

**LEOVEGAS NJ LLC
2022 EQUITY PLAN**

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of this plan is the LeoVegas NJ LLC 2022 Equity Plan (the “Plan”). The purpose of the Plan is to encourage and enable the officers, employees, managers, consultants and other key persons of LeoVegas NJ LLC, a New Jersey limited liability company (including any successor entity, the “Company”), and its Affiliates (as defined below) upon whose judgment, initiative and efforts the Company and its Affiliates largely depend for the successful conduct of their businesses, to acquire a proprietary interest in LeoVegas AB (publ), a Swedish corporation (the “Parent”). As of the dates of adoption and approval of this Plan, the Company is an indirect wholly owned subsidiary of the Parent.

Unless the context otherwise indicates, the following capitalized terms used herein shall have the following meanings whenever used in this Plan:

“Affiliate” means any corporation, partnership, joint venture or other entity, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Company as determined by the Board in its discretion.

“Award” or “Awards,” except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options and Non-Qualified Stock Options or any combination of the foregoing.

“Award Agreement” means a written or electronic agreement setting forth the terms and conditions applicable to an Award granted under the Plan. Each Award Agreement may contain terms and conditions in addition to those set forth in the Plan; provided, however, in the event of any conflict in the terms of the Plan and the Award Agreement, the terms of the Plan shall govern.

“Board” means the Board of Directors of the Parent.

“Cause” shall have the meaning as set forth in the Award Agreement(s). In the case that an Award Agreement does not contain a definition of “Cause,” the term “Cause” shall mean (i) the Grantee’s dishonest statements or acts with respect to the Company or any Affiliate, or any current or prospective customers, suppliers, vendors or other third parties with which such entity does business; (ii) the Grantee’s commission of (A) a felony, or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (iii) the Grantee’s failure to perform his or her assigned duties and responsibilities to the reasonable satisfaction of the Company which failure continues, in the reasonable judgment of the Company or an Affiliate, after written notice given to the Grantee by the Company or an Affiliate; (iv) the Grantee’s gross negligence, willful misconduct or insubordination with respect to the Company or any Affiliate; or (v) the Grantee’s material violation of any provision of any agreement(s) between the Grantee and the Company or any Affiliate relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions.

“Chief Executive Officer” means the Chief Executive Officer of the Parent.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and any lawful regulations or pronouncements promulgated thereunder. Whenever reference is made to a specific Code section, such reference shall be deemed to be a reference to any successor Code section or sections with the same or similar purpose.

“Committee” means the entity administering this Plan as provided in Section 2 or, if none has been appointed, then the term Committee shall mean the Board.

“Effective Date” means the date on which the Plan is adopted as set forth on the final page of the Plan.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any lawful regulations or pronouncements promulgated thereunder. Whenever reference is made to a specific ERISA section, such reference shall be deemed to be a reference to any successor ERISA section or sections with the same or similar purpose.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

“Fair Market Value” means, as of any date, the fair market value of a Share determined as follows:

(a) if the Shares are readily tradable on a securities market:

(i) (A) the last sale price before or the first sale price after the grant of the Stock Option, (B) the closing price on the trading day before or the trading day of the grant of the Stock Option, (C) the arithmetic mean of the high and low prices on the trading day before or the trading day of the grant of the Stock Option, or (D) any other reasonable method using actual transactions of Shares as reported on the Nasdaq Stockholm Stock Exchange, or, if applicable, on another national securities exchange on which the Shares are principally traded; or

(ii) the average selling price of a Share on the Nasdaq Stockholm Stock Exchange or another national securities exchange on which the Shares are principally traded during a specified period that is within 30 days before or 30 days after the valuation date, provided that the Committee when making the grant irrevocably specifies the commitment to grant the Stock Option with an exercise price using such an average selling price before the beginning of the specified period. For this purpose, the term “average selling price” refers to the arithmetic mean of such selling prices on all trading days during the specified period, or the average of such prices over the specified period weighted based on the volume of trading of such Shares on each trading day during such specified period. To satisfy this requirement, the Committee must designate the Grantee of the Stock Option, the number of Shares (and class of Shares, if applicable) that are subject to the Stock Option, and the method for determining the exercise price including the period over which the averaging will occur, before the beginning of the specified averaging period. Notwithstanding the forgoing, if applicable foreign law requires that a compensatory Stock Option be priced based upon a specific price averaging method and period, a Stock Option granted in accordance with such applicable foreign law shall be treated as meeting the requirements of this paragraph (a)(ii), provided that the averaging period does not exceed 30 days; or

(b) if the Committee in its sole and absolute discretion determines that Shares are not or cease to be traded on the Nasdaq Stockholm Stock Exchange or another national securities exchange, the “Fair Market Value” of a Share shall be determined in the manner prescribed by the Committee in its sole and absolute discretion.

