

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 17, 2018

INPIXON

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

001-36404

(Commission File Number)

88-0434915

(I.R.S. Employer
Identification No.)

2479 E. Bayshore Road, Suite 195
Palo Alto, CA

(Address of principal executive offices)

94303

(Zip Code)

Registrant's telephone number, including area code: (408) 702-2167

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On May 17, 2018, Inpixon (the “Company”) received a letter from the Listing Qualifications Staff of The Nasdaq Stock Market LLC (“Nasdaq”) indicating that, based upon the closing bid price of the Company’s common stock for the last 30 consecutive business days beginning on April 5, 2018 and ending on May 16, 2018, the Company no longer meets the requirement to maintain a minimum bid price of \$1 per share, as set forth in Nasdaq Listing Rule 5550(a)(2).

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company has been provided a period of 180 calendar days, or until November 13, 2018, in which to regain compliance. In order to regain compliance with the minimum bid price requirement, the closing bid price of the Company’s common stock must be at least \$1 per share for a minimum of ten consecutive business days during this 180-day period. In the event that the Company does not regain compliance within this 180-day period, the Company may be eligible to seek an additional compliance period of 180 calendar days if it meets the continued listing requirement for market value of publicly held shares and all other initial listing standards for the Nasdaq Capital Market, with the exception of the bid price requirement, and provides written notice to Nasdaq of its intent to cure the deficiency during this second compliance period, by effecting a reverse stock split, if necessary. However, if it appears to the Nasdaq staff that the Company will not be able to cure the deficiency, or if the Company is otherwise not eligible, Nasdaq will provide notice to the Company that its common stock will be subject to delisting.

The Notice does not result in the immediate delisting of the Company’s common stock from the Nasdaq Capital Market. The Company intends to monitor the closing bid price of the Company’s common stock and consider its available options in the event that the closing bid price of the Company’s common stock remains below \$1 per share. There can be no assurance that the Company will be able to regain compliance with the minimum bid price requirement or maintain compliance with the other listing requirements.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Amendment to the 2018 Plan

On May 17, 2018, the board of directors of the Company adopted the Amendment No. 1 to the 2018 Employee Stock Incentive Plan (the “Plan”) to, among other things, (i) reduce the limit on the aggregate fair market value of incentive stock options to \$100,000 in accordance with the requirements of Section 422 of the Internal Revenue Code of 1986, as amended, and (ii) remove the limit on the amount of stock options that can be issued under the Plan, which are not treated as incentive stock options (the “Amendment”).

The foregoing description is qualified in its entirety by reference to the Amendment, a copy of which is attached hereto as Exhibit 4.1, and incorporated herein by reference.

Adoption of Option Agreements

On the same date, the Company adopted forms of the incentive stock option agreement and the non-qualified stock option agreement, which will be used as templates for future stock option grants to be awarded to eligible persons under the Plan. These agreements contain terms that are consistent with the Plan. The forms of these agreements are attached hereto as Exhibits 10.1 and 10.2, and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
4.1*	Amendment No. 1 to the 2018 Employee Stock Incentive Plan.
10.1*	Form of Incentive Stock Option Agreement.
10.2*	Form of Non-Qualified Stock Option Agreement.

*Filed herewith

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 18, 2018

INPIXON

By: /s/ Nadir Ali
Name: Nadir Ali
Title: Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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10.2*	Form of Non-Qualified Stock Option Agreement.

*Filed herewith

**AMENDMENT NO. 1
TO THE
INPIXON
2018 EMPLOYEE STOCK INCENTIVE PLAN**

This Amendment No. 1 (the "Amendment") to the Inpixon 2018 Employee Stock Incentive Plan (the "Plan") is made pursuant to Section 12 of the Plan. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Plan.

WHEREAS, the Plan was approved and adopted by the board of directors (the "Board") of Inpixon (the "Company") on January 4, 2018 and approved by the stockholders of the Company on February 2, 2018;

WHEREAS, Section 12.2 of the Plan provides that the Board may modify or amend the Plan in whole or in part and from time to time in such respects as it deems advisable;

WHEREAS, the Board has determined that it is in the best interest of the Company and its stockholders to amend the Plan to, among other things, (i) reduce the limit on the aggregate Fair Market Value of Incentive Stock Options to \$100,000 in accordance with the requirements of Section 422 of the Code and (ii) remove the limit on the amount of Stock Options that can be issued under the Plan, which are not treated as Incentive Stock Options; and

WHEREAS, stockholder approval is not required to effect this Amendment.

