

## [Year] EQUITY INCENTIVE PLAN

### NOTICE OF GRANT

Optionee Name  
Address  
City, State Zip

We are pleased to notify you that [Company Name] (“Company”) hereby grants to you an option to purchase all or any part of a number of shares of the Common Stock of the Company as specified below at the price per share specified below (“Exercise Price”), under the Company’s [Year] Equity Incentive Plan (“Plan”).

This option cannot be exercised unless you have signed this document in the place provided and returned it to the Company. However, your signing and delivering this agreement will not bind you to purchase any of the shares subject to the option. Your obligation to purchase shares can arise only when you exercise this option in the manner set forth below and in paragraph 1 of the attached “Terms and Conditions”.

This option is subject to and may be exercised only in accordance with the “Terms and Conditions of Option” attached hereto and a part of this Notice of Grant, and by the terms and conditions of the Plan. Only certain provisions of the Plan are incorporated into this Agreement. A copy of the Plan is available for your information from the Company.

Board Approval Date:

Date of Grant:

Initial Vesting Date:

Exercise Price Per Share:

Total Number of Shares Granted (“Shares”):

Total Exercise Price:

Type of Option:

Term/Expiration Date:

(10 years after date of grant)

Vesting Schedule:

This Option shall be immediately exercisable and shall vest in accordance with the following schedule: one half (1/4) of the total number of Shares shall vest as of the Initial Vesting Date. One-

twenty-fourth (1/48th) of the Shares shall vest after each full month Purchaser remains a continuous Service Provider to the Company after the Initial Vesting Date. In the event of a Change of Control, the Company's Repurchase Option shall lapse with respect to 33.33% of the Unreleased Shares at the effective time of Change of Control.

Termination Period:

This Option may be exercised for three (3) months after termination of employment or consulting relationship except as set out in Sections 9(d) of the Plan (relating to Disability) and 9(e) of the Plan (relating to Death), but in no event later than the expiration date.

By your signature and the signature of the Company's representative below, you and the Company agree that this Option is granted under and governed by the terms and conditions of the 2001 Equity Incentive Plan and the Stock Option Agreement, both of which are attached and made a part of this document.

**PURCHASER:**

**COMPANY:**

Purchaser Name

Your Company

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one document.

Your Company.

By: \_\_\_\_\_  
Name:  
Title:

PURCHASER ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE OPTION HEREOF IS EARNED ONLY BY CONTINUING CONSULTANCY OR EMPLOYMENT AT THE WILL OF THE COMPANY (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS OPTION OR ACQUIRING SHARES HEREUNDER). PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE COMPANY'S EQUITY INCENTIVE PLAN WHICH IS INCORPORATED HEREIN BY REFERENCE, SHALL CONFER UPON PURCHASER ANY RIGHT WITH RESPECT TO CONTINUATION OF EMPLOYMENT OR CONSULTANCY BY THE COMPANY, NOR SHALL IT INTERFERE IN ANY WAY WITH PURCHASER'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE PURCHASER'S EMPLOYMENT OR CONSULTANCY AT ANY TIME, WITH OR WITHOUT CAUSE.

Purchaser acknowledges receipt of a copy of the Equity Incentive Plan and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Option subject to all of the terms and provisions thereof. Purchaser has reviewed the Plan and this Option in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Option and fully understands all provisions of the Option. Purchaser hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Option.

Dated: \_\_\_\_\_, 2001

\_\_\_\_\_  
Purchaser name

**TERMS AND CONDITIONS OF OPTION**  
**[Your Company]**  
**[Year] EQUITY INCENTIVE PLAN**

This statement of terms and conditions, together with the accompanying grant agreement, comprise your Option Agreement. This Option Agreement is subject to the provisions of the 2001 Equity Incentive Plan, and capitalized terms used herein are defined in such Plan.