Notwithstanding the foregoing, the “Fair Market Value” of a Share shall be determined in a manner consistent with Section 409A of the Code.

“Grant Date” means the date that the Committee (or its delegate) designates its approval of an Award in accordance with applicable law as of the date on which the Award is granted, which date may not precede the date of such Committee (or delegate) approval.

“Grantee” means an eligible person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

“Incentive Stock Option” means any Stock Option designated and qualified as an “incentive stock option” as defined in Section 422 of the Code.

“Non-Qualified Stock Option” means any Stock Option that is not an Incentive Stock Option.

“Officer” means a person who has been determined to be an officer of the Company or the Parent under Rule 16a-1(f) of the Exchange Act.

“Option” or “Stock Option” means any option to purchase Shares granted pursuant to Section 5.

“Person” shall mean any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

“Plan” means this LeoVegas NJ LLC 2022 Equity Plan, as amended from time to time.

“Sale Event” means the consummation of (i) the dissolution or liquidation of the Company or the Parent, (ii) the sale of all or substantially all of the assets of the Company or the Parent on a consolidated basis to an unrelated Person, (iii) a merger, reorganization or consolidation of the Company or the Parent, pursuant to which the holders of the respective entity’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity (or its ultimate parent, if applicable), (iv) the acquisition of all or a majority of the outstanding voting equity of the Company or the Parent in a single transaction or a series of related transactions by an unrelated Person or group of Persons, or (v) any other acquisition of the business of the Company or the Parent, as determined by the Board; provided, however, that any subsequent public offering or another capital raising event, or a merger effected solely to change the Company’s or the Parent’s domicile shall not constitute a “Sale Event.” Notwithstanding the foregoing, for purposes of any 409A Award (as that term is defined in Section 8), a transaction or event described above that does not also constitute a “change in control event” within the meaning of Section 409A shall not be treated as a Sale Event.

“Section 409A” means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

“Shares” means ordinary shares, quota value EUR 0.012 per share, of the Parent.

“Ten Percent Owner” means an employee of the Company or a “parent corporation” (as defined in Section 424(e) of the Code) or a “subsidiary corporation” (as defined in Section 424(f) of the Code) who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10 percent of the combined voting power of all classes of stock of the Company, any parent corporation, or any subsidiary corporation.

“Termination Event” means the termination of the Grantee’s employment with, or cessation of the Grantee’s services for, the Company or any Affiliate for any reason whatsoever, regardless of the circumstances thereof, and including, without limitation, upon death, disability, retirement, discharge or resignation for any reason, whether voluntarily or involuntarily. The following shall not constitute a Termination Event: (i) a transfer to the service of the Company from an Affiliate, or from the Company to an Affiliate, or from one Affiliate to another Affiliate, or (ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Committee (or its delegate), if the individual’s right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee (or its delegate) otherwise so provides in writing. For purposes of any 409A Award, a Termination Event shall be limited to the Award Grantee’s death, “disability” (within the meaning of Section 409A), or “separation from service” (within the meaning of Section 409A).

SECTION 2. ADMINISTRATION OF PLAN

(a) Administration of Plan. The Plan shall be administered by the Board, or at the discretion of the Board, by a committee of the Board, which committee shall be comprised of not less than two directors. All references herein to the “Committee” shall be deemed to refer to the group then responsible for administration of the Plan at the relevant time (i.e., either the Board or a committee or committees of the Board, as applicable).