NOW THEREFORE, the Plan is amended as follows:

1. Section 4.2. Section 4.2 is hereby deleted in its entirety and replaced with the following:

4.2. Maximum Stock Option Grant. With respect to Stock Options which are intended to qualify as Incentive Stock Options, the aggregate Fair Market Value (determined as of the time the Stock Option is granted) of the Common Stock with respect to which Incentive Stock Options granted to any participant (whether under this Plan or under any other stock option plan of the Company or its Subsidiaries) become exercisable for the first time in any calendar year, may not exceed \$100,000. Notwithstanding the forgoing, nothing contained in the Plan shall be construed to prohibit the grant of Stock Options under the Plan to an Eligible Person by reason of such person holding Stock Options to purchase shares of Common Stock or any other securities of the Company granted otherwise than under the Plan.

2. Section 12.2(ix). Section 12.2(ix) is hereby deleted in its entirety.

In all other respects, the terms and conditions of the Plan shall remain the same.

[Signature page follows.]

IN WITNESS WHEREOF, the Company has adopted this Amendment, effective as of the 17th day of May, 2018.

INPIXON

By: /s/ Nadir Ali
Name: Nadir Ali
Title: Chief Executive Officer

INPIXON
2018 EMPLOYEE STOCK INCENTIVE PLAN
INCENTIVE STOCK OPTION AGREEMENT

This INCENTIVE STOCK OPTION AGREEMENT (this "**Agreement**"), dated as of the ___ day of _____, 20___, is between Inpixon, a Nevada corporation (the "**Company**"), and _____ (the "**Optionee**"), a key employee of the Company or of a subsidiary of the Company (a "**Related Company**"), pursuant to the Inpixon 2018 Employee Stock Incentive Plan, as amended from time to time (the "**Plan**"). Any capitalized terms not otherwise defined herein shall have the meaning given to it in the Plan.

WHEREAS, the Company desires to give the Optionee the opportunity to purchase shares of common stock of the Company, par value \$0.001 per share ("**Common Shares**"), in accordance with the provisions of the Plan;

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Grant of Option. The Company hereby grants to the Optionee the right and option (the "**Option**") to purchase all or any part of an aggregate of _____ Common Shares. The Option is in all respects limited and conditioned as hereinafter provided, and is subject in all respects to the terms and conditions of the Plan now in effect and as it may be amended from time to time (but only to the extent that such amendments apply to outstanding options). Such terms and conditions are incorporated herein by reference, made a part hereof, and shall control in the event of any conflict with any other terms of this Agreement. The Option granted hereunder is intended to be an incentive stock option ("**ISO**") meeting the requirements of the Plan and Section 422 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and not a nonqualified stock option ("**NQSO**") [provided, however, that up to _____ of the Common Shares will be deemed to be an NQSO, unless the Company receives stockholder approval to increase the aggregate number of ISOs available for grant in accordance with the terms of the Plan and the requirements of Section 422 of the Code].

2. Exercise Price. The exercise price of the Common Shares covered by the Option shall be \$_____ per share. It is the determination of the Company's Board of Directors (the "**Board**") or a committee designated by the Board administering the Plan (the "**Committee**") that on the date of grant (the "**Grant Date**") the exercise price was not less than the greater of (i) 100% (110% for an Optionee who owns more than 10% of the total combined voting power of all shares of stock of the Company or of a Related Company - a "**More-Than-10% Owner**") of the "Fair Market Value" of a Common Share, or (ii) the par value of a Common Share.

3. Term. Unless earlier terminated pursuant to any provision of the Plan or of this Agreement, the Option shall expire on _____ (the "**Expiration Date**"), which date is not more than ten (10) years (five (5) years in the case of a More-Than-10% Owner) from the Grant Date. The Option shall not be exercisable on or after the Expiration Date.

