

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8

REGISTRATION STATEMENT UNDER THE
SECURITIES ACT OF 1933

INTEL CORPORATION

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation or Organization)

94-1672743
(I.R.S. Employer
Identification Number)

2200 Mission College Blvd.
Santa Clara, California 95052-8119
(408) 765-8080
(Address of Principal Executive Offices, including Zip Code)

Altera Corporation 2005 Equity Incentive Plan
Enpirion, Inc. 2004 Stock Option Plan
(Full Title of the Plan)

SUZAN A. MILLER
Vice President, Deputy General Counsel
and Corporate Secretary
Intel Corporation
2200 Mission College Blvd.
Santa Clara, CA 95054-1549
(408) 765-8080

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

Copies to:
Michael J. Aiello, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
(212) 310-8000

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

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Calculation of Registration Fee

Title of Securities to be Registered	Amount to be Registered ⁽¹⁾	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$0.001 par value per share, issuable in respect of stock options under the Altera Corporation 2005 Equity Incentive Plan	212,522	\$21.68 ⁽²⁾	\$4,607,477 ⁽²⁾	\$463.97
Common Stock, \$0.001 par value per share, issuable in respect of restricted stock units under the Altera Corporation 2005 Equity Incentive Plan	7,292,534	\$33.74 ⁽³⁾	\$246,050,097 ⁽³⁾	\$24,777.24
Common Stock, \$0.001 par value per share, issuable under the Enpirion, Inc. 2004 Stock Option Plan	5,111	\$21.71 ⁽²⁾	\$110,960 ⁽²⁾	\$11.17

(1) Pursuant to Rule 416(a) under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement shall also cover any additional shares of the Registrant's Common Stock that may become issuable in respect of the securities identified in the above table to prevent dilution as a result of any stock dividend, stock split, recapitalization or other similar transaction.

(2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(h) under the Securities Act. The offering price per share and aggregate offering price are based upon the weighted average exercise price for shares subject to the outstanding stock options granted pursuant to the applicable plan.

(3) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(c) and Rule 457(h) under the Securities Act, based upon the average of the high and low prices of the Registrant's Common Stock on the NASDAQ Global Select Market on January 4, 2016, which was \$33.74.

EXPLANATORY NOTE

On May 31, 2015, Intel Corporation, a Delaware corporation (the "Corporation" or the "Registrant") and its wholly-owned subsidiary, 615 Corporation, entered into an Agreement and Plan of Merger (the "Merger Agreement") with Altera Corporation, a Delaware corporation ("Altera") pursuant to which Altera became a wholly-owned subsidiary of the Corporation (the "Merger"). The Merger was completed on December 28, 2015. This Registration Statement on Form S-8 is filed by the Corporation, relating to 7,510,167 shares of its common stock, par value \$0.001 per share (the "Common Stock"), issuable to eligible employees of the Corporation pursuant to awards assumed by the Corporation granted under the Altera Corporation 2005 Equity Incentive Plan and the Enpirion, Inc. 2004 Stock Option Plan (collectively, the "Plans"), in each case, in accordance with the terms of the Merger Agreement.

PART I

INFORMATION REQUIRED IN THE SECTION 10(A) PROSPECTUS

Item 1. Plan Information.

Not filed as part of this Registration Statement pursuant to Note to Part 1 of Form S-8.

Item 2. Registrant Information and Employee Plan Annual Information.

Not filed as part of this Registration Statement pursuant to Note to Part 1 of Form S-8.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, which have previously been filed by the Corporation with the Securities and Exchange Commission (the "Commission"), are incorporated by reference herein and shall be deemed to be a part hereof:

(1) The Corporation's latest Annual Report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or latest prospectus filed pursuant to Rule 424(b) under the Securities Act of 1933, as amended, that contains audited financial statements for the Registrant's latest fiscal year for which such statements have been filed (as revised by the Corporation's Current Report on Form 8-K filed with the Commission on June 5, 2015);

(2) All other reports filed* pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Registrant's latest annual report or prospectus referred to in (1) above; and

(3) The description of the Common Stock set forth under the caption "Description of Capital Stock" in the Registrant's registration statement on Form S-4, filed with the Commission on March 26, 2009, File No. 333-158222, together with any amendment or report filed with the Commission for the purpose of updating such description (Commission File No. 333-158222).

* Any report (or portion thereof) "furnished" on Form 8-K shall not be incorporated herein by reference.

In addition, all documents subsequently filed by the Registrant pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the effectiveness of this Registration Statement and, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the respective date of filing of such documents. The Registrant's Exchange Act file number with the Commission is 000-06217. Unless expressly incorporated into this Registration Statement, a report (or portion thereof) furnished on Form 8-K prior or subsequent to the date hereof shall not be incorporated by reference into this Registration Statement. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any subsequently filed document which also is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities

Not applicable.

Item 5. Interests of Named Experts and Counsel

Not applicable.

Item 6. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law (the "DGCL") provides that a corporation may indemnify its directors and officers, as well as other employees and individuals, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement in connection with specified actions, suits or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation – a "derivative action"), if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses (including attorneys' fees) incurred in connection with the defense or settlement of such actions, and the statute requires court approval before there can be any indemnification in which the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's bylaws, disinterested director vote, stockholder vote, agreement or otherwise.

Article IX of the Corporation's Bylaws requires indemnification to the fullest extent permitted under Delaware law as it now exists or may hereafter be amended. Subject to any restrictions imposed by Delaware law, the Bylaws provide an unconditional right to indemnification for all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties, and amounts paid or to be paid in settlement, and any interest, assessments, or other charges imposed thereon, and any federal, state, local, or foreign taxes imposed as a result of the actual or deemed receipt of any payments under Article IX) reasonably incurred or suffered by any person in connection with investigating, defending, being a witness in, or participating in, or preparing for any threatened, pending, or completed action, suit, arbitration, alternative dispute mechanism, inquiry, administrative or legislative hearing, investigation or any other actual, threatened or completed proceeding, including any and all appeals, whether

civil, criminal, administrative, or investigative (each, a "proceeding") by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director, officer, employee, or agent of the corporation (including service with respect to employee benefit plans) or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation or of a partnership, joint venture, trust, or other enterprise, whether the basis of the proceeding is alleged action in an official capacity as a director, officer, employee, or agent or in any other capacity while serving as a director, officer, employee, or agent.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability for (i) any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) payments of unlawful dividends or unlawful stock repurchases or redemptions, or (iv) any transaction from which the director derived an improper personal benefit.

Article 8 of the Corporation's Third Restated Certificate of Incorporation provides that, to the fullest extent permitted under Delaware law as it now exists or may hereafter be amended, no director of the Corporation will be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Any repeal or modification of the provisions of Article 8 by the stockholders of the Corporation will not adversely affect any right or protection of any director existing at the time of such repeal or modification.

The Corporation has entered into certain indemnification agreements with its officers and directors. The indemnification agreements provide the Corporation's officers and directors with further indemnification, to the maximum extent permitted by the DGCL.

The foregoing summaries are necessarily subject to the complete text of the statute, the Corporation's Third Restated Certificate of Incorporation and Bylaws, and the arrangements referred to above, and are qualified in their entirety by reference thereto.

Item 7. Exemption from Registration Claimed

Not applicable.

Item 8. Exhibits

Exhibit No.	Exhibit Description
4.1*	Intel Corporation Third Restated Certificate of Incorporation dated May 17, 2006 (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K as filed on May 22, 2006, File No. 000-06217).
4.2*	Intel Corporation Bylaws, as amended and restated on July 26, 2011 (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K as filed on July 27, 2011, File No. 000-06217).
5.1	Opinion of Weil, Gotshal, & Manges LLP.
23.1	Consent of Weil, Gotshal, & Manges LLP (included in Exhibit 5.1).
23.2	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
24.1	Power of Attorney (contained on signature page hereto).
99.1	Altera Corporation 2005 Equity Incentive Plan.
99.2	Enpirion, Inc. 2004 Stock Option Plan.

*Incorporated by reference

Item 9. Undertakings

(a) The undersigned Registrant hereby undertake:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Santa Clara, State of California, on this 8th day of January, 2016.