(b) Powers of Committee. The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the individuals to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the amount, if any, of Incentive Stock Options, Non-Qualified Stock Options, or any combination of the foregoing, granted to any one or more Grantees;

(iii) to determine the number of Shares to be covered by any Award and, subject to the provisions of the Plan, the price, exercise price, conversion ratio or other price relating thereto;

(iv) to determine and, subject to Section 9, to modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and Grantees, and to approve the form of Award Agreements and notices and agreements of exercise of the Stock Option;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;

(vi) to impose any limitations on Awards, including limitations on transfers, repurchase provisions and the like, and to exercise repurchase rights or obligations;

(vii) subject to Section 5(a)(ii) and any restrictions imposed by Section 409A, to extend at any time the period in which Stock Options may be exercised;

(viii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable;

(ix) to interpret the terms and provisions of the Plan, any Award (including Award Agreements), and any notice and/or agreement of exercise;

(x) to make all determinations it deems advisable for the administration of the Plan;

(xi) to decide all disputes arising in connection with the Plan; and

(xii) to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Committee (or the Chief Executive Officer or of any other Officer acting under a delegation pursuant to Section 2(c)) shall be binding on all persons, including the Company and all Grantees, and need not be uniform with respect to its determination of Grantees, amount, timing, form, terms or conditions of Awards.

(c) Delegation of Authority. The Committee may delegate its authority, powers, responsibilities and administrative duties under this Plan, including, without limitation, the power to grant one or more Awards to eligible persons under Section 4, to the Chief Executive Officer or one or more other Officers, subject to applicable law and such terms, conditions and limitations as the Committee may establish in its sole discretion; provided, however, that the Committee may not delegate its powers and duties under this Plan with regard to Awards to Officers, members of the Board, or members of the governing body of an Affiliate. A record of all actions taken by the Chief Executive Officer or other Officer to whom the Committee has delegated a portion of its powers or responsibilities shall be filed with the minutes of the meetings of the Committee and shall be made available for review by the Committee upon request. The Company and the Parent shall furnish the Committee with such clerical and other

assistance as is necessary for the performance of the Committee's duties under this Plan. In addition, the Committee may delegate ministerial duties to any other person or persons, and it may employ attorneys, consultants, accountants or other professional advisers.

(d) Award Agreement. Each Award under the Plan shall be evidenced by an Award Agreement that sets forth the terms, conditions and limitations for such Award.

(e) Indemnification. Neither the Board nor the Committee, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Committee (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company or the Parent (as applicable) in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's or the Parent's (as applicable) governing documents, including its certificate of incorporation or bylaws, or any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company or the Parent (as applicable).

(f) Non-U.S. Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws of countries other than the United States in which any Affiliate operates or has employees or other individuals eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Affiliates, if any, shall be covered by the Plan; (ii) determine which individuals, if any, outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws, tax policies, and customs; (iv) establish sub-plans and modify exercise procedures and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such sub-plans and/or modifications shall be attached to the Plan as appendices); provided, however, that no such sub-plans and/or modifications shall increase the share limitation contained in Section 3(a) or shall include any provisions that are inconsistent with the terms of this Plan, as then in effect, unless this Plan could have been amended to eliminate such inconsistency without further approval by the stockholders of the Parent; and (v) take any action, before or after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals.

SECTION 3. SHARES ISSUABLE UNDER THE PLAN; MERGERS AND OTHER TRANSACTIONS; SUBSTITUTION

(a) Shares Issuable. The maximum number of Shares reserved and available for issuance under the Plan shall be 1,000,000 Shares, subject to adjustment as provided in Section 3(b). For purposes of this limitation, the Shares underlying any Awards that are forfeited, canceled, reacquired by the Parent prior to vesting, Awards satisfied without the issuance of Shares or otherwise terminated (other than by exercise), and Shares that are withheld upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding shall be added back to the Shares available for issuance under the Plan. Subject to such overall limitations, Shares may be issued up to such maximum number pursuant to any type or types of

Award, and no more than 1,000,000 Shares may be issued pursuant to Incentive Stock Options. The Shares available for issuance under the Plan may be authorized but unissued Shares, treasury shares, or Shares reacquired by the Parent following original issuance.

(b) Changes in Shares. Subject to Section 3(c), if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Parent's capital stock, the outstanding Shares are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Parent, or additional Shares or new or different shares or other securities of the Parent or other non-cash assets are distributed with respect to such Shares or other securities, in each case, without the receipt of consideration by the Parent, or, if, as a result of any merger or consolidation, or sale of all or substantially all of the assets of the Parent, the outstanding Shares are converted into or exchanged for other securities of the Parent or any successor entity (or a parent or subsidiary thereof), the Committee shall make an appropriate and proportionate adjustment in (i) the maximum number of Shares reserved for issuance under the Plan, (ii) the number and kind of Shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per Share subject to each outstanding Award, and (iv) the exercise price for each Share subject to any then outstanding Stock Options under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of Stock Options) as to which such Stock Options remain exercisable. The adjustment by the Committee shall be final, binding and conclusive. No fractional Shares shall be issued under the Plan resulting from any such adjustment, but the Committee in its discretion may make a cash payment in lieu of fractional Shares.

