409A of the Code or (B) satisfies the requirements of section 409A of the Code. If a Grant is subject to section 409A of the Code, (I) distributions shall only be made in a manner and upon an event permitted under section 409A of the Code, (II) payments to be made upon a termination of employment or service shall only be made upon a “separation from service” under section 409A of the Code, (III) unless the Grant specifies otherwise, each installment payment shall be treated as a separate payment for purposes of section 409A of the Code, and (IV) in no event shall a Participant, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with section 409A of the Code.

(iii) Any Grant that is subject to section 409A of the Code and that is to be distributed to a Key Employee (as defined below) upon separation from service shall be administered so that any distribution with respect to such Grant shall be postponed for six months following the date of the Participant’s separation from service, if required by section 409A of the Code. If a distribution is delayed pursuant to section 409A of the Code, the distribution shall be paid within 15 days after the end of the six-month period. If the Participant dies during such six-month period, any postponed amounts shall be paid within 90 days of the Participant’s death. The determination of Key Employees, including the number and identity of persons considered Key Employees and the identification date, shall be made by the Board or its delegate each year in accordance with section 416(i) of the Code and the “specified employee” requirements of section 409A of the Code.

(iv) Notwithstanding anything in the Plan or any Grant agreement to the contrary, each Participant shall be solely responsible for the tax consequences of Grants under the Plan, and in no event shall the Company or any subsidiary or affiliate of the Company have any responsibility or liability if a Grant does not meet any applicable requirements of section 409A of the Code. Although the Company intends to administer the Plan to prevent taxation under section 409A of the Code, the Company does not represent or warrant that the Plan or any Grant complies with any provision of federal, state, local, foreign or other tax laws.

(g) Establishment of Subplans. The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Board’s discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and the Employer shall not be required to provide copies of any supplement to Participants in any jurisdiction that is not affected.

(h) Clawback Rights. Subject to the requirements of applicable law, the Board may provide in any Grant Instrument that, if a Participant breaches any restrictive covenant agreement between the Participant and the Employer (which may be set forth in any Grant Instrument) or otherwise engages in activities that constitute Cause either while employed by, or

providing service to, the Employer or within a specified period of time thereafter, all Grants held by the Participant shall terminate, and the Company may rescind any exercise of an Option or SAR and the vesting of any other Grant and delivery of Shares upon such exercise or vesting (including pursuant to dividends and Dividend Equivalents), as applicable on such terms as the Board shall determine, including the right to require that in the event of any such rescission, (i) the Participant shall return to the Company the Shares received upon the exercise of any Option or SAR and/or the vesting and payment of any other Grant (including pursuant to dividends and Dividend Equivalents) or, (ii) if the Participant no longer owns the Shares, the Participant shall pay to the Company the amount of any gain realized or payment received as a result of any sale or other disposition of the Shares (or, in the event the Participant transfers the Shares by gift or otherwise without consideration, the Fair Market Value of the Shares on the date of the breach of the restrictive covenant agreement (including a Participant's Grant Instrument containing restrictive covenants) or activity constituting Cause), net of the price originally paid by the Participant for the Shares. Payment by the Participant shall be made in such manner and on such terms and conditions as may be required by the Board. The Employer shall be entitled to set off against the amount of any such payment any amounts otherwise owed to the Participant by the Employer. In addition, all Grants under the Plan shall be subject to any applicable clawback or recoupment policies, Share trading policies and other policies that may be implemented by the Board from time to time.

(i) Governing Law; Jurisdiction. The validity, construction, interpretation and effect of the Plan and Grant Instruments issued under the Plan shall be governed and construed by and determined in accordance with the laws of the state of Delaware, without giving effect to the conflict of laws provisions thereof, to the extent that United States federal laws do not otherwise control. Any action arising out of, or relating to, any of the provisions of the Plan and Grants made hereunder shall be brought only in federal or state courts in the state of Delaware, and the jurisdiction of such court in any such proceeding shall be exclusive.

ATTACHMENT A

Sub-plan Setting Forth Provisions Applicable to Award Recipients Resident in California

Until such time as Shares have been effectively registered under the U.S. Securities Act of 1933, as amended, and if required by any applicable law, the following additional terms shall apply to Grants, and Shares issued pursuant to such Grants, under the Plan to persons resident in California as of the date of grant (each such person, a “California Recipient”). Capitalized terms not defined in this Attachment shall have the respective meanings set forth in the Plan.

1. The following limitations shall apply to the early expiration of Options granted California Recipients on account of termination of employment (unless employment is terminated for cause as defined by applicable law or by the Board):

(a) Subject to Section 2(b) below, in the event the employment or other service with the Company and its subsidiaries of an Optionee who is a California Resident is terminated, whether voluntary or otherwise and including on account of an entity ceasing to be a subsidiary of the Company, such California Recipient shall have at least 30 days after the date of such termination (but in no event later than the expiration of the term of such Option as set forth in the Grant Instrument) to exercise such Option to the extent exercisable as of the date of such termination.

(b) In the event that the employment or service with the Company and its Affiliates of an Optionee who is a California Resident is terminated as a result of death or disability, as such disability is determined by the Board, such California Recipient shall have at least 6 months after the date of such termination (but in no event later than the expiration of the term of such Option as set forth in the Grant Instrument) to exercise such Option to the extent exercisable as of the date of such termination.

2. The Plan must be approved by a majority of the outstanding securities entitled to vote by the later of (i) within 12 months before or after the date the Plan is adopted by the Company and (ii) prior to or within 12 months of the date on which any Option or other Grant is granted to a California Recipient.