INTEL CORPORATION

By: /s/ Stacy J. Smith

Stacy J. Smith

Executive Vice President, Chief Financial
Officer, and Principal Accounting Officer

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Stacy J. Smith and Suzan A. Miller, and each or any one of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, severally, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their, his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Name	Title	Date
<u>/s/ Brian M. Krzanich</u> Brian M. Krzanich	Chief Executive Officer, Director and Principal Executive Officer	January 8, 2016
<u>/s/ Stacy J. Smith</u> Stacy J. Smith	Executive Vice President, Chief Financial Officer, and Principal Accounting Officer	January 8, 2016
<u>/s/ Charlene Barshefsky</u> Charlene Barshefsky	Director	January 8, 2016
<u>/s/ Aneel Bhusri</u> Aneel Bhusri	Director	January 8, 2016
<u>/s/ Andy D. Bryant</u> Andy D. Bryant	Chairman of the Board and Director	January 8, 2016
<u>/s/ Susan L. Decker</u> Susan L. Decker	Director	January 8, 2016
<u>/s/ John J. Donahoe</u> John J. Donahoe	Director	January 8, 2016
<u>/s/ Reed E. Hundt</u> Reed E. Hundt	Director	January 8, 2016
<u>/s/ James D. Plummer</u> James D. Plummer	Director	January 8, 2016
<u>/s/ David S. Pottruck</u> David S. Pottruck	Director	January 8, 2016
<u>/s/ Frank D. Yeary</u> Frank D. Yeary	Director	January 8, 2016
<u>/s/ David B. Yoffie</u> David B. Yoffie	Director	January 8, 2016

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*Incorporated by reference

Weil, Gotshal & Manges LLP

767 Fifth Avenue
New York, NY 10153
+1 212 310 8000 tel
+1 212 310 8007 fax

January 8, 2016

Intel Corporation
2200 Mission College Blvd.,
Santa Clara, California 95054-1549

Ladies and Gentlemen:

We have acted as counsel to Intel Corporation, a Delaware corporation (the "Corporation"), in connection with the preparation and filing with the U.S. Securities and Exchange Commission of the Corporation's Registration Statement on Form S-8 (the "Registration Statement"), under the Securities Act of 1933, as amended (the "Securities Act"), relating to the issuance of an aggregate of 7,510,167 shares of the Corporation's common stock, par value \$0.001 per share (the "Common Stock"), issuable pursuant to awards assumed by the Corporation granted the Altera Corporation 2005 Equity Incentive Plan and the Enpirion, Inc. 2004 Stock Option Plan (each, a "Plan" and collectively, the "Plans"), in each case, in accordance with the Agreement and Plan of Merger, dated as of May 31, 2015, by and among the Corporation, 615 Corporation, and Altera Corporation.

In so acting, we have examined originals or copies (certified or otherwise identified to our satisfaction) of the Registration Statement and the Plans pursuant to which the shares of Common Stock will be issued and such corporate records, agreements, documents and other instruments, and such certificates or comparable documents of public officials and of officers and representatives of the Corporation, and have made such inquiries of such officers and representatives, as we have deemed relevant and necessary as a basis for the opinions hereinafter set forth.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. As to all questions of fact material to our opinion that have not been independently established, we have relied upon the aforesaid agreements, instruments, certificates, documents and records and upon statements, representations, certificates and covenants of officers and representatives of the Corporation and of public officials, and have made such other investigations as we have deemed necessary or appropriate as a basis for the opinion expressed below. We have assumed that such statements, representations, certificates and covenants are and will continue to be true and complete without regard to any qualification as to knowledge or belief. We have also assumed that each award agreement setting forth the terms of each stock option or restricted stock unit under its respective Plan is consistent with such Plan and has been duly authorized and validly executed and delivered by the parties thereto.

Based on the foregoing, and subject to the qualifications stated herein, we are of the opinion that the 7,510,167 shares of Common Stock being registered for sale pursuant to the Registration Statement have been duly authorized and, when issued and delivered in accordance with the respective Plan, will be validly issued, fully paid, and non-assessable.

The opinion expressed herein is limited to the corporate laws of the State of Delaware, and we express no opinion as to the effect on the matters covered by this letter of the laws of any other jurisdiction.

We hereby consent to the use of this letter as an exhibit to the Registration Statement. In giving such consent we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Securities and Exchange Commission.

Very truly yours,

/s/ Weil, Gotshal & Manges LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the Altera Corporation 2005 Equity Incentive Plan and the Enpirion, Inc. 2004 Stock Option Plan of our reports dated February 13, 2015 (except for Note 10, 26 and 27, as to which the date is June 5, 2015) with respect to the consolidated financial statements of Intel Corporation for the year ended December 27, 2014 included in its Current Report on Form 8-K dated June 5, 2015, and our reports dated February 13, 2015, with respect to the financial statement schedule and the effectiveness of internal control over financial reporting of Intel Corporation included in its Annual Report on Form 10-K for the year ended December 27, 2014, all filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

San Jose, California
January 8, 2016

ALTERA CORPORATION

2005 EQUITY INCENTIVE PLAN

(Amended and Restated May 13, 2014)

1. PURPOSE

The purpose of the Altera Corporation 2005 Equity Incentive Plan, as amended and restated (the "Plan") is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company and its Subsidiaries by offering them an opportunity to participate in the Company's future performance through awards of Options, Restricted Stock, Stock Bonuses, Stock Appreciation Rights ("SARs") and Restricted Stock Units ("RSUs"). Capitalized terms not defined in the text are defined in Section 26.

2. SHARES SUBJECT TO THE PLAN

2.1. Number of Shares Available. Subject to Sections 2.2 and 21, 77,118,743 Shares are available for grant and issuance under the Plan. Shares subject to Awards that are cancelled, forfeited, settled in cash or that expire by their terms, including Shares subject to outstanding awards granted under the Company's (i) 1998 Director Stock Option Plan and its (ii) 1996 Stock Option Plan (collectively, the "Prior Plans") as of the Effective Date, will be returned to the pool of Shares available for grant and issuance under the Plan; provided, however, that Shares: (i) tendered in payment of an Option or SAR, (ii) withheld from an Award to pay applicable taxes and (iii) repurchased by the Company using proceeds from Option exercises shall not be returned to the pool of Shares available for grant and issuance under the Plan. Any Award other than an Option or a SAR shall reduce the number of Shares available for issuance by 2.25 Shares. Awards issued as an Option or a SAR shall reduce the number of Shares available for issuance by the number of Shares underlying the Award, regardless of the number of Shares actually issued upon exercise of the Award. No more than 3,000,000 Shares shall be issued as ISOs. The Company may issue Shares that are authorized but unissued shares pursuant to the Awards granted under the Plan. The Company will reserve and keep available a sufficient number of Shares to satisfy the requirements of all outstanding Awards granted under the Plan.

2.2. Adjustment of Shares. If the number of outstanding Shares is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in the capital structure of the Company, without consideration, then (a) the number of Shares reserved for issuance and future grant under the Plan set forth in Section 2.1; (b) the Exercise Prices of and number of Shares subject to outstanding Options and SARs; (c) the number of Shares subject to other outstanding Awards; (d) the maximum number of shares that may be issued as ISOs set forth in Section 2.1; and (e) the maximum number of shares that may be issued to an individual or to a new employee in any one fiscal year set forth in Section 3, will be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and compliance with applicable securities laws; provided that fractions of a Share will not be issued but will either be replaced by a cash payment equal to the Fair Market Value of such fraction of a Share or will be rounded up to the nearest whole Share, as determined by the Committee; and provided further that the Exercise Price of any Option or SAR may not be decreased to below the par value of the Shares.

3. ELIGIBILITY

ISOs may be granted only to employees (including officers and directors who are also employees) of the Company or Subsidiary. All other Awards may be granted to employees, officers, directors, consultants, independent contractors and advisors of the Company or Subsidiary. The Committee (or its designee under 4.1(c)) will from time to time determine in its sole discretion and designate the eligible persons who will be granted Awards under the Plan. The Plan is discretionary in nature, and the grant of Awards by the Committee is voluntary and occasional. A person may be granted more than one Award under the Plan. However, no person will be eligible to receive more than 2,000,000 Shares issuable as Awards granted in any fiscal year, other than new employees of the Company or Subsidiary (including new employees who are also officers and directors of the Company or Subsidiary), who are eligible to receive up to a maximum of an additional 2,000,000 Shares issuable as Awards granted in the calendar year in which they commence their employment.

4. ADMINISTRATION

4.1. Committee Authority. The Plan shall be administered by the Committee. Subject to the general purposes, terms and conditions of the Plan, the Committee will have full power to implement and carry out the Plan. Without limiting the previous sentence, the Committee will have the authority to:

- (a) construe and interpret the Plan, any Award Agreement and any other agreement or document executed pursuant to the Plan;
- (b) prescribe, amend and rescind rules and regulations relating to the Plan or any Award, including determining the forms and agreements used in connection with the Plan; provided that the Committee may delegate to the Company's legal department the authority to approve revisions to the forms and agreements used in connection with the Plan that are designed to facilitate Plan administration, and that are not inconsistent with the Plan or with any resolutions of the Committee relating to the Plan;
- (c) select persons to receive Awards; provided that the Committee may delegate to one or more Executive Officers (who would also be considered "officers" under Delaware law) the authority to grant an Award under the Plan to Participants who are not Insiders;
- (d) determine the terms of Awards;
- (e) determine the number of Shares or other consideration subject to Awards;
- (f) determine whether Awards will be granted singly, in combination, or in tandem with, in replacement of, or as alternatives to, other Awards under the Plan or any other incentive or compensation plan of the Company or any Subsidiary;
- (g) grant waivers of Plan or Award conditions;
- (h) determine the vesting, exercisability, transferability, and payment of Awards;
- (i) correct any defect, supply any omission, or reconcile any inconsistency in the Plan, any Award or any Award Agreement;
- (j) determine whether an Award has been earned;
- (k) amend the Plan;

(l) to take any action consistent with the terms of the Plan, either before or after an Award has been granted, which it deems necessary or advisable to comply with any governmental laws or regulatory requirement of a foreign country, including, but not limited to, modifying or amending the terms and conditions governing any Awards or establishing any local country plans as sub-plans to this Plan;

(m) make all other determinations necessary or advisable for the administration of the Plan; and

(n) delegate any of the foregoing to a subcommittee consisting of one or more executive officers pursuant to a specific delegation as permitted by applicable law, including Section 157(c) of the Delaware General Corporation Law.

4.2. Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or any Award Agreement shall be submitted by the Participant or Company to the Committee for review. The resolution of such a dispute by the Committee shall be final and binding on the Company and the Participant. The Committee may delegate to one or more Executive Officers the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant.