(c) Sale Events.

(i) In the case of and subject to the consummation of a Sale Event, the Plan and all outstanding Options issued hereunder shall terminate upon the effective time of any such Sale Event unless assumed or continued by the successor entity, or new stock options or other awards of the successor entity or parent thereof are substituted therefor, with an equitable or proportionate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree (after taking into account any acceleration hereunder and/or pursuant to the terms of any Award Agreement).

(ii) Notwithstanding anything to the contrary in this Section 3(c), in the event of the termination of the Plan and all outstanding Options issued hereunder pursuant to Section 3(c)(i), each Grantee of Options shall be permitted, within a period of time prior to the consummation of the Sale Event as specified by the Committee, to exercise all such Options which are then exercisable or will become exercisable as of the effective time of the Sale Event; provided, however, that the exercise of Options not exercisable prior to the Sale Event shall be subject to the consummation of the Sale Event.

(iii) Notwithstanding anything to the contrary in Section 3(c)(i), in the event of a Sale Event, the Company shall have the right, but not the obligation, to make or provide for a cash payment to the Grantees of Options, without any consent of the Grantees, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the value as determined by the Committee of the consideration payable per Share pursuant to the Sale Event

(the “Sale Price”) multiplied by the number of Shares subject to outstanding Options being cancelled (to the extent then vested and exercisable, including by reason of acceleration in connection with such Sale Event, at prices not in excess of the Sale Price), and (B) the aggregate exercise price of all such outstanding vested and exercisable Options.

(iv) In the case of any Stock Option with an exercise price that equals or exceeds the price paid for a Share in connection with the Sale Event, the Committee may cancel the Stock Option without the payment of consideration therefor.

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such full or part-time Officers, employees, managers, consultants and other key persons of the Company who are selected from time to time by the Committee in its sole discretion, or, pursuant to the authority delegated by Section 2(c), by the Chief Executive Officer or other Officer in his or her sole discretion; provided, however, that Awards shall be granted only to those individuals described in Rule 701(c) of the Securities Act, and, to the extent granted by the Chief Executive Officer or other Officer pursuant to authority delegated by the Committee, subject to the restrictions on such authority provided in Section 2(c); provided, further, that to the extent determined by the Committee and set forth in a sub-plan hereto, the Committee may grant Awards to full or part-time Officers, employees, managers, consultants and other key persons of any Affiliate who are selected from time to time by the Committee in its sole discretion.

SECTION 5. STOCK OPTIONS

Upon the grant of a Stock Option, the Company, the Parent and the Grantee shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee (or its delegate), and such terms and conditions may differ among individual Awards and Grantees.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company, a “parent corporation” (as defined in Section 424(e) of the Code), or a “subsidiary corporation” (as defined in Section 424(f) of the Code). To the extent that any Stock Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option and shall be valid as such according to its terms.

(a) Terms of Stock Options. The Committee (or its delegate) in its discretion may grant Stock Options to those individuals who meet the eligibility requirements of Section 4. Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee (or its delegate) shall deem desirable.

(i) Exercise Price. The exercise price per Share for the Shares covered by a Stock Option shall be determined by the Committee (or its delegate) at the time of grant but shall not be less than 130 percent of the share price at Nasdaq Stockholm during the period 16-29 June 2022 calculated on a volume-weighted basis.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee (or its delegate) and set forth in the Award Agreement, but no Incentive Stock Option shall be exercisable more than 10 years from the Grant Date. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five (5) years from the Grant Date.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable and/or vested at such time or times, whether or not in installments, as shall be determined by the Committee (or its delegate) at or after the Grant Date. The Shares issued in connection with a Stock Option may be subject to additional restrictions after exercise as determined by the Committee (or its delegate) at or after the Grant Date. A Grantee shall have the rights of a stockholder of the Parent only as to Shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options. A Grantee shall not be deemed to have acquired any Shares unless and until a Stock Option shall have been exercised pursuant to the terms of the Award Agreement and this Plan and the Grantee's name has been entered on the books of the Parent as a stockholder.