4. Exercise of Option. The Option shall vest and become immediately exercisable [to the extent of _____ shares on the Grant Date and to the remaining _____ shares in _____ increments on each of the first _____ anniversary dates from the Grant Date].

5. Method of Exercising Option. Subject to the terms and conditions of this Agreement and the Plan, the Option may be exercised by written notice to the Company at its principal office. The form of such notice is attached hereto and shall state the election to exercise the Option and the number of whole shares with respect to which it is being exercised; shall be signed by the person or persons so exercising the Option; and shall be accompanied by payment of the full exercise price of such shares. Only full shares will be issued.

The exercise price shall be paid to the Company:

- (a) in cash, or by certified check, bank draft, or postal or express money order;
 - (b) through the delivery of Common Shares previously acquired by the Optionee;
-

(c) by delivering a properly executed notice of exercise of the Option to the Company and a broker, with irrevocable instructions to the broker promptly to deliver to the Company the amount necessary to pay the exercise price of the Option;

(d) in Common Shares newly acquired by the Optionee upon exercise of the Option (which shall constitute a disqualifying disposition with respect to this ISO); or

(e) in any combination of (a), (b), (c) or (d) above.

(f) Cashless Exercise. If elected the Optionee and permitted by the Board, the Optionee may exercise all or a portion of the Option, without a cash payment of the Exercise Price, through a reduction in the number of Common Shares issuable upon the exercise of the Option. Such reduction may be effected by designating that the number of Common Shares issuable to the Optionee upon such exercise shall be reduced by the number of Common Shares having an aggregate Fair Market Value as of the date of exercise equal to the amount of the aggregate purchase price for such exercise as to the number of Common Shares to be issued to the Optionee upon such exercise.

(g) Other Forms of Consideration. If elected the Optionee and permitted by the Board, the Optionee may exercise all or a portion of the Option (i) by cancellation of indebtedness of the Company to the Optionee; (ii) by waiver of consideration due to the Optionee for services rendered; (iii) by a combination of the foregoing or (iv) other forms of consideration permitted by the Board and not inconsistent with the Plan.

In the event the exercise price is paid, in whole or in part, with Common Shares, the portion of the exercise price so paid shall be equal to the Fair Market Value of the Common Shares surrendered on the date of exercise.

Upon receipt of notice of exercise and payment, the Company shall deliver a certificate or certificates representing the Common Shares with respect to which the Option is so exercised. The Optionee shall obtain the rights of a shareholder upon receipt of a certificate(s) representing such Common Shares.

Such certificate(s) shall be registered in the name of the person so exercising the Option (or, if the Option is exercised by the Optionee and if the Optionee so requests in the notice exercising the Option, shall be registered in the name of the Optionee and the Optionee's spouse, jointly, with right of survivorship), and shall be delivered as provided above to, or upon the written order of, the person exercising the Option. In the event the Option is exercised by any person after the death or disability (as determined in accordance with Section 22(e)(3) of the Code) of the Optionee, the notice shall be accompanied by appropriate proof of the right of such person to exercise the Option. All Common Shares that are purchased upon exercise of the Option as provided herein shall be fully paid and non-assessable.

Upon exercise of the Option, the Optionee shall be responsible for all employment and income taxes then or thereafter due (whether federal, State or local), and if the Optionee does not remit to the Company sufficient cash (or, with the consent of the Committee, Common Shares) to satisfy all applicable withholding requirements, the Company shall be entitled to satisfy any withholding requirements for any such tax by disposing of Common Shares at exercise, withholding cash from the Optionee's salary or other compensation or such other means as the Committee considers appropriate to the fullest extent permitted by applicable law. Nothing in the preceding sentence shall impair or limit the Company's rights with respect to satisfying withholding obligations under Section 13 of the Plan.

6. Non-Transferability of Option. The Option is not assignable or transferable, in whole or in part, by the Optionee other than by will or by the laws of descent and distribution. During the lifetime of the Optionee, the Option shall be exercisable only by the Optionee or, in the event of his or her disability, by his or her guardian or legal representative.