5. OPTIONS

5.1. Grant of Options. An Option is the right but not the obligation to purchase a Share, subject to conditions and restrictions, as applicable. The Committee may grant Options to Participants and will determine (a) whether the Options will be ISOs or NSOs; (b) the number of Shares subject to the Option, (c) the Exercise Price of the Option, (d) the period during which the Option may be exercised, (e) the vesting and exercisability of the Option and (f) all other terms and conditions of the Option, subject to the provisions of this Section 5 and the Plan. Options granted to Non-Employee Directors pursuant to Section 10 hereof shall be governed by that Section. Each Option granted under the Plan will be evidenced by an Award Agreement, which shall expressly identify the Option as an ISO or NSO. The date of grant of an Option will be the date on which the Committee makes the determination to grant the Option, unless the Committee otherwise specifies a later date.

5.2. Exercise Period; Expiration Date and Exercise. An Option will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such Option and subject to Company policies established by the Committee (or by individuals to whom the Committee has delegated responsibility) from time to time. The Committee may provide for Options to become exercisable at one time or from time to time, periodically or otherwise (including, without limitation, upon the attainment during a Performance Period of performance goals based on Performance Factors), in such number of Shares or percentage of Shares subject to the Option as the Committee determines. The Award Agreement shall set forth the Expiration Date; provided that no Option will be exercisable after the expiration of ten years from the date the Option is granted; and provided further that no ISO granted to a Ten Percent Stockholder will be exercisable after the expiration of five years from the date the Option is granted.

5.3. Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted and may not be less than the Fair Market Value on the date of grant; provided that the Exercise Price of any ISO granted to a Ten Percent Stockholder will not be less than 110% of the Fair Market Value of the Shares on the date of grant.

5.4. Vesting and Termination.

(a) Vesting. Except as set forth in the Participant's Award Agreement, any Option granted to a Participant will cease to vest on the Participant's Termination Date. If the Participant does not exercise his or her Option within the time specified by the Committee or as set forth in the Award Agreement, the Option shall terminate.

(b) Post-Termination Exercise Period. Subject to Section 22.4, following a Participant's Termination, the Participant's Option may be exercised to the extent vested and exercisable as set forth below:

(i) no later than 90 days after the Termination Date if a Participant is Terminated for any reason except death or Disability, unless a different period of time period is specifically set forth in the Participant's Award Agreement; provided that no Option may be exercised after the Expiration Date of the Option; or

(ii) no later than twelve months after the Termination Date in the case of Termination due to Disability or death or if a Participant dies within 30 days of the Termination Date, unless a different time period is specifically set forth in the Participant's Award Agreement; provided that no Option may be exercised after the Expiration Date of the Option.

5.5. Limitations on ISOs. The aggregate Fair Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under the Plan or under any other incentive stock option plan of the Company or any Subsidiary) shall not exceed \$100,000. If the Fair Market Value of Shares on the date of grant with respect to which ISOs are exercisable for the first time by a Participant during any calendar year exceeds \$100,000, the Options for the first \$100,000 worth of Shares to become exercisable in that calendar year will be ISOs, and the Options for the Shares with a Fair Market Value in excess of \$100,000 that become exercisable in that calendar year will be NSOs. If the Code is amended to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, such different limit shall be automatically incorporated into the Plan and will apply to any Options granted after the effective date of the Code's amendment.

5.6. Notice of Disqualifying Dispositions of Shares Acquired on Exercise of an ISO. If a Participant sells or otherwise disposes of any Shares acquired pursuant to the exercise of an ISO on or before the later of (a) the date two years after the Date of Grant, and (b) the date one year after the exercise of the ISO (in either case, a "Disqualifying Disposition"), the Company may require the Participant to immediately notify the Company in writing of such Disqualifying Disposition.

5.7. No Disqualification. Notwithstanding any other provision in the Plan, no term of the Plan relating to ISOs will be interpreted, amended or altered, and no discretion or authority granted under the Plan will be exercised, so as to disqualify the Plan under Section 422 of the Code or, without the consent of the Participant affected, to disqualify any ISO under Section 422 of the Code. Any outstanding ISO that is modified, extended, renewed or otherwise altered shall be treated in accordance with Section 424(h) of the Code and the regulations thereunder.

6. RESTRICTED STOCK AWARDS

6.1. Awards of Restricted Stock. A Restricted Stock Award is an offer by the Company to sell to a Participant Shares that are subject to restrictions. The Committee will determine to whom an offer will be made, the number of Shares the person may purchase, the Purchase Price, the restrictions under which the Shares will be subject and all other terms and conditions of the Restricted Stock Award. A Participant accepts a Restricted Stock Award by signing and delivering to the Company an Award Agreement with full payment of the Purchase Price within 30 days from the date the Award Agreement was delivered to the Participant. If the Participant does not accept the Restricted Stock Award within 30 days, then the offer of the Restricted Stock Award will terminate, unless the Committee determines otherwise.

6.2. Purchase Price. The Purchase Price for a Restricted Stock Award will be determined by the Committee and may be less than Fair Market Value (but not less than the par value of the Shares) on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 11 of the Plan and

the Award Agreement, and in accordance with any procedures established by the Company.

- 6.3. Termination. Except as set forth in the Participant's Award Agreement, any Restricted Stock Award will cease to vest on the Participant's Termination Date.

7. STOCK BONUS AWARDS

7.1. Awards of Stock Bonuses. A Stock Bonus Award is an award to a Participant of Shares (which may consist of Restricted Stock or Restricted Stock Units) for services to be rendered or for past services already rendered to the Company or any Subsidiary. No payment will be required for Shares awarded pursuant to a Stock Bonus Award.

7.2. Form of Payment to Participant. The Stock Bonus Award shall be paid currently. Payment may be made in the form of cash, whole Shares, or a combination thereof, based on the Fair Market Value of the Shares earned under a Stock Bonus Award on the date of payment, and in either a lump sum payment or in installments, all as the Committee determines.

7.3. Termination of Participant. Except as set forth in the Participant's Award Agreement, any Bonus Stock Award will cease to vest on the Participant's Termination Date.

8. STOCK APPRECIATION RIGHTS

8.1. Awards of SARs. A Stock Appreciation Right ("SAR") is an award to a Participant that may be settled in cash, or Shares (which may consist of Restricted Stock or RSUs), having a value equal to the value determined by multiplying the difference between the Fair Market Value on the date of exercise over the Exercise Price and the number of Shares with respect to which the SAR is being settled. The SAR may be granted for services to be rendered or for past services already rendered to the Company, or any Subsidiary.

8.2. Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such SAR. The Award Agreement shall set forth the Expiration Date; provided that no SAR will be exercisable after the expiration of ten years from the date the SAR is granted.

8.3. Exercise Price. The Committee will determine the Exercise Price of the SAR when the SAR is granted, and which may not be less than the Fair Market Value on the date of grant and may be settled only in Shares.

8.4. Termination.

(a) Vesting. Any SAR granted to a Participant will cease to vest on the Participant's Termination Date. In the event a Participant is Terminated as a result of such Participant's Retirement, such Participant's SARs shall, in the sole discretion of the Committee, accelerate vesting or continue to vest, continue to become exercisable, and may be exercised during such period of time as is determined by the Committee and as provided in the Award Agreement (but in no event may the SAR be exercised after the expiration date of the term of such SAR as set forth in the Award Agreement); if the Participant does not exercise his or her SAR within the time specified by the Committee or as set forth in the Award Agreement, the SAR shall terminate.

(b) Post-Termination Exercise Period. Subject to Section 22.4, following a Participant's Termination, the Participant's SAR may be exercised to the extent vested and exercisable as set forth below:

(i) no later than 90 days after the Termination Date if a Participant is Terminated for any reason except death or Disability, unless a different period of time period is specifically set forth in the Participant's Award Agreement; provided that no SAR may be exercised after the Expiration Date of the SAR; or

(ii) no later than twelve months after the Termination Date in the case of Termination due to Disability or death or if a Participant dies within 30 days of the Termination Date, unless a different time period is specifically set forth in the Participant's Award Agreement; provided that no SAR may be exercised after the Expiration Date of the SAR.

9. RESTRICTED STOCK UNITS

9.1. Awards of Restricted Stock Units. An RSU is an award to a Participant covering a number of Shares that may be settled in cash, or by issuance of those Shares for services to be rendered or for past services already rendered to the Company or any Subsidiary.

9.2. Form and Timing of Settlement. To the extent permissible under applicable law, the Committee may permit a Participant to defer payment under a RSU to a date or dates after the RSU is earned, provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code (or any successor) and any regulations or rulings promulgated thereunder. Payment may be made in the form of cash or whole Shares or a combination thereof in a lump sum payment, all as the Committee determines.

10. AWARD GRANTS TO NON-EMPLOYEE DIRECTORS

10.1. Types of Awards. Non-Employee Directors may receive any type of Award offered under this Plan, except ISOs. Awards pursuant to this Section 10 may be automatically made pursuant to policy adopted by the Board (which the Board may modify, revise or terminate as it deems appropriate), or made from time to time, as determined in the discretion of the Board. The aggregate number of Shares subject to Awards granted to a Non-Employee Director pursuant to this Section 10 in any calendar year shall not exceed 2,000,000.

10.2. Eligibility. Awards pursuant to this Section 10 shall be granted only to Non-Employee Directors. A Non-Employee Director who is elected, re-elected or appointed as a member of the Board will be eligible to receive an Award under this Section 10.