(iv) Method of Exercise. Stock Options may be exercised by a Grantee in whole or in part, by the Grantee giving written or electronic notice of exercise to the Company or the Parent, on a form approved by the Committee, specifying the whole number of Shares to be purchased and such other documentation as may be required by the Committee, the Company or the Parent. Payment of the exercise price may be made by one or more of the following methods (or any combination thereof) to the extent provided in the Award Agreement:

(A) In cash, by certified or bank check, by wire transfer of immediately available funds, or other instrument acceptable to the Committee (or its delegate);

(B) If permitted by the Committee (or its delegate), by the Grantee delivering to the Company or the Parent a promissory note, if the Board has expressly authorized the loan of funds to the Grantee for the purpose of enabling or assisting the Grantee to effect the exercise of his or her Stock Option; provided, that at least so much of the exercise price as represents the quota value of the Shares shall be paid in cash if required by applicable law;

(C) If permitted by the Committee (or its delegate), through the delivery (or attestation to the ownership) of Shares that have been purchased by the Grantee on the open market or that are beneficially owned by the Grantee and are not then subject to restrictions under any Company or Parent plan. To the extent required to avoid variable accounting treatment under ASC 718 or other applicable accounting rules, such surrendered Shares if originally purchased from the Company or Parent shall have been owned by the Grantee for at least six (6) months. Such surrendered Shares shall be valued at Fair Market Value on the exercise date;

(D) If permitted by the Committee (or its delegate), by the Grantee delivering to the Company or the Parent a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company or the Parent (as applicable) cash or a check payable and acceptable to the Company or the Parent (as

applicable) for the exercise price; provided, that in the event the Grantee chooses to pay the exercise price as so provided, the Grantee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee (or its delegate) shall prescribe as a condition of such payment procedure; or

(E) If permitted by the Committee (or its delegate), by a “net exercise” arrangement pursuant to which the Company or the Parent will reduce the number of Shares issuable upon exercise by the largest whole number of Shares with a Fair Market Value that does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. No certificates for Shares so purchased will be issued to the Grantee or, with respect to uncertificated Stock, no transfer to the Grantee on the records of the Parent will take place, until the Parent has completed all steps it has deemed necessary to satisfy legal requirements relating to the issuance and sale of the Shares, which steps may include, without limitation, (i) receipt of a representation from the Grantee at the time of exercise of the Option that the Grantee is purchasing the Shares for the Grantee’s own account and not with a view to any sale or distribution of the Shares or other representations relating to compliance with applicable law governing the issuance of securities, (ii) the legending of the certificate (or notation on any book entry) representing the Shares to evidence the foregoing restrictions, and (iii) obtaining from Grantee payment or provision for all withholding taxes due as a result of the exercise of the Option. The delivery of certificates representing the Shares (or the transfer to the Grantee on the records of the Parent with respect to uncertificated Shares) to be purchased pursuant to the exercise of a Stock Option will be contingent upon (A) receipt from the Grantee (or a purchaser acting in his or her stead in accordance with the provisions of the Stock Option) by the Company or the Parent of the full exercise price for such Shares and the fulfillment of any other requirements contained in the Award Agreement or applicable provisions of laws, and (B) if required by the Parent, the Grantee shall have entered into any stockholders agreements or other agreements with the Parent and/or certain other of the Parent’s stockholders relating to the Shares. In the event a Grantee chooses to pay the exercise price by previously owned Shares through the attestation method, the number of Shares transferred to the Grantee upon the exercise of the Stock Option shall be net of the number of Shares attested to.

(b) Annual Limit on Incentive Stock Options. To the extent required for “incentive stock option” treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the Grant Date) of the Shares with respect to which Incentive Stock Options granted under the Plan and any other plan of the Company, any “parent corporation” (as defined in Section 424(e) of the Code), or any “subsidiary corporation” (as defined in Section 424(f) of the Code) that become exercisable for the first time by a Grantee during any calendar year shall not exceed \$100,000 or such other limit as may be in effect from time to time under Section 422 of the Code. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

(c) Termination. Any portion of a Stock Option that is not vested and exercisable on the date of Grantee’s Termination Event shall immediately expire and be null and void. Once any portion of the Stock Option becomes vested and exercisable, the Grantee’s right to exercise such

portion of the Stock Option shall continue until the earlier of: (i) the date of Grantee's Termination Event; or (ii) the "Expiration Date" set forth in the Award Agreement.

(d) Delivery of Shares. Upon the Grantee's exercise of the Option, the Parent will then deliver the Shares to the Company which will immediately deliver such Shares to the Grantee or, following notice to the Company, the Parent may deliver the Shares directly to the Grantee.