1. Term of Option and Exercise of Option. You may exercise the option and purchase the number of shares indicated in the grant agreement on or after the applicable Vesting Date. This Option may not be exercised until after the stockholders of the Company approve the Plan in the manner set forth in the Plan. This option may be exercised by delivering to the Finance Department of the Company full payment for an amount equal to the total exercise price of such shares, and a written or electronic notice in a form satisfactory to the Company, signed by you specifying the number of shares you then desire to purchase. Payment may be made by cashier's check or money order. Certificates for shares so purchased will be issued as soon as practicable, but no fractional shares shall be delivered. As a holder of an option, you shall have the rights of a shareholder with respect to the shares subject to this option only after such shares shall have been issued to you upon the exercise of this option. The Company shall not be obligated to deliver any shares hereunder for such period as may be required for it with reasonable diligence to comply with applicable federal or state statutes.
2. Termination of Employment. If your employment with the Company is terminated for any reason other than death, Disability or Misconduct, this option will expire three (3) months following your date of termination, and may be exercised to the extent it was vested on your date of termination. In no event may this option be exercised after ten (10) years after the Grant Date. If, however, you are discharged from the employ of the Company for Misconduct as defined in the Plan, this option shall expire upon termination of your employment.
3. Retirement, Death or Disability. If you die or are disabled while employed by the Company, the option will expire twelve (12) months following the date of your death or Disability. This option may then be exercised to the extent vested on the date of your death or Disability. In no event may this option be exercised after ten (10) years after the Grant Date.
4. Nontransferability of Option. This option shall not be transferable except by will, the laws of descent and distribution. Any other purported transfer or assignment of this option shall be void and of no effect, and shall give the Company the right to terminate this option as of the date of such purported transfer or assignment.
5. Employment Relationship. Nothing in this Agreement shall confer on you any right to continue in the employ of the Company, or shall interfere with or restrict the

rights of the Company, which are hereby expressly reserved, to discharge you at any time, with or without cause.

6. Taxes Due at Exercise. You will be required to pay, promise to pay, or cause to be paid to the Company the amount of taxes, if any, required to be withheld under federal and/or state law pursuant to exercising this option. Such payment may be made by cashier's check or money order or by withholding from other compensation or a combination of the above

7. Compliance with Law.

(a) Notwithstanding any of the provisions hereof, the Optionee hereby agrees that he/she will not exercise the Options, and that the Company will not be obligated to issue or transfer any shares of Stock to the Optionee hereunder, if the exercise hereof or the issuance or transfer of such shares shall constitute a violation of any relevant provisions of law, including, without limitation, the Securities Act, the rules and regulation promulgated thereunder and state securities laws, and shall be subject to the approval of counsel for the Company with respect to compliance. Any determination in this connection shall be made by the Administrator, and shall be final, binding and conclusive. The Company shall not be obligated to register any securities pursuant to the Securities Act or Applicable Laws, or to take any other affirmative action in order to cause the exercise of the Options or the issuance or transfer of shares of Stock pursuant thereto to comply with any Applicable Laws.

(b) Optionee represents and warrants to the Company that the shares of Stock underlying the Option are being purchased only for investment and without any intention to sell or distribute such shares.

8. Disposition of Stock. If stock acquired upon exercise of an Incentive Stock Option ("ISO") is disposed of in a "disqualifying disposition" with the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, the holder of the stock immediately before the disposition shall notify the Company in writing of the date and terms of the disposition and comply with any other requirements imposed by the Company in order to enable the Company to secure any related income tax deductions to which it is entitled.

**Notice or Exercise of Stock Option  
Cash Payment of Exercise Price**

Gentlemen:

This letter constitutes an unconditional and irrevocable notice that I hereby exercise (certain of) the stock option(s) granted to me by [Your company] a [State of Incorporation] corporation (the "Company") on \_\_\_\_\_. Pursuant to the terms of such option(s), I wish to purchase \_\_\_\_\_ shares of the common stock covered by such option(s) at the exercise price(s) of \$\_\_\_\_ per share. Enclosed is a check for \$\_\_\_\_\_ in full payment of the exercise price. These shares should be registered and delivered as follows:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Social Security Number: \_\_\_\_\_

I represent that I: (i) am acquiring these shares for the purpose of investment and not with a view to distribution and will not dispose of such shares in any manner that would involve a violation of applicable securities laws; (ii) have been advised and understand that these shares have not been registered under the Securities Act of 1933 (the "Act"), are "restricted securities" within the meaning of Rule 144 under the Act, are subject to restrictions on transfer and that the Company is under no obligation to register these shares under the Act or to take any action which would make available to me any exemption from such registration; and (iii) understand that the certificates for such shares shall bear an appropriate legend restricting transfer in accordance with applicable securities laws and the terms of my Stock Option Agreement.

I also confirm my understanding that the grant of the options to me is subject to all provisions, including the non-transferability and transfer restrictions, set forth in the Company's Equity Incentive Plan.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Printed Name)