7. Termination of Employment. If the Optionee's employment with the Company and all Related Companies is terminated for any reason (other than death or disability or for cause as defined in the Plan) prior to the Expiration Date, then the Option may be exercised by the Optionee, to the extent of the number of Common Shares with respect to which the Optionee could have exercised it on the date of such termination of employment, at any time prior to the earlier of (i) the Expiration Date, or (ii) three months after such termination of employment. Any part of the Option that was not exercisable immediately before the termination of the Optionee's employment shall terminate at that time.

8. Disability. If the Optionee becomes disabled (as determined in accordance with section 22(e)(3) of the Code) during his or her employment and, prior to the Expiration Date, the Optionee's employment is terminated as a consequence of such disability, then the Option may be exercised by the Optionee or by the Optionee's legal representative, to the extent of the number of Common Shares with respect to which the Optionee could have exercised it on the date of such termination of employment at any time prior to the earlier of (i) the Expiration Date or (ii) one year after such termination of employment. Any part of the Option that was not exercisable immediately before the Optionee's termination of employment shall terminate at that time.

9. Death. If the Optionee dies during his or her employment and prior to the Expiration Date, the Optionee's employment is terminated as a consequence of such death, then the Option may be exercised by the Optionee's estate, personal representative or beneficiary who acquired the right to exercise the Option by bequest or inheritance or by reason of the Optionee's death, to the extent of the number of Common Shares with respect to which the Optionee could have exercised it on the date of his or her death, at any time prior to the earlier of (i) the Expiration Date or (ii) one year after the date of the Optionee's death. Any part of the Option that was not exercisable immediately before the Optionee's death shall terminate at that time.

10. Disqualifying Disposition of Option Shares. The Optionee agrees to give written notice to the Company, at its principal office, if a "disposition" of the Common Shares acquired through exercise of the Option granted hereunder occurs at any time within two years after the Grant Date or within one year after the transfer to the Optionee of such shares. The Optionee acknowledges that if such disposition occurs, the Optionee generally will recognize ordinary income as of the date the Option was exercised in an amount equal to the lesser of (i) the Fair Market Value of the Common Shares on the date of exercise minus the exercise price, or (ii) the amount realized on disposition of such shares minus the exercise price. If requested by the Company at the time of and in the case of any such disposition, the Optionee shall pay to the Company an amount sufficient to satisfy the Company's federal, state and local withholding tax obligations with respect to such disposition. The provisions of this Section 10 shall apply, whether or not the Optionee is in the employ of the Company at the time of the relevant disposition. For purposes of this Paragraph, the term "disposition" shall have the meaning assigned to such term by section 424(c) of the Code.

11. Securities Matters.

(a) If, at any time, counsel to the Company shall determine that the listing, registration or qualification of the Common Shares subject to the Option upon any securities exchange or under any state or federal law, or the consent or approval of any governmental or regulatory body, or that the disclosure of non-public information or the satisfaction of any other condition is necessary as a condition of, or in connection with, the issuance or purchase of Common Shares hereunder, such Option may not be exercised, in whole or in part, unless such listing, registration, qualification, consent or approval, or satisfaction of such condition shall have been effected or obtained on conditions acceptable to the Board. The Company shall be under no obligation to apply for or to obtain such listing, registration or qualification, or to satisfy such condition. The Committee shall inform the Optionee in writing of any decision to defer or prohibit the exercise of the Option. During the period that the effectiveness of the exercise of the Option has been deferred or prohibited, the Optionee may, by written notice, withdraw the Optionee's decision to exercise and obtain a refund of any amount paid with respect thereto.

(b) The Company may require: (i) the Optionee (or any other person exercising the Option in the case of the Optionee's death or disability) as a condition of exercising the Option, to give written assurances, in substance and form satisfactory to the Company, to the effect that such person is acquiring the Common Shares subject to the Option for his or her own account for investment and not with any present intention of selling or otherwise distributing the same, and to make such other representations or covenants; and (ii) that any certificates for Common Shares delivered in connection with the exercise of the Option bear such legends, in each case as the Company deems necessary or appropriate, in order to comply with federal and applicable state securities laws, to comply with covenants or representations made by the Company in connection with any public offering of its Common Shares or otherwise. The Optionee specifically understands and agrees that the Common Shares, if and when issued upon exercise of the Option, may be "restricted securities," as that term is defined in Rule 144 under the Securities Act of 1933, as amended (the "**Securities Act**"), and, accordingly, the Optionee may be required to hold the shares indefinitely unless they are registered under such Securities Act or an exemption from such registration is available.