SECTION 6. TRANSFER RESTRICTIONS

(a) Non-Transferability of Stock Options. Stock Options and, prior to exercise, the Shares issuable upon exercise of such Stock Option, shall not be transferable by the Grantee, and all Stock Options shall be exercisable, during the Grantee's lifetime, only by the Grantee, or by the Grantee's legal representative or guardian in the event of the Grantee's incapacity.

(b) Shares. No Shares shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless (i) the transfer is in compliance with the terms of the applicable Award Agreement, all applicable securities laws (including, without limitation, the Securities Act), and with the terms and conditions of this Section 6, (ii) the transfer does not cause the Parent to become subject to the reporting requirements of the Exchange Act, and (iii) the transferee consents in writing to be bound by the provisions of the Plan and the Award Agreement, including this Section 6 (unless otherwise agreed by the Committee). In connection with any proposed transfer, the Committee (or its delegate) may require the transferor to provide at the transferor's own expense an opinion of counsel to the transferor, satisfactory to the Committee (or its delegate), that such transfer is in compliance with all foreign, federal and state securities laws (including, without limitation, the Securities Act). Any attempted transfer of Shares not in accordance with the terms and conditions of this Section 6 shall be null and void, and the Parent shall not reflect on its records any change in record ownership of any Shares as a result of any such transfer, shall otherwise refuse to recognize any such transfer and shall not in any way give effect to any such transfer of Shares. The Parent shall be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity including, without limitation, seeking specific performance or the rescission of any transfer not made in strict compliance with the provisions of this Section 6.

SECTION 7. TAX WITHHOLDING

(a) Payment by Grantee. Each Grantee shall, no later than the date as of which the value of an Award or of any Shares or other amounts received thereunder first becomes includable in the gross income of the Grantee for income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee (or its delegate) regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company, the Parent, and any Affiliate shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Grantee. The Parent's obligation to deliver stock certificates (or evidence of book entry) to any Grantee is subject to and conditioned on any such tax withholding obligations being satisfied by the Grantee.

(b) Payment in Shares. The Company’s tax withholding obligation may be satisfied, in whole or in part, by the Company withholding from Shares to be issued pursuant to an Award a number of Shares having an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the minimum withholding amount due or such higher amount elected by the Grantee under applicable law.

SECTION 8. SECTION 409A OF THE CODE

For Federal income tax purposes, the Plan and the Awards granted hereunder are intended to be either exempt from, or compliant with, Section 409A. This Plan and all Awards granted hereunder shall be interpreted in a manner consistent with these intentions. Neither the Company nor the Parent makes any representation or warranty and shall have no liability to any Grantee under the Plan or to any other Person with respect to any penalties or taxes under Section 409A that are, or may be, imposed with respect to any Award.

To the extent that any Award is determined to constitute “nonqualified deferred compensation” within the meaning of Section 409A (a “409A Award”), the Award shall be subject to such additional rules and requirements as may be specified by the Committee (or its delegate) from time to time. In this regard, if any amount under a 409A Award is payable upon a “separation from service” (within the meaning of Section 409A) to a Grantee who is considered a “specified employee” (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six (6) months and one (1) day after the Grantee’s separation from service, or (ii) the Grantee’s death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A.

SECTION 9. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan, and the Committee (or its delegate) may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the consent of the Grantee of the Award. The Committee (or its delegate) may exercise its discretion to reduce the exercise price of outstanding Stock Options or effect repricing through cancellation of outstanding Stock Options and by granting such Grantees new Awards in replacement of the cancelled Stock Options. To the extent determined by the Committee (or its delegate) to be required either by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code or otherwise, Plan amendments shall be subject to approval by the Parent stockholders entitled to vote at a meeting of stockholders. Nothing in this Section 9 shall limit the Board’s or Committee’s authority to take any action permitted pursuant to Section 3(b) or Section 3(c). The Board reserves the right to amend the Plan and/or the terms of any outstanding Stock Options to the extent reasonably necessary to comply with the requirements of the exemption pursuant to paragraph (f)(4) of Rule 12h-1 of the Exchange Act.

SECTION 10. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Shares or other consideration not received by a Grantee, a Grantee shall have no rights greater than those of a general creditor of the Company unless the Committee shall otherwise expressly so determine in connection with any Award.