10.3. Vesting, Exercisability and Settlement. Except as set forth below, Awards shall vest, become exercisable and be settled (as applicable) as determined by the Board. With respect to Options and SARs, the exercise price granted to Non-Employee Directors shall not be less than the Fair Market Value of the Shares at the time that such Option or SAR is granted.

10.4. Form and Timing of Settlement of RSUs. To the extent permissible under applicable law, the Committee may permit a Non-Employee Director to defer payment under a RSU to a date or dates after the RSU is earned, provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code (or any successor) and any regulations or rulings promulgated thereunder. Payment may be made in the form of cash or whole Shares or a combination thereof in a lump sum payment, all as the Committee determines.

10.5. Corporate Transaction Vesting and Exercisability. In the event of a Corporate Transaction, the vesting of all Awards granted to Non-Employee Directors pursuant to this Section 10 will accelerate and such Awards will become exercisable (to the extent applicable) in full prior to the consummation of such event at such time and on such conditions as the Committee determines.

10.6. Post-Termination Exercise Period. Except as provided in Section 10.5 or this Section 10.6, each Option granted under this Section 10 shall expire ten years after its date of grant. The date on which the Non-Employee Director ceases to be a member of the Board or a consultant of the Company shall be referred to as the "Non-Employee Director Termination Date" for purposes of this Section 10.6. An Option may be exercised after the Non-Employee Director Termination Date only as set forth below:

(a) Termination Generally. If the Non-Employee Director ceases to be a member of the Board or consultant of the Company for any reason except death, Disability or Non-Employee Director Retirement, then each Option, to the extent then vested and exercisable pursuant to Section 5.4 above, then held by such Non-Employee Director may be exercised by the Non-Employee Director within 90 days after the Non-Employee Director Termination Date, unless a different period of time is specifically set forth in the Non-Employee Director's Award Agreement; provided that no Option may be exercised after its Expiration Date.

(b) Death or Disability. If the Non-Employee Director ceases to be a member of the Board or consultant of the Company because of his or her Disability or death, then each Option granted hereunder, to the extent then vested and exercisable, may be exercised no later than twelve months after the Termination Date in the case of Termination due to Disability or death or if a Participant dies within 30 days of the Termination Date, unless a longer time period is specifically set forth in the Participant's Award Agreement; provided that no Option may be exercised after the Expiration Date of the Option.

10.7. Election to receive Awards in Lieu of Cash. A Non-Employee Director may elect to receive his or her annual retainer payments and/or meeting fees from the Company in the form of cash or Awards or a combination thereof, as determined by the Committee. Such Awards will be issued under the Plan. An election under this Section shall be filed with the Company on the form prescribed by the Company.

11. PAYMENT FOR SHARE PURCHASES

11.1. Payment. Payment for Shares purchased pursuant to the Plan may be made by any of the following methods (or any combination of such methods) that are described in the applicable Award Agreement and that are permitted by law:

(a) in cash or cash equivalent (including by check);

(b) in the case of exercise by the Participant, a Participant's guardian or legal representative or the authorized legal representative of a Participant's heirs or legatees after a Participant's death, by cancellation of indebtedness of the Company to the Participant;

(c) by surrender of shares of the Company's Common Stock that either: (1) were obtained by the Participant or Authorized Transferee in the public market; or (2) if the shares were not obtained in the public market, they have been owned by the Participant or Authorized Transferee for more than six months and have been paid for within the meaning of SEC Rule 144;

(d) in the case of exercise by the Participant, Participant's guardian or legal representative or the authorized legal representative of a Participant's heirs or legatees after a Participant's death, by waiver of compensation due or accrued to the Participant for services rendered;

(e) with respect only to purchases upon exercise of an Option, and provided that a public market for the Shares exists:

(i) through a "same day sale" commitment from the Participant or Authorized Transferee and an NASD Dealer meeting the requirements of the Company's "same day sale" procedures and in accordance with law; or

(ii) through a "margin" commitment from the Participant or Authorized Transferee and an NASD Dealer meeting the requirements of the Company's "margin" procedures and in accordance with law.

11.2. Issuance of Shares. Upon payment of the applicable Purchase Price or Exercise Price and compliance with other conditions and procedures established by the Company for the purchase of Shares, the Company shall issue the Shares registered in the name of the Participant or Authorized Transferee and shall deliver certificates representing the Shares (in physical or electronic form, as appropriate). The Shares may be subject to legends or other restrictions as described in Section 15 of the Plan.

12. WITHHOLDING TAXES

12.1. Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under the Plan, the Company may require the Participant to remit to the Company an amount sufficient to satisfy minimum federal, state, local and foreign income or social security tax withholding requirements prior to the delivery of any certificate(s) for the Shares. If a payment in satisfaction of an Award is to be made in cash, the payment will be net of an amount sufficient to satisfy minimum federal, state, local and foreign income or social security tax withholding requirements.

12.2. Stock Withholding. When, under applicable tax laws, a Participant incurs income or social security tax liability in connection with the grant, exercise, vesting or payment of any Award that is subject to income or social security tax withholding and the Participant is obligated to pay the Company the amount required to be withheld, the Committee may, in its sole discretion, allow the Participant to satisfy the minimum withholding tax obligation by electing to have the Company withhold from the Shares to be issued that number of whole Shares having a Fair Market Value equal to the minimum amount required to be withheld, determined on the date that the amount of tax to be withheld is to be determined. All elections by a Participant to have Shares withheld for this purpose shall be made in accordance with the requirements established by the Committee and be in writing in a form acceptable to the Committee.

13. PRIVILEGES OF STOCK OWNERSHIP

No Participant or Authorized Transferee will have any rights as a stockholder of the Company with respect to any Shares until the Shares are issued to the Participant or Authorized Transferee. After Shares are issued to the Participant or Authorized Transferee, the Participant or Authorized Transferee will be a stockholder and have all the rights of a stockholder with respect to the Shares including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; provided, that if the Shares are Restricted Stock, any new, additional or different securities the Participant or Authorized Transferee may become entitled to receive with respect to the Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock; provided further, that the Participant or Authorized Transferee will have no right to retain such dividends or distributions with respect to Shares that are repurchased at the Participant's original Exercise Price or Purchase Price pursuant to Section 15.

14. TRANSFERABILITY

As may be permitted by the Committee (and to the extent permitted by applicable law and the terms of the Award Agreement), a Participant may transfer an Award to an Authorized Transferee. Absent such permission, no Award and no interest therein, shall be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent and distribution, and no Award may be made subject to execution, attachment or similar process.

15. RESTRICTIONS ON SHARES

At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) in the Award documentation a right to repurchase all or a portion of a Participant's Shares that are not "Vested" (as defined in the Award documentation), following the Participant's Termination, at any time within ninety days after the later of (a) the Participant's Termination Date or (b) the date the Participant purchases Shares under the Plan, for cash or cancellation of purchase money indebtedness with respect to Shares, at the Participant's original Exercise Price or Purchase Price; provided that upon assignment of the right to repurchase, the assignee must pay the Company cash equal to the excess of the Fair Market Value of the Shares over the original Purchase Price.

16. CERTIFICATES

All certificates for Shares or other securities delivered under the Plan (whether in physical or electronic form, as appropriate) will be subject to stock transfer orders, legends and other restrictions that the Committee deems necessary or advisable, including without limitation restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system on which the Shares may be listed.

17. ESCROW

To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all certificates representing Shares, together with stock powers or other transfer instruments approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company, to hold in escrow until such restrictions have lapsed or terminated, and the Committee may cause a legend or legends referencing such restrictions to be placed on the certificates.

18. SECURITIES LAW AND OTHER REGULATORY COMPLIANCE

An Award shall not be effective unless the Award is in compliance with all applicable state, federal and foreign securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system on which the Shares may then be listed, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in the Plan, the Company shall have no obligation to issue or deliver certificates for Shares under the Plan prior to (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and/or (b) completion of any registration or other qualification of such shares under any state, federal or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company shall be under no obligation to register the Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any state, federal or foreign securities laws, stock exchange or automated quotation system, and the Company shall have no liability for any inability or failure to do so.

19. NO OBLIGATION TO EMPLOY

Nothing in the Plan or any Award granted under the Plan shall confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Subsidiary or limit in any way the right of the Company or any Subsidiary to terminate a Participant's employment or other relationship at any time, with or without cause, as applicable laws allow.

20. REPRICING PROHIBITED; EXCHANGE AND BUYOUT OF AWARDS

The repricing of Options or SARs is prohibited without prior stockholder approval. The Committee may authorize the Company, with prior stockholder approval and the consent of the respective Participants, to issue new Option or SAR Awards in exchange for the surrender and cancellation of any or all outstanding Awards. With prior stockholder approval, the Committee may at any time buy from a Participant an Option previously granted with payment in cash, Shares or other consideration, based on such terms and conditions as the Committee and the Participant shall agree, provided that if payment is in cash, the Committee may buy only an Option where the Fair Market Value of the Shares exceeds the Exercise Price.

21. CORPORATE TRANSACTIONS

21.1. Assumption or Replacement of Awards by Successor. In the event of a Corporate Transaction any or all outstanding Awards may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on all Participants. In the alternative, the successor corporation may substitute equivalent Awards or provide substantially similar consideration to Participants as was provided to stockholders (after taking into account the existing provisions of the Awards). The successor corporation may also issue, in place of outstanding Shares of the Company held by the Participant, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Participant. In the event such successor corporation, if any, refuses to assume or replace the Awards, as provided above, pursuant to a Corporate Transaction or if there is no successor corporation due to a dissolution or liquidation of the Company, such Awards shall immediately vest as to 100% of the Shares subject thereto at such time and on such conditions as the Board shall determine and the Awards shall expire at the closing of the transaction or at the time of dissolution or liquidation.