(c) The Optionee shall have no rights as a shareholder with respect to any Common Shares covered by the Option (including, without limitation, any rights to receive dividends or non-cash distributions with respect to such shares) until the date of issue of a stock certificate to the Optionee for such Common Shares. No adjustment shall be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

12. Adjustment on Changes in Capitalization.

(a) In the event of changes in the outstanding Common Shares of the Company by reason of stock dividends, stock splits, reverse stock splits, recapitalizations, mergers, consolidations, combinations or exchanges of shares, separations, reorganizations or liquidations, the number of Option Shares as to which the Option may be exercised shall be correspondingly adjusted by the Company, and the Exercise Price shall be adjusted so that the product of the Exercise Price immediately after such event multiplied by the number of Option Shares subject to this Agreement immediately after such event shall be equal to the product of the Exercise Price multiplied by the number of Option Shares subject to this Agreement immediately prior to the occurrence of such event.

(b) In the event of a Material Transaction, the unexercised portion of this Option shall be subject to Section 9 of the Plan.

(c) Any adjustment in the number of Option Shares shall apply proportionately to only the unexercised portion of the Option granted hereunder. If fractions of an Option Share would result from any such adjustment, the Company will not be required to issue such fractional Option Share but shall pay the Optionee in cash the value of such fractional Option Share.

13. Notice. Any notices provided for in this Agreement or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to the Optionee, five (5) days after deposit in the United States mail, postage prepaid, addressed to the Optionee at the last address the Optionee provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Option by electronic means or to request the Optionee's consent to participate in the Plan by electronic means. By accepting this option, the Optionee consents to receive such documents by electronic delivery and if applicable, to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. Governing Law. This Agreement shall be governed by the applicable Code provisions to the maximum extent possible. Otherwise, the laws of the State of Nevada (without reference to the principles of conflict of laws) shall govern the operation of, and the rights of the Optionee under, the Plan and Options granted thereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Incentive Stock Option Agreement as of the day and year first above written.

INPIXON

By: _____
Name:
Title:

OPTIONEE

Optionee:

INPIXON
2018 EMPLOYEE STOCK INCENTIVE PLAN

Notice of Exercise of Incentive Stock Option

I hereby exercise the incentive stock option granted to me pursuant to the Incentive Stock Option Agreement dated as of _____, by Inpixon (the "Company"), with respect to the following number of shares of the Company's common stock ("Shares"), par value \$0.001 per Share, covered by said option:

Number of Shares to be purchased:	_____
Purchase price per Share:	\$ _____
Total purchase price:	\$ _____

____ A. Enclosed is cash or my certified check, bank draft, or postal or express money order in the amount of \$ in full/partial **[circle one]** payment for such Shares;

and/or

____ B. Enclosed is/are _____ Share(s) with a total Fair Market Value of \$ _____ on the date hereof in full/partial **[circle one]** payment for such Shares;

and/or

____ C. I have provided notice to _____¹, a broker, who will render full/partial **[circle one]** payment for such Shares. **[Optionee should attach to the notice of exercise provided to such broker a copy of this Notice of Exercise and irrevocable instructions to pay to the Company the full/partial (as elected above) exercise price.]**

and/or

____ D. I elect to satisfy the payment for Shares purchased hereunder by having the Company withhold newly acquired Shares pursuant to the exercise of the Option. I understand that this will result in a "disqualifying disposition" as described in Section 10 of my Incentive Stock Option Agreement.

and/or

____ E. I elect to satisfy the payment for Shares purchased hereunder by having the Company reduce the number of Shares issuable to me equal to the number of Shares having an aggregate Fair Market Value as of the date of exercise equal to the aggregate purchase price for such Shares under the terms of my Incentive Stock Option Agreement.

and/or

____ F. I elect to satisfy the payment for Shares purchased hereunder by other forms of consideration:

Please have the certificate or certificates representing the purchased Shares registered in the following name or names*: _____; and sent to:

_____.

DATED: _____, 20__

Optionee's Signature

* Certificates may be registered in the name of the Optionee alone or in the joint names (with right of survivorship) of the Optionee and his or her spouse.