SECTION 11. GENERAL PROVISIONS

(a) No Implied Rights to Awards or Employment. No individual shall have the right to be selected to receive an Award under this Plan, or, having been so selected, to be selected to receive a future Award. The Committee's determination under the Plan (including, without limitation, determination of the officers and key employees who shall be granted Awards, the form, amount and timing of such Awards, the terms and conditions of Awards and the Award Agreements and the establishment of any performance objectives) need not be uniform and may be made by it selectively among eligible Grantees who receive or are eligible to receive Awards under the Plan, whether or not such eligible Grantees are similarly situated. Neither this Plan nor any Award thereunder shall be construed as giving any individual any right to continued employment with or the performance of services for the Company or any Affiliate. The Plan does not constitute a contract of employment, and the Company and each Affiliate expressly reserve the right at any time to terminate employees free from liability, or any claim, under this Plan, except as may be specifically provided in this Plan or in an Award Agreement.

(b) Other Compensation Plans. Nothing contained in this Plan prevents the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required, and such arrangements may be either generally applicable or applicable only in specific cases.

(c) Sub-Plans. The Committee may from time to time establish sub-plans under the Plan for purposes of satisfying securities, tax or other laws of various jurisdictions in which the Company or an Affiliate intends to grant Awards. Any sub-plan shall contain such limitations and other terms and conditions as the Committee determines are necessary or desirable. All sub-plans shall be deemed a part of the Plan, but each sub-plan shall apply only to the Grantees in the jurisdiction for which the sub-plan was designed.

(d) Delivery of Stock Certificates. Stock certificates to Grantees under the Plan shall be deemed delivered for all purposes when the Parent or a stock transfer agent of the Parent shall have mailed such certificates, addressed to the Grantee, at the Grantee's last known address on file with the Parent; provided that stock certificates to be held in escrow pursuant to Section 6 shall be deemed delivered when the Parent shall have recorded the issuance in its records. Uncertificated Shares shall be deemed delivered for all purposes when the Parent or a stock transfer agent of the Parent shall have given to the Grantee by electronic mail (with proof of receipt) or by mail, addressed to the Grantee, at the Grantee's last known address on file with the Parent, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records).

(e) Trading Policy Restrictions. Stock Option exercises under the Plan shall be subject to the Company's and the Parent's insider trading policy-related restrictions, terms and conditions as may be established by the Committee, or in accordance with policies set by the Committee, from time to time.

(f) Information to Grantees of Options. In the event the Parent is relying on the exemption from the registration requirements of Section 12(g) of the Exchange Act contained in paragraph (f)(1) of Rule 12h-1 of the Exchange Act, the Parent shall provide the information described in Rule 701(e)(3), (4) and (5) of the Securities Act to all Grantees of Options in accordance with the requirements thereunder. The foregoing notwithstanding, the Parent shall not be required to provide such information unless the Grantee has agreed in writing, on a form prescribed by the Parent, to keep such information confidential.

(g) Unfunded Plan. For purposes of ERISA, this Plan and the Awards granted hereunder are intended to constitute an unfunded plan of incentive compensation and are not intended to provide retirement income, to result in a deferral of income for periods extending to the termination of employment or beyond, or to provide welfare benefits, and it shall be so construed and administered. This Plan shall be unfunded and shall not create (or be construed to create) a trust or a separate fund or funds. This Plan shall not establish any fiduciary relationship between the Parent, the Company or any Affiliate and any Grantee or any other person. To the extent any person holds any rights by virtue of an Award granted under this Plan, such rights shall be no greater than the rights of an unsecured general creditor of the Company, the Parent, or any Affiliate.

(h) No Corporate Action Restriction. The existence of the Plan, any Award Agreement and/or the Awards granted hereunder shall not limit, affect or restrict in any way the right or power of the Board or the stockholders of the Parent to make or authorize (a) any adjustment, recapitalization, reorganization or other change in the Parent's, the Company's or any Affiliate's capital structure or business, (b) any merger, consolidation or change in the ownership of the Parent, the Company, or any Affiliate, (c) any issue of bonds, debentures, capital, preferred or prior preference stocks ahead of or affecting the Parent's, the Company's, or any Affiliate's capital stock or the rights thereof, (d) any dissolution or liquidation of the Parent, the Company, or any Affiliate, (e) any sale or transfer of all or any part of the Parent's, the Company's, or any Affiliate's assets or business, or (f) any other corporate act or proceeding by the Parent, the Company, or any Affiliate. No Grantee, beneficiary, or any other person shall have any claim against any member of the Board or the Committee, the Parent, the Company, or any Affiliate, or any employees, officers, stockholders or agents of the Parent, the Company, or any Affiliate, as a result of any such action.