21.2. Other Treatment of Awards. Subject to any greater rights granted to Participants under Section 21.1, in the event of a Corporate Transaction, any outstanding Awards shall be treated as provided in the applicable agreement or plan of merger, consolidation, dissolution, liquidation or sale of assets.

21.3. Assumption of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either (a) granting an Award under the Plan in substitution of such other company's award, or (b) assuming such award as if it had been granted under the Plan if the terms of such assumed award could be applied to an Award granted under the Plan. Such substitution or assumption shall be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under the Plan if the other company had applied the rules of the Plan to such grant. In the event the Company assumes an award granted by another company, the terms and conditions of such award shall remain unchanged (except that the exercise price and the number and nature of Shares issuable upon exercise of any such option will be adjusted appropriately pursuant to Section 424(a) of the Code). In the event the Company elects to grant a new Option rather than assuming an existing option, such new Option may be granted with a similarly adjusted Exercise Price. Shares subject to Awards granted to substitute or assume outstanding awards granted by another company in connection with an acquisition shall not reduce the number of Shares available for issuance under Section 2.1 of the Plan.

22. OTHER PROVISIONS

22.1. Distribution of Award Agreements and Plan. The Award Agreement, Plan and other documents may be delivered in any manner (including electronic distribution or posting) that meets applicable legal requirements.

22.2. Form of Award Agreement(s). Each Award granted under the Plan will be evidenced by an Award Agreement, which will be in substantially a form (which need not be the same for each Participant) that the Committee or an officer of the Company (pursuant to Section 4.1(b)) has from time to time approved, and will comply with and be subject to the terms and conditions of the Plan.

22.3. Procedures for Exercising or Settling an Award. A Participant or Authorized Transferee may exercise or settle Awards by following the procedures established by the Company's stock administration department, as communicated and made available to Participants through the Company's electronic mail system, intranet site or otherwise.

22.4. Black-out Periods and Post-Termination Exercisability. In the event a Participant is prevented from exercising an Option or selling Shares or the Company is unable to settle an Award due to any trading restrictions currently in effect with respect to the Company's Shares at the time of such Participant's Termination or during any post-termination exercise period, then any post-termination exercise period shall be paused until such trading restriction lapses.

22.5. Limitations on Exercise. The Committee may specify a reasonable minimum number of Shares that may be purchased on any exercise of an Option or SAR; provided that the minimum number will not prevent a Participant from exercising an Option or SAR for the full number of Shares for which it is then exercisable. An Option or a SAR may only be exercised by the personal representative of a Participant or an Authorized Transferee or by the person or persons to whom a Participant's rights under the Option or SAR shall pass by such person's will or by the laws of descent and distribution of the state of such person's domicile at the time of death, and then only as and to the extent that such person was entitled to exercise the Option or SAR on the date of death.

22.6. Terms of Awards. The Committee will determine an Award's terms, including, without limitation: (a) the number of Shares deemed subject to the Award; (b) the time or times during which the Award may be exercised and (c) such other terms and conditions as the Committee deems appropriate. Awards may be subject to performance goals based on Performance Factors during any Performance Period as may be set out in advance in the Participant's Award Agreement. The Committee may adjust the performance goals applicable to Awards to take into account changes in law and accounting and to make such adjustments as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances.

22.7. Treatment of Awards Upon Retirement. Upon a Participant's Retirement, and as determined by the Committee (and as evidenced in the Award Agreement), Awards granted to such Participant may accelerate, continue to vest, provide for an extended period of time in which to exercise an Award upon Termination or contain such terms and conditions as the Committee deems appropriate.

23. ADOPTION, STOCKHOLDER APPROVAL AND TERM

The Plan was first adopted by the Board on March 8, 2005, and thereafter amended from time to time. On March 17, 2014, the Board again adopted the Plan, as amended and restated in its current form. The Plan, as amended and restated, shall become effective upon approval by stockholders of the Company, consistent with applicable laws. The Plan will terminate ten years following the earlier of (i) the date it was adopted by the Board on March 17, 2014 or (ii) the date it became effective upon approval by stockholders of the Company, unless sooner terminated by the Board pursuant to Section 24.

24. AMENDMENT OR TERMINATION OF PLAN AND AWARDS

The Board may at any time terminate, amend or suspend the Plan in any respect, including without limitation amendment of any form of Award Agreement or instrument to be executed pursuant to the Plan. Notwithstanding the foregoing, neither the Board nor the Committee shall, without the approval of the stockholders of the Company, amend the Plan in any manner that requires such stockholder approval pursuant to the Code or the regulations promulgated thereunder as such provisions apply to ISO plans, or pursuant to the Exchange Act or any rule promulgated thereunder. The Committee may modify, extend or renew outstanding Awards and authorize the grant of Awards in substitution thereof; provided that any such action (including any amendment to the Plan) may not, without the written consent of a Participant, impair any of a Participant's rights under any Award previously granted.

25. NONEXCLUSIVITY OF THE PLAN; UNFUNDED PLAN

Neither the adoption of the Plan by the Board, the submission of the Plan to the stockholders of the Company for approval, nor any provision of the Plan shall be construed as creating any limitations on the power of the Board to adopt such additional arrangements as it may deem desirable, including, without limitation, the granting of stock options and bonuses otherwise than under the Plan, and such arrangements may be either generally applicable or applicable only in specific cases. The Plan shall be unfunded. Neither the Company nor the Board shall be required to segregate any assets that may at any time be represented by Awards made pursuant to the Plan. Neither the Company, the Committee, nor the Board shall be deemed to be a trustee of any amounts to be paid under the Plan.

26. DEFINITIONS

As used in the Plan, the following terms shall have the following meanings:

(a) "Authorized Transferee" means the permissible recipient, as authorized by this Plan and the Committee, of an NSO that is transferred during the Participant's lifetime by the Participant by gift or domestic relations order. For purposes of this definition a "permissible recipient" is: (i) a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the Participant, including any such person with such relationship to the Participant by adoption; (ii) any person (other than a tenant or employee) sharing the Participant's household; (iii) a trust in which the persons in (i) or (ii) have more than fifty percent of the beneficial interest; (iv) a foundation in which the persons in (i) or (ii) or the Participant control the management of assets; or (v) any other entity in which the person in (i) or (ii) or the Participant own more than fifty percent of the voting interest.

(b) "Award" means any award under the Plan, including any Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit or Stock Bonus.

(c) "Award Agreement" means, with respect to each Award, the written agreement between the Company and the Participant setting forth the terms and conditions of the Award.

(d) "Board" means the Board of Directors of the Company.

(e) "Code" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

(f) "Committee" means the Compensation Committee of the Board and such other committee appointed by the Board to administer the Plan, including, without limitation, the Stock Option Committee.

(g) "Company," means Altera Corporation, a corporation organized under the laws of the State of Delaware, or any successor corporation.

(h) "Corporate Transaction" means the occurrence of any of the following events: (a) any "Person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty

percent (50%) of the total voting power represented by the Company's then-outstanding voting securities; provided, however, that for purposes of this subclause (a) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Corporate Transaction; (b) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; (c) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation; (d) any other transaction which qualifies as a "corporate transaction" under Section 424(a) of the Code wherein the stockholders of the Company give up all of their equity interest in the Company (except for the acquisition, sale or transfer of all or substantially all of the outstanding shares of the Company) or (e) a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by member of the Board whose appointment or election is not endorsed by as majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (e), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Corporate Transaction. For purposes of this definition, Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company. Notwithstanding the foregoing, to the extent that any amount constituting deferred compensation (as defined in Section 409A of the Code) would become payable under this Plan by reason of a Corporate Transaction, such amount shall become payable only if the event constituting a Corporate Transaction would also qualify as a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, each as defined within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and IRS guidance that has been promulgated or may be promulgated thereunder from time to time.

(i) "Disability," means in the case of incentive stock options, total and permanent disability as defined in Section 22(e)(3) of the Code and in the case of other Awards, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

(j) "Effective Date" means the date stockholders approve the Plan pursuant to Section 22 of the Plan.

(k) "Exchange Act" means the United States Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

(l) "Executive Officer" means a person who is an "executive officer" of the Company as defined in Rule 3b-7 promulgated under the Exchange Act.

(m) "Exercise Price" means the price at which a Participant who holds an Option or SAR may purchase the Shares issuable upon exercise of the Option or SAR.

(n) "Expiration Date" means the last date on which an Option or SAR may be exercised as determined by the Committee.

(o) "Fair Market Value" means, as of any date, the value of a share of the Company's Common Stock determined as follows:

(i) if such Common Stock is then quoted on the NASDAQ National Market, its closing price on the NASDAQ National Market on such date;

(ii) if such Common Stock is publicly traded and is then listed on a national securities exchange, the last reported sale price on such date or, if no such reported sale takes place on such date, the average of the closing bid and asked prices on the principal national securities exchange on which the Common Stock is listed or admitted to trading;

(iii) if such Common Stock is publicly traded but is not quoted on the NASDAQ National Market nor listed or admitted to trading on a national securities exchange, the average of the closing bid and asked prices on such date, as reported by The Wall Street Journal, for the over-the-counter market; or

(iv) if none of the foregoing is applicable, by the Board of Directors in good faith.