¹ Insert name of broker.

INPIXON
2018 EMPLOYEE STOCK INCENTIVE PLAN
NON-QUALIFIED STOCK OPTION AGREEMENT

THIS NON-QUALIFIED STOCK OPTION AGREEMENT (this "**Agreement**") is made as of _____, 20____, by and between Inpixon, a Nevada corporation (the "**Grantor**"), and _____, with an address at _____ (the "**Optionee**").

WITNESSETH:

WHEREAS, the Inpixon 2018 Employee Stock Incentive Plan, as amended from time to time (the "**Plan**"), was adopted by the Board of Directors (the "**Board**") and the stockholders of the Grantor to provide the Optionee with an opportunity to acquire or increase his proprietary interest in the business of the Grantor, and, through stock ownership, to possess an increased personal interest in its continued success and progress; and

WHEREAS, the Grantor desires to increase the incentive of the Optionee to exert his utmost efforts to improve the business and increase the assets of the Grantor as an investor in the Grantor.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement and for other good and valuable consideration, the Grantor hereby grants the Optionee an option to purchase shares of common stock of the Grantor, \$0.001 par value per share (the "**Common Stock**"), upon the following terms and conditions:

1. Option.

Pursuant to the Plan, the Grantor hereby grants to the Optionee a non-qualified stock option (the "**Option**"), not intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended, on the terms and conditions contained in the Plan, to purchase up to _____ fully paid and non-assessable shares of Common Stock (the "**Option Shares**"). Capitalized terms used but not defined herein will have the meaning ascribed to them in the Plan.

2. Exercise Price.

The exercise price ("**Exercise Price**") for the Option Shares shall be \$____ per share. It is the determination of the Company's Board or a committee designated by the Board administering the Plan that on the date of grant the exercise price was not less than the greater of (i) 100% of the "Fair Market Value" of a share of Common Stock, or (ii) the par value of a share of Common Stock.

3. Exercise of the Option.

(a) Except as otherwise set forth herein, the Option shall be exercisable as to those Option Shares that have vested in accordance with the provisions of subsection (b) below. The Option may be exercised in whole or in part, from time to time and at any time, as to those Option Shares that are vested until the Option lapses or terminates. If the Optionee's exercise of the Option would require the Grantor to issue a fractional Option Share, the Grantor will not be required to issue such fractional Option Share but shall pay the Optionee in cash the value of such fractional Option Share. The right to purchase all unexercised Option Shares (whether or not vested) shall lapse and forever terminate on _____ (the "**Termination Date**").

(b) The right to exercise this Option and purchase of the Option Shares shall vest in the following manner: at a rate of [1/4th of the number of Option Shares underlying the Option for each month of the Optionee's continuous service to the Grantor or one of its subsidiaries or _____].

4. Manner of Exercise.

(a) Subject to the vesting conditions set forth in Section 3(b) above and the terms of the Plan, this Option may be exercised in whole or in part at any time prior to the Termination Date by giving written notice to the Grantor, which written notice may be in the form of Exhibit A to this Agreement (the “**Exercise Notice**”), specifying the number of Option Shares to be purchased, accompanied by payment in full of the purchase price, in cash or by check. In lieu of payment in cash, payment in full or in part may be if elected by the Optionee and approved by the Grantor (i) in the form of Common Stock owned by the Optionee (based on the Fair Market Value (as that term is defined in the Plan) of the Common Stock on the trading day before the Option is exercised) which is not the subject of any pledge or security interest and which has been owned for more than 6 months and has been paid for within the meaning of the Rule 144 promulgated under the Securities Act of 1933, as amended (the “**Securities Act**”), or was purchased in the open market; (ii) by a “same day sale” commitment from the Optionee and a broker-dealer registered with FINRA to forward the Exercise Price directly to the Grantor; (iii) by cancellation of indebtedness of the Grantor to the Optionee; (iv) by waiver of consideration due to the Optionee for services rendered; (v) by a combination of the foregoing or (vi) other forms of consideration permitted by the Board and not inconsistent with the Plan, provided that the combined value of all cash and cash equivalents and the Fair Market Value of any Common Stock surrendered to the Grantor is at least equal to the Exercise Price. The Optionee shall have the right to dividends and other rights of a stockholder with respect to Option Shares purchased upon exercise of the Option at such time as the Optionee has given the Exercise Notice and has paid in full for such Option Shares and has satisfied such conditions that may be imposed by the Grantor with respect to the withholding of taxes.