(i) Successors. All obligations of the Company with respect to Awards granted under this Plan are binding on any successor to the Company, whether as a result of a direct or indirect purchase, merger, consolidation or otherwise of all or substantially all of the business and/or assets of the Company.

(j) Severability. In the event any provision of this Plan or an Award Agreement, or the application thereof to any person or circumstances, is held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Plan or the Award

Agreement, or other applications, and this Plan and the Award Agreements are to be construed and enforced as if the illegal or invalid provision had not been included.

(k) Use of Electronic Media and Written Communications. All Plan notices and all Grantee or beneficiary notices, designations, elections, consents or waivers must be in writing (which may include an electronic communication) and made in a form the Plan specifies or otherwise approves. Any person entitled to notice under the Plan may waive the notice or shorten the notice period unless such actions are contrary to applicable law. The Plan, using any electronic medium, may give or receive any Plan notice, communicate any Plan policy, conduct any written Plan communication, satisfy any Plan filing or other compliance requirement and conduct any other Plan transaction to the extent permissible under applicable law. A Grantee, a Grantee's spouse, or a beneficiary, may use any electronic medium to provide any beneficiary designation, election, notice, consent or waiver under the Plan, to the extent permissible under applicable law. Any reference in this Plan to a "form," a "notice," an "election," a "consent," a "waiver," a "designation," a "policy" or to any other Plan-related communication includes an electronic version thereof as permitted under applicable law.

SECTION 12. EFFECTIVE DATE OF PLAN

The Plan shall become effective upon adoption by the Board and shall be approved by stockholders of the Parent in accordance with applicable law and the Parent's governing documents within 12 months thereafter. If the stockholders of the Parent fail to approve the Plan within 12 months after its adoption by the Board, then any Awards granted or sold under the Plan shall be rescinded and no additional grants or sales shall thereafter be made under the Plan. Subject to such approval by stockholders of the Parent and to the requirement that no Shares may be issued hereunder prior to such approval, Stock Options and other Awards may be granted hereunder on and after adoption of the Plan by the Board. No grants of Stock Options and other Awards may be made hereunder after the 10th anniversary of the date the Plan is adopted by the Board or the date the Plan is approved by the stockholders of the Parent, whichever is earlier.

SECTION 13. GOVERNING LAW; JURISDICTION; WAIVER OF JURY TRIAL

(a) Governing Law. To the extent not preempted by Federal law, this Plan and all Award Agreements pursuant thereto are construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflict of laws.

(b) Jurisdiction; Waiver of Jury Trial. Any suit, action or proceeding with respect to this Plan or any Award Agreement, or any judgment entered by any court of competent jurisdiction in respect of any thereof, shall be resolved only in the courts of the State of New Jersey or the United States District Court for the District of New Jersey and the appellate courts having jurisdiction of appeals in such courts. In that context, and without limiting the generality of the foregoing, the Company and each Grantee shall irrevocably and unconditionally (i) submit in any proceeding relating to this Plan or any Award Agreement, or for the recognition and enforcement of any judgment in respect thereof (a "Proceeding"), to the exclusive jurisdiction of the courts of the State of New Jersey, the United States District Court for the District of New Jersey, and appellate courts having jurisdiction of appeals from any of the foregoing, and agree that all claims in respect of any such Proceeding shall be heard and determined in such New

Jersey state court or, to the extent permitted by law, in such federal court, (ii) consent that any such Proceeding may and shall be brought in such courts and waives any objection that the Company and each Grantee may now or thereafter have to the venue or jurisdiction of any such Proceeding in any such court or that such Proceeding was brought in an inconvenient forum and agree not to plead or claim the same, (iii) waive all right to trial by jury in any Proceeding (whether based on contract, tort or otherwise) arising out of or relating to this Plan or any Award Agreement, (iv) agree that service of process in any such Proceeding may be effected by mailing a copy of such process by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party, in the case of a Grantee, at the Grantee's address shown in the books and records of the Company or, in the case of the Company, at the Company's principal offices, attention General Counsel, and (v) agree that nothing in this Agreement shall affect the right to effect service of process in any other manner permitted by the laws of the State of New Jersey.