(p) "Insider" means an officer or director of the Company or any other person whose transactions in the Company's Common Stock are subject to Section 16 of the Exchange Act.

(q) "ISO" means an Incentive Stock Option within the meaning of the Code.

(r) "NSO" means a nonqualified stock option that does not qualify as an ISO.

(s) "Option" means an Award pursuant to Section 5 or, in the case of a Non-Employee Director, Section 10 of the Plan.

(t) "Non-Employee Director" means a member of the Company's Board of Directors who is not a current employee of the Company or any Subsidiary.

(u) "Participant" means a person who receives an Award under the Plan.

(v) "Performance Factors" means any of the factors selected by the Committee and specified in an Award Agreement, from among the following objective measures, either individually, alternatively or in any combination, applied to the Company as a whole or any business unit or Subsidiary, either individually, alternatively, or in any combination, on a GAAP or non-GAAP basis, and measured, to the extent applicable on an absolute basis or relative to a pre-established target, to determine whether the performance goals established by the Committee with respect to applicable Awards have been satisfied:

(i) profit before tax;

(ii) billings;

(iii) revenue;

(iv) net revenue;

(v) earnings (which may include earnings before interest and taxes, earnings before taxes, and net earnings);

(vi) operating income;

(vii) operating margin;

(viii) operating profit;

- (ix) controllable operating profit, or net operating profit;
- (x) net Profit;
- (xi) gross margin;
- (xii) operating expenses or operating expenses as a percentage of revenue;
- (xiii) net income;
- (xiv) earnings per share;
- (xv) total stockholder return;
- (xvi) market share;
- (xvii) return on assets or net assets;
- (xviii) the Company's stock price;
- (xix) growth in stockholder value relative to a pre-determined index;
- (xx) return on equity;
- (xxi) return on invested capital;
- (xxii) cash Flow (including free cash flow or operating cash flows)
- (xxiii) cash conversion cycle;
- (xxiv) economic value added;
- (xxv) individual confidential business objectives;
- (xxvi) contract awards or backlog;
- (xxvii) overhead or other expense reduction;
- (xxviii) credit rating;
- (xxix) strategic plan development and implementation;
- (xxx) succession plan development and implementation;
- (xxxi) improvement in workforce diversity;
- (xxxii) customer indicators;
- (xxxiii) new product invention or innovation;
- (xxxiv) attainment of research and development milestones;
- (xxxv) improvements in productivity;
- (xxxvi) bookings;
- (xxxvii) attainment of objective operating goals and employee metrics; and
- (xxxviii) any other metric that is capable of measurement as determined by the Committee.

The Committee may, in recognition of unusual or non-recurring items such as acquisition-related activities or changes in applicable accounting rules, provide for one or more equitable adjustments (based on objective standards) to the Performance Factors to preserve the Committee's original intent regarding the Performance Factors at the time of the initial award grant. It is within the sole discretion of the Committee to make or not make any such equitable adjustments.

- (w) "Performance Period" means the period of service determined by the Committee during which years of service or performance is to be measured for the Award.
- (x) "Purchase Price" means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option or SAR.
- (y) "Restricted Stock Award" means an award of Shares pursuant to Section 6 or, in the case of a Non-Employee Director, Section 10 of the Plan.
- (z) "Restricted Stock Unit" means an Award granted pursuant to Section 9 or, in the case of a Non-Employee Director, Section 10 of the Plan.
- (aa) "Retirement" means that the Committee has deemed a Participant retired within the meaning of the applicable retirement policy applicable to Awards as determined from time to time by the Compensation Committee of the Board.
- (bb) "SEC" means the United States Securities and Exchange Commission.
- (cc) "Securities Act" means the United States Securities Act of 1933, as amended, and the regulations promulgated thereunder.

(dd) "Shares" means shares of the Company's Common Stock \$0.01 par value, reserved for issuance under the Plan, as adjusted pursuant to Sections 2 and 21, and any successor security.

(ee) "Stock Appreciation Right" means an Award granted pursuant to Section 8 or, in the case of a Non-Employee Director, Section 10 of the Plan.

(ff) "Stock Bonus" means an Award granted pursuant to Section 7 of the Plan.

(gg) "Subsidiary" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if, at the time of granting of the Award, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(hh) "Ten Percent Stockholder" means any person who directly or by attribution owns more than ten percent of the total combined voting power of all classes of stock of the Company or any Subsidiary.

(ii) "Termination" or "Terminated" means, for purposes of the Plan with respect to a Participant, that the Participant has ceased to provide services as an employee, director, consultant, independent contractor or adviser to the Company or a Subsidiary; provided that a Participant shall not be deemed to be Terminated if the Participant is on a Company approved leave of absence; and provided further, that during any Company approved leave of absence, vesting of Awards shall be suspended or continue in accordance with applicable Company policies. Subject to the foregoing, the Committee shall have sole discretion to determine whether a Participant has ceased to provide services and the effective date on which the Participant ceased to provide services (the "Termination Date"); further, the Termination Date will not be extended by any notice period mandated under local law.

ENPIRION, INC.

2004 STOCK OPTION PLAN

Section 1. Purpose

The Plan authorizes the Plan Committee to provide Employees of the Company or its Affiliates, who are in a position to contribute to the long-term success of the Company or its Affiliates, with Options to acquire Stock in the Company. The Company believes that this incentive program will cause those persons to increase their interest in the welfare of the Company and its Affiliates, and aid in attracting, retaining and motivating Employees of outstanding ability.

Section 2. Definitions

Capitalized terms used herein shall have the meanings set forth in this Section:

"Affiliate" shall mean any Person or entity that, either directly or indirectly through one or more intermediaries, (i) controls the Company, or (ii) is controlled by the Company or a Person described in clause (i).

"Cause" shall have the meaning ascribed thereto in any employment agreement that is in effect between the Company or any of its Affiliates and a Grantee. In all other instances, "Cause" shall mean (i) the Grantee's failure to perform duties consistent with his or her position; (ii) indictment or conviction of a felony or any other crime involving moral turpitude or dishonesty; (iii) failure or refusal to comply with Company policies, standards or regulations; (iv) conduct by the Grantee that demonstrates gross unfitness to serve in the capacity in which the Grantee is serving at the time of such conduct; (v) material violation of any agreement with the Company (including, but not limited to, any proprietary information, inventions, non-solicitation and/or non-competition agreements with the Company) or of any statutory duty to the Company; or (vi) the Grantee's willful dishonesty, fraud, or misconduct with respect to the business or affairs of the Company; provided, that if it reasonably could be concluded that the circumstances giving rise to Cause did not occur, or were not material or willful, or did not constitute a failure to follow a lawful written order from the Company, or such order was not within the scope of the Grantee's duties, the Grantee shall have 30 days from the date of written notice to the Grantee to cure such circumstances. Unless otherwise specified in any agreement with a Grantee, the Plan Committee shall determine, in its sole discretion, if a termination is for Cause for all purposes hereunder.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the rulings and regulations promulgated thereunder.

"Company," shall mean ENPIRION, Inc., a corporation organized under the laws of the State of Delaware.

"Disability," shall mean permanent and total disability (within the meaning of Section 22(e)(3) of the Code).

"Employee" shall mean any Person or entity that is providing, or has agreed to provide, services to the Company or an Affiliate of the Company, whether as an employee, director or independent contractor, and whether or not such Person or entity is receiving cash compensation for such services.

"Fair Market Value" of a share of Stock on any given date shall be determined by the Plan Committee in its sole and absolute discretion.

"Grant Certificate" shall mean a certificate, evidencing the grant of an Option hereunder.

"Grantee" shall mean an Employee granted an Option under the Plan.

"ISO" shall mean an Option which is intended to qualify as an incentive stock option within the meaning of Section 422 of the Code, and which is designated by the Plan Committee as such in a Grant Certificate.

"Option" shall refer to an option to purchase Stock issued under and subject to the Plan.

"Parent" shall mean a "parent corporation," whether now or hereafter existing, as defined in Section 424(e) of the Code.

"Person" shall mean an individual, partnership, corporation, limited liability company or partnership, trust, unincorporated organization, joint venture, government (or agency or political subdivision thereof) or any other entity of any kind.

"Plan" shall mean this ENPIRION Inc. 2004 Stock Option Plan, as set forth herein and as amended from time to time.

"Plan Committee" shall mean the Board of Directors of the Company, or such committee as may be appointed by the Board of Directors of the Company.

"Sale of the Company" shall mean the sale of the Company (whether by merger, consolidation, recapitalization, reorganization, sale of securities, sale of assets or otherwise) in one transaction or series of related transactions to one or more Persons pursuant to which such Persons (together with their affiliates) acquire (i) securities representing at least a majority of the voting power of all securities of the Company, assuming the conversion, exchange or exercise of all securities convertible, exchangeable or exercisable for or into voting securities, or (ii) all or substantially all of the Company's assets on a consolidated basis.

"Stock" shall mean the Company's common stock, par value \$0.01 per share, as adjusted pursuant to Section 6.

"Stockholders Agreement" shall mean that certain stockholders agreement that may be in effect among the Company and its stockholders, as amended from time to time.

"Subsidiary," shall mean a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

Section 3. Stock Available under the Plan

Subject to the provisions of Section 6, the total number of shares of Stock that may be issued under the Plan pursuant to Options shall not exceed 1,352,931. If any Options lapse, terminate or are forfeited for any reason, then the Stock covered thereby will again be available for issuance under the Plan.