(b) Cashless Exercise. If elected by the Optionee and permitted by the Grantor, the Optionee may exercise all or a portion of the Option through a reduction in the number of Option Shares issuable upon the exercise of the Option. Such reduction may be effected by designating that the number of Option Shares issuable to the Optionee upon such exercise shall be reduced by the number of shares of Common Stock having an aggregate Fair Market Value as of the date of exercise equal to the amount of the aggregate Exercise Price for the number of Option Shares to be issued to the Optionee upon such exercise.

(c) In the event that any person or persons other than the Optionee attempt to exercise the Option, the Exercise Notice shall be accompanied by proof, satisfactory to the Grantor, of the right of such person or persons, under the Plan, to effect such exercise.

5. Transfer of the Option.

Except as specifically provided in Section 4.6 of the Plan and this Agreement, the Optionee may not give, grant, sell, exchange, transfer legal title, pledge, assign or otherwise encumber or dispose of the Option herein granted or any interest therein without the approval of the Board of the Grantor. Any attempt to transfer, assign, pledge or otherwise dispose of, or to subject to execution, attachment or similar process, the Option contrary to the provisions hereof shall be void and ineffective and shall give no right to the purported transferee.

6. Restriction on Issuance of Option Shares.

The Grantor shall not be required to issue or deliver any certificate for Option Shares purchased upon the exercise of the Option unless (a) the issuance of such Option Shares has been registered with the Securities and Exchange Commission under the Securities Act, or counsel to the Grantor shall have given an opinion that such registration is not required; (b) approval, to the extent required, shall have been obtained from any state regulatory body having jurisdiction thereof; and (c) permission for the listing of such shares shall have been given by any national securities exchange on which the Common Stock of the Grantor is at the time of issuance listed.

7. Adjustment on Changes in Capitalization.

(a) In the event of changes in the outstanding Common Stock of the Grantor by reason of stock dividends, stock splits, reverse stock splits, recapitalizations, mergers, consolidations, combinations or exchanges of shares, separations, reorganizations or liquidations, the number of Option Shares as to which the Option may be exercised shall be correspondingly adjusted by the Grantor, and the Exercise Price shall be adjusted so that the product of the Exercise Price immediately after such event multiplied by the number of Option Shares subject to this Agreement immediately after such event shall be equal to the product of the Exercise Price multiplied by the number of Option Shares subject to this Agreement immediately prior to the occurrence of such event.

(b) In the event of a Material Transaction, the unexercised portion of this Option shall be subject to Section 9 of the Plan.

(c) Any adjustment in the number of Option Shares shall apply proportionately to only the unexercised portion of the Option granted hereunder. If fractions of an Option Share would result from any such adjustment, the Grantor will not be required to issue such fractional Option Share but shall pay the Optionee in cash the value of such fractional Option Share.

8. Rights of Optionee.

The grant of the Option shall give the Optionee neither any right to similar grants nor any right to be retained in the employ of the Grantor or any of its subsidiaries, such employment being terminable to the same extent as if the Plan and this Agreement were not in effect. The right and power of the Grantor or any of its subsidiaries to dismiss or discharge any employee is specifically and unqualifiedly unimpaired by this Agreement. Neither the Optionee nor any other person legally entitled to exercise any rights under this Agreement shall be entitled to any of the rights or privileges of a stockholder of the Grantor with respect to any Option Shares which may be issuable upon any exercise pursuant to this Agreement, unless and until the stock records of the Grantor reflect the issuance of such Option Shares.

9. Notices.

Any notices provided for in this Agreement or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Grantor to the Optionee, five (5) days after deposit in the United States mail, postage prepaid, addressed to the Optionee at the last address the Optionee provided to the Grantor. The Grantor may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Option by electronic means or to request the Optionee consent to participate in the Plan by electronic means. By accepting this option, the Optionee's consent to receive such documents by electronic delivery and if applicable, to participate in the Plan through an on-line or electronic system established and maintained by the Grantor or another third party designated by the Grantor.

10. Binding Effect.

Except as herein otherwise expressly provided, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors, legal representatives and assigns.

11. Agreement Subject to Plan.

Notwithstanding anything contained herein to the contrary, this Agreement is subject to, and shall be construed in accordance with, the terms of the Plan, which is incorporated by reference herein and made a part of this Agreement as if fully set forth herein. In the event of any inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall govern.

12. Withholding.

The Optionee agrees to cooperate with the Grantor to take all steps necessary or appropriate for the withholding of any applicable taxes by the Grantor under law or regulation in connection therewith. In the event the Optionee does not make the required withholding payment at the time of exercise, the Grantor may make such provisions and take such steps as it, in its sole discretion, may deem necessary or appropriate for the withholding of any taxes that the Grantor is required by any law or regulation of any governmental authority, whether federal, state or local, domestic or foreign, to withhold in connection with the exercise of any Option, including, but not limited to, (i) refusing to accept payment for the Option Shares until the Optionee reimburses the Grantor for the amount the Grantor is required to withhold with respect to such taxes, or (ii) canceling the number of Option Shares issuable upon exercise of the Option in an amount sufficient to reimburse the Grantor for the amount it is required to so withhold, and/or (iii) withholding the amount due from the Optionee's wages if he is employed by the Grantor or any subsidiary thereof.

13. Miscellaneous.

This Agreement shall be construed under the laws of the State of Nevada, without application to the principles of conflicts of laws. Headings have been included herein for convenience of reference only, and shall not be deemed a part of the Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Non-Qualified Stock Option Agreement as of the day and year first above written.

INPIXON

By: _____
Name: Nadir Ali
Title: CEO

OPTIONEE

Name:
By:

Taxpayer Identification No.:

**INPIXON
2018 EMPLOYEE STOCK INCENTIVE PLAN**

Notice of Exercise of Non-Qualified Stock Option

I hereby exercise the non-qualified stock option granted to me pursuant to the Non-Qualified Stock Option Agreement dated as of _____, by Inpixon (the "Company"), with respect to the following number of shares of the Company's common stock ("Shares"), par value \$0.001 per Share, covered by said option:

Number of Shares to be purchased: _____

Purchase price per Share: \$ _____

Total purchase price: \$ _____

____ A. Enclosed is cash or my certified check, bank draft, or postal or express money order in the amount of \$ in full/partial **[circle one]** payment for such Shares;

and/or

____ B. Enclosed is/are _____ Share(s) with a total Fair Market Value of \$ _____ on the date hereof in full/partial **[circle one]** payment for such Shares;

and/or

____ C. I have provided notice to _____¹, a broker, who will render full/partial **[circle one]** payment for such Shares. **[Optionee should attach to the notice of exercise provided to such broker a copy of this Notice of Exercise and irrevocable instructions to pay to the Company the full/partial (as elected above) exercise price.]**

and/or

____ D. I elect to satisfy the payment for Shares purchased hereunder by having the Company withhold newly acquired Shares pursuant to the exercise of the Option.

and/or

____ E. I elect to satisfy the payment for Shares purchased hereunder by having the Company reduce the number of Shares issuable to me equal to the number of Shares having an aggregate Fair Market Value as of the date of exercise equal to the aggregate purchase price for such Shares under the terms of my Non-Qualified Stock Option Agreement.

and/or

____ F. I elect to satisfy the payment for Shares purchased hereunder by other forms of consideration:

Please have the certificate or certificates representing the purchased Shares registered in the following name or names*: _____; and sent to:

_____.

DATED: _____, 20__

Optionee's Signature

* Certificates may be registered in the name of the Optionee alone or in the joint names (with right of survivorship) of the Optionee and his or her spouse.

¹ Insert name of broker.