Section 4. Administration of the Plan

a. Authority of the Plan Committee. The Plan shall be administered by the Plan Committee. The Plan Committee shall have full and final authority to take the following actions, in each case subject to and consistent with the provisions of the Plan:

- (1) to select the Employees to whom Options may be granted; provided, that ISOs may only be granted to individuals who are employees of the Company on the date of grant;
- (2) to determine the number of shares of Stock subject to each such Option;
- (3) to determine the terms and conditions of any Option granted under the Plan, including the exercise price of Options, vesting schedules and whether or not an Option shall be an ISO;
- (4) to determine the restrictions or conditions related to the delivery, holding and disposition of Stock received upon exchange of an Option;
- (5) to prescribe the form of each Grant Certificate;
- (6) to adopt, amend, suspend, waive and rescind such rules and regulations and appoint such agents as the Plan Committee may deem necessary or advisable to administer the Plan;
- (7) to correct any defect or supply any omission or reconcile any inconsistency in the Plan and to construe and interpret the Plan and any Option, Grant Certificate or other instrument hereunder; and
- (8) to make all other decisions and determinations as may be required under the terms of the Plan or as the Plan Committee may deem necessary or advisable for the administration of the Plan.

b. Manner of Exercise of Plan Committee Authority. Any action of the Plan Committee with respect to the Plan shall be final, conclusive and binding on all persons, including the Company, Affiliates of the Company, Grantees, or any person claiming any rights under the Plan from or through any Grantee, except to the extent the Plan Committee may subsequently modify, or take further action not consistent with, its prior action. If not specified in the Plan, the time at which the Plan Committee must or may make any determination shall be determined by the Plan Committee, and any such determination may thereafter be modified by the Plan Committee (subject to Section 10). The express grant of any specific power to the Plan Committee, and the taking of any action by the Plan Committee, shall not be construed as limiting any power or authority of the Plan Committee. The Plan Committee may delegate to officers or managers of the Company or any Affiliate the authority, subject to such terms as the Plan Committee shall determine, to perform such functions as the Plan Committee may determine, to the extent permitted under applicable law.

c. Limitation of Liability. Each member of the Plan Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by any officer or other employee of the Company or any of its Affiliates, the Company's independent certified public accountants or any executive compensation consultant, legal counsel or other professional retained by the Company to assist in the administration of the Plan. To the fullest extent permitted by applicable law, no member of the Plan Committee, nor any officer or employee of the Company acting on behalf of the Plan Committee, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan, and all members of the Plan Committee and any officer or employee of the Company acting on its behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action, determination or interpretation.

Section 5. Terms of Options

a. Exercise Price. The exercise price per share of Stock subject to an Option granted to an Employee shall be determined by the Plan Committee; provided, however, in the case of an ISO (1) granted to an Employee who, at the time of grant, owns stock representing no more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the exercise price per share of Stock subject to the ISO shall be no less than its Fair Market Value as of the date the ISO is granted, or (2) granted to any other Employee, the exercise price per share of Stock subject to the ISO shall be no less than 110% of its Fair Market Value as of the date the ISO is granted.

b. Vesting. Unless determined otherwise by the Plan Committee, each Option shall vest as to 1/48th of the shares of Stock subject thereto each month following the date of grant, subject to the Grantee continuing to provide services to the Company or any Affiliate of the Company through each vesting date.

c. Exercise of Options. Unless determined otherwise by the Plan Committee, only the vested portion of any Option may be exercised. A Grantee shall exercise an Option by delivery of written notice to the Company setting forth the number of shares of Stock with respect to which the Option is to be exercised, together with payment: (i) in the form of a certified check or bank draft payable to the order of the Company for an amount equal to the sum of the exercise price for such shares and any employment and income taxes required to be withheld with respect thereto; or (ii) pursuant to a "cashless exercise" program to be established by the Plan Committee or the Company. The Plan Committee may, in its sole discretion, permit other forms of payment, including notes or other contractual obligations of a Grantee to make payment on a deferred basis.

d. Termination. Options shall terminate as follows:

- (1) Upon the termination of a Grantee's employment (or directorship or other service—provider relationship) with the Company and all of its Affiliates for any reason, all Options held by the Grantee, to the extent not then vested, shall immediately terminate.
- (2) Upon the termination of a Grantee's employment (or directorship or other service—provider relationship) with the Company and all of its Affiliates for any reason other than death or Disability, all Options held by the Grantee, to the extent vested, shall terminate three months following the date of Grantee's termination or on such other date as determined by the Plan Committee and specified in the Grant Certificate (but in no event later than the expiration of the term of the Option). In the event a Grantee is permitted to exercise an Option designated as an ISO later than three months following his or her termination for any reason other than death or Disability, such ISO shall cease to be an ISO to the extent not exercised prior to three months following such termination.

- (3) Upon the termination of a Grantee's employment (or directorship or other service—provider relationship) with the Company and all of its Affiliates due to death or Disability, all Options held by the Grantee, to the extent vested, shall terminate on the one—year anniversary of the date of such termination (but in no event later than the expiration of the term of the Option).

e. Option Term. The term of each Option shall be determined by the Plan Committee and specified in the Grant Certificate; provided, however, that the term shall be no more than ten years from the date of grant thereof. In the case of an ISO granted to an Employee who, at the time the ISO is granted, owns stock representing more than ten percent of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the term of the ISO shall be no more than five years from the date of grant.

f. Nontransferable. No Option may be sold, transferred, assigned, pledged or otherwise encumbered, except by will or the laws of descent and distribution, and an Option shall be exercisable during a Grantee's lifetime only by the Grantee. Upon a Grantee's death, the estate or other beneficiary of such deceased Grantee shall be subject to all the terms and conditions of the Plan and Grant Certificate, including the provisions relating to the termination of the right to exercise the Option.

g. Joinder Agreement. As a condition to the grant of each Option under the Plan, each Grantee shall execute and deliver to the Company a joinder agreement to the Stockholders Agreement, in the form attached as Exhibit B hereto, whereby the Grantee shall become party to the Stockholders Agreement, and the Option and the underlying shares of Stock issuable upon exercise of the Option shall be subject to all of the terms, conditions, restrictions and provisions of the Stockholders Agreement, as modified by such joinder agreement in the discretion of the Committee.

Section 6. Adjustment Upon Changes in Capitalization

In the event any recapitalization, forward or reverse split, reorganization, merger, consolidation, incorporation, spin—off, combination, repurchase, exchange of Stock or other securities, dividend or distribution of Stock or other special and nonrecurring dividend or distribution (whether in the form of cash, securities or other property), liquidation, dissolution, sale or purchase of assets or other similar transactions or events, affects an Option such that an adjustment is necessary in order to prevent dilution or enlargement of the rights of Grantees under the Plan, then the Plan Committee shall equitably adjust any or all of (i) the number and kind of securities deemed to be available thereafter for grants of Options under Section 3, (ii) the number and kind of securities that may be delivered or deliverable in respect of outstanding Options, and (iii) the exercise price of Options. In addition, the Plan Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Options (including, without limitation, cancellation of Options in exchange for the intrinsic (i.e., in—the—money) value, if any, of the vested portion thereof, substitution of Options using securities of a successor or other entity, or acceleration of the vesting and/or expiration of the Option) in recognition of unusual or nonrecurring events (including, without limitation, a Sale of the Company or an event described in the preceding sentence) affecting the Company or any Affiliate or the financial statements of the Company or any Affiliate, or in response to changes in applicable laws, regulations, or accounting principles.

Section 7. Restrictions on Stock

a. Restrictions on Issuing Stock. No Stock shall be issued or transferred to a Grantee under the Plan unless and until all applicable legal requirements have been complied with to the satisfaction of the Plan Committee. The Plan Committee shall have the right to condition the exercise of any Option on a Grantee's undertaking in writing to comply with such restrictions on any subsequent disposition of the Stock issued or transferred thereunder as the Plan Committee shall deem necessary or advisable as a result of any applicable law, regulation, official interpretation thereof, or any underwriting agreement.

b. Repurchase Rights. Unless determined otherwise by the Plan Committee, the Company shall have the right (but not the obligation) to repurchase any or all of the shares of Stock acquired upon exercise of an Option upon (i) a Grantee's termination of employment with the Company and its Affiliates for any reason, or (ii) a determination by the Company that the Grantee has materially breached any restrictive covenant relating to nondisclosure of confidential information, non-competition, or non-solicitation of customers or employees contained in any agreement to which the Grantee is a party. Such right shall be exercisable by the Company during the 90-day period following the later of the date of such event or the date of exercise of the Option, or such longer period as may be necessary so that the exercise of such right does not give rise to a compensation expense pursuant to Accounting Principles Board Opinion 25 (and any interpretation thereof or any successor thereto). The price per share of Stock to be paid by the Company should it choose to exercise its repurchase right shall equal the Fair Market Value per share; provided, however, that if the reason for the Grantee's termination of employment is for Cause, or if the Company has determined that the Grantee has breached any of the restrictive covenants referred to above, then the price per share to be paid by the Company shall equal the lesser of (i) the price per share paid by the Grantee upon exercise of the Option or (ii) the Fair Market Value per share. The Company's repurchase right shall lapse upon a the consummation of an underwritten, registered public offering of the Stock that results in gross proceeds to the Company of at least \$25 million, except where such repurchase right arises by reason of a Grantee's termination of employment for Cause, or breach of any of the restrictive covenants referred to above. Should the Company choose not to exercise its repurchase right, any of its Affiliates may exercise such right as if it were the Company, and such Affiliate shall be a third party beneficiary of this Plan with respect to the exercise of such right.

c. Drag Along Rights. In the event that the Company or its stockholders receive a bona fide written offer from an unrelated party (the "Offeror") to purchase more than 80% of the issued and outstanding shares of Stock, which offer the stockholders of the Company holding a majority of the issued and outstanding shares of Stock are prepared to accept (the "Accepting Stockholders"), then the Accepting Stockholders may, by notice in writing to the Company and each Grantee (or any transferee thereof), require each Grantee (or any transferee thereof) to sell, and each Grantee (or any transferee thereof) shall then be required to sell, to the Offeror the same percentage of Stock owned by him as the percentage of shares being sold by each Accepting Stockholder bears to all the shares of Stock owned by such Accepting Stockholder on the same terms and conditions (including, without limitation, with respect to purchase price and terms of payment) as are offered to each Accepting Stockholder and as are specified in the Offeror's offer. The closing of the sale by each Grantee (or any transferee thereof) shall occur concurrently with the sale by the Accepting Stockholders to the Offeror.

d. Forfeiture. All Options and Stock held by a Grantee shall be forfeited to the Company for no consideration, if, following the Grantee's termination of employment (or other service-provider relationship), the Grantee is determined by a court of competent jurisdiction, pursuant to a final and nonappealable order, to have violated any agreement that he or she has made with the Company not to compete with the Company or solicit its customers or employees.

e. ISO Notice. A Grantee shall notify the Company of any disposition of shares of Stock acquired upon exercise of an ISO if such disposition occurs within one year of the date of such exercise or within two years of the date of grant of such ISO. The Company may impose such procedures as it determines may be necessary to ensure that such notification is made.

Section 8. Taxes

a. Withholding. The Company shall have the right to condition a Grantee's right to exercise, receive or vest in an Option upon the Grantee's making such provision, or furnishing the Company such authorization, necessary or desirable so that the Company may satisfy its obligation under applicable laws to withhold for income or other taxes due upon or incident to such Option.

Section 9. General Provisions

a. The Plan Committee shall have the power to accelerate the time at which any Option will vest notwithstanding the provisions in the Grant Certificate stating the time during which the Option will vest.

b. Each Option shall be evidenced by a Grant Certificate. The terms and provisions of such certificates may vary among Grantees and among different Options granted to the same Grantee.

c. The grant of an Option in any year shall not give the Grantee any right to similar grants in future years, any right to continue such Grantee's employment relationship (or directorship or other service—provider relationship) with the Company or its Affiliates, or, with respect to Options, any rights as a stockholder of the Company until such Option is exercised and Stock is issued. All Grantees shall remain subject to discharge to the same extent as if the Plan were not in effect. For purposes of the Plan, a sale of any Affiliate that employs or engages a Grantee shall be treated as the termination of such Grantee's employment (or other service—provider relationship).

d. No Grantee, and no beneficiary or other persons claiming under or through the Grantee, shall have any right, title or interest by reason of any Option to any particular assets of the Company or any Affiliate, or any Stock allocated or reserved for the purposes of the Plan or subject to any Option except as set forth herein.

e. The Plan shall be effective upon its adoption by the Company's board of directors. The Plan shall be subject to approval by the stockholders of the Company within twelve months of the effective date. Unless sooner terminated by the Plan Committee in accordance with Section 10, the Plan shall continue in effect for a term of ten years from the later of (i) the effective date of the Plan or (ii) the earlier of the most recent approval by the Board of Directors or stockholders of an increase in the number of shares of Stock available for issuance under the Plan.

Section 10. Amendment or Termination

The Plan Committee may, at any time, alter, amend, suspend, discontinue or terminate this Plan; provided, however, that no such action (other than any action taken pursuant to Section 6) shall adversely affect the rights of Grantees with respect to Options previously granted hereunder.

ENPIRION, INC.

2004 STOCK OPTION PLAN

[letter to option recipients- general form]

[Date]

Re: Stock Option Award

I am pleased to inform you that you have been granted an option to purchase _____ shares of the Company's Common Stock, par value \$0.01. This stock option is being granted pursuant to the ENPIRION Inc. 2004 Stock Option Plan (the "Plan"), a copy of which is attached, and is subject in all respects to the provisions of the Plan. Capitalized terms not otherwise defined herein shall have the same meaning as defined in the Plan. The following briefly summarizes certain key terms of your option grant.

1. Exercise Price. The price per share that you must pay to exercise your option is equal to \$__.
2. Vesting. Your option will vest over a four year period, with 1/48th vesting each month following the date of this letter, subject to you remaining an Employee through each vesting date. [However, in the event that there is a Sale of the Company, and your status as an Employee with the Company or successor corporation (or any Affiliate) is terminated by the Company or such successor corporation (or Affiliate) other than for Cause within six months following the Sale of the Company, any unvested portion of your option shall become vested immediately.] **[Include only for Founders:** Additionally, in the event of the termination of your status as an Employee due to death or Disability, all shares of Stock that would have otherwise vested under your option in the 24 months following your termination immediately shall vest.]
3. Exercise. You may exercise your option only to the extent it is vested. In order to exercise, you must deliver written notice to the Company of your intention to exercise along with payment of the exercise price, plus the amount necessary to satisfy the Company's employment tax withholding obligation that is triggered by your exercise (see Federal Taxes below). Alternatively, you may exercise your option by utilizing the "cashless exercise" mechanism established under the Plan.
4. Termination of the Option. Upon termination of your status as an Employee for any reason, the unvested portion of the option will immediately terminate. The vested portion of the option will generally terminate three months after the termination of your status as an Employee, except that if your termination is due to your death or Disability, the option will terminate on the one-year anniversary of your termination. The option will expire in any event on the tenth anniversary of the date of this letter, and may terminate earlier under other circumstances as described in the Plan (including your breach of any non-compete agreement with the Company).
5. Rights as a Stockholder. As a condition to exercising your option, you must execute a joinder agreement in the form attached hereto, and thereby become a party to the Company's Stockholders Agreement (or other stockholders agreement as may then be in effect), which governs the rights of stockholders. **[You also agree to comply with any restrictions on transfer of the Stock you acquire upon exercise of your option that may be imposed in connection with the underwriting of an initial public offering of the Stock of the Company (such restriction period not to exceed 180 days).]** You should also note that under the Plan, the Company has the right to buy back the Stock you acquired in connection with the exercise of your option following your termination of employment.
6. Company Repurchase Right. **[Include only for Founders:** Notwithstanding Section 7(b) of the Plan, the Company shall not have the right to repurchase the shares acquired upon exercise of your option in the event of the termination of your status as an Employee for any reason other than for Cause.]
7. Federal Taxes. **[For non—qualified options:** Your option is treated as a non-qualified option for tax purposes. This means that the granting of the option will have no tax impact. When you exercise the option, you will recognize ordinary income equal to the difference between fair market value of the shares received and the exercise price paid for the shares. This income will be subject to tax at ordinary income tax rates and will be subject to tax withholding by the Company (if you are an employee of the Company). In order to enable the Company to satisfy this withholding obligation, you must pay the appropriate withholding amount to the Company at the time of exercise, along with the exercise price.] OR

[For ISOs: Your option is structured to qualify as an "incentive stock option," which can potentially produce favorable tax benefits to you. However, notwithstanding such designation, to the extent that the aggregate fair market value of the shares with respect to which your option (and all other incentive stock options granted to you) is exercisable for the first time during any calendar year exceeds \$100,000, your option shall be treated as a non-qualified stock option. Assuming this option maintains its status as an incentive stock option, there will generally be no tax to you either at the time the option is granted to you or at the time you exercise it. When the shares acquired upon exercise are sold, the amount you receive upon the sale over the exercise price you paid for the shares will be taxed to you at long—term capital gains rates, provided you held the shares for at least one year prior to their sale and two years from the date of this letter. However, if the shares are sold within the one—year period after you exercise the option or within two years from the date of this letter, the excess of the fair market value on the date of exercise (or if less, the sale price) over your exercise price will be taxed at ordinary income tax rates and any additional gain or loss will be taxed at capital rates. Note that state and local taxes may also apply. Note also that for federal tax purposes, the difference between the fair market value of the shares at the time of exercise over the exercise price paid for the shares will be taken into account for purposes of determining whether you are subject to the "alternative minimum tax."]

* * * *

We are excited to give you this opportunity to share in our future success. Please indicate your acceptance of this stock option grant and the terms of the Plan by signing below.

Sincerely,

Agreed to and Accepted by:

Joinder Agreement

ENPIRION, Inc.
[address]
Attention: Chief Executive Officer

Ladies and Gentlemen:

In consideration of the issuance to the undersigned of options to purchase shares of common stock, par value \$0.01 per share, of ENPIRION, Inc., a Delaware corporation (the "Company"), the undersigned agrees that, as of the date written below, the undersigned shall become a party to that certain Stockholders Agreement dated as of _____, 200_, as such agreement may have been amended from time to time (the "Stockholders Agreement") among the Company and the persons named therein, and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Stockholders Agreement and shall be deemed a stockholder of the Company for all purposes thereof.

Executed as of

By:
 Name:
 Address:

ACKNOWLEDGED AND ACCEPTED: ENPIRION, INC.

By:
 Name:
 Title: