

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): August 18, 2025

XTI AEROSPACE, INC.  
(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.)

8123 InterPort Blvd., Suite C  
Englewood, CO  
(Address of principal executive offices)

80112  
(Zip Code)

Registrant's telephone number, including area code: (800) 680-7412

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock	XTIA	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.***Adoption of Amended and Restated 2018 Employee Stock Incentive Plan and Updated Award Agreements*

On August 18, 2025, the board of directors (the “Board”) of XTI Aerospace, Inc. (the “Company”) approved the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan (the “Amended and Restated Plan”) to, among other things, (i) restate and integrate all prior amendments thereto, (ii) provide that the Board may authorize one or more of the Company’s officers to (x) designate employees, consultants, vendors, or other individuals having a business relationship with the Company or its subsidiaries to be recipients of awards granted pursuant to the Amended and Restated Plan and (y) determine the number of shares of common stock subject to such awards, provided that the Board must specify the total number of shares of common stock that may be subject to the awards granted by such officer and such officer may not grant an award to himself or herself, (iii) provide that the Committee (as defined in the Amended and Restated Plan) may delegate to officers of the Company, pursuant to a written delegation, the authority to perform specified functions under the Amended and Restated Plan, and (iv) make certain other administrative, technical, clarifying and conforming changes.

On the same date, the Board adopted new forms of award agreements with respect to grants of incentive stock options, non-qualified stock options, restricted stock and restricted stock units pursuant to the Amended and Restated Plan. The forms of award agreements have been updated to align with the Amended and Restated Plan and to include other ministerial and conforming changes.

The foregoing description of the Amended and Restated Plan and new forms of award agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the Amended and Restated Plan, form of Incentive Stock Option Agreement, form of Non-Qualified Stock Option Agreement, form of Restricted Stock Award Agreement and form of Restricted Stock Unit Award Agreement, copies of which are attached hereto as Exhibits 10.1, 10.2, 10.3, 10.4 and 10.5, respectively, and incorporated herein by reference.

*Delegation of Authority to Chief Financial Officer to Grant Equity Awards*

On August 18, 2025, the Board allocated an equity pool of 10,000,000 shares of common stock (the “Equity Pool”) out of 72,906,959 shares of common stock available for future issuance under the Amended and Restated Plan and granted the Company’s Chief Financial Officer the authority to grant stock options and restricted stock units from the Equity Pool to one or more of the Company’s employees, consultants, vendors, or other individuals having a business relationship with the Company or its subsidiaries.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
10.1*	<a href="#">Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan</a>
10.2*	<a href="#">Form of Incentive Stock Option Agreement pursuant to the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan</a>
10.3*	<a href="#">Form of Non-Qualified Stock Option Agreement pursuant to the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan</a>
10.4*	<a href="#">Form of Restricted Stock Award Agreement pursuant to the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan</a>
10.5*	<a href="#">Form of Restricted Stock Unit Award Agreement pursuant to the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Indicates a management contract or compensatory plan or arrangement.

**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.

**XTI AEROSPACE, INC.**

Date: August 21, 2025

By: /s/ Brooke Turk  
Name: Brooke Turk  
Title: Chief Financial Officer

## AMENDED AND RESTATED XTI AEROSPACE, INC.

## 2018 EMPLOYEE STOCK INCENTIVE PLAN

(Originally approved and adopted by the Board of Directors on January 4, 2018 and by the stockholders on February 2, 2018, and amended and restated effective August 18, 2025 (the “Restatement Date”) to incorporate all amendments made to the 2018 Employee Stock Incentive Plan on and prior to the Restatement Date.)

## STATEMENT OF PURPOSE

The Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan is intended to afford an incentive to employees, corporate officers, directors, consultants and other key persons employed or retained by XTI Aerospace, Inc. (f/k/a Inpixon) (the “Company”) and its subsidiaries and affiliates to acquire a proprietary interest in the Company and to enable the Company and its subsidiaries and affiliates to attract and retain such persons.

## DEFINITIONS

For purposes of the Plan, the following terms are defined as set forth below:

a. “10% Holder” shall mean any person who, for purposes of Code Section 422, owns more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary.

b. “Applicable Law” means all legal requirements relating to the administration of equity incentive plans and the issuance and distribution of shares of Common Stock, if any, under applicable corporate laws, applicable securities laws, the rules of any exchange or inter-dealer quotation system upon which the Company’s securities are listed or quoted, the rules of any foreign jurisdiction applicable to Awards granted to residents therein, and any other applicable law, rule or restriction.

c. “Award” means any award granted pursuant to the provisions of the Plan, including any Stock Option, Stock Appreciation Right, Restricted Stock or Restricted Stock Unit.

d. “Board” means the Board of Directors of the Company.

e. “Change of Control” has the meaning set forth in Section 4.3.1.

f. “Claim” means any claim, liability or obligation of any nature, arising out of or relating to this Plan or an alleged breach of this Plan or an Award Agreement.

g. “Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

h. “Committee” means the Committee referred to in Section 3.1.

i. “Common Stock” means common stock, par value \$0.001 per share, of the Company.

j. “Company” means XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation, or any successor corporation.

k. “Eligible Persons” means the Eligible Persons referred to in Section 2 of the Plan.

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l. “*Exchange Act*” means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

m. “*Fair Market Value*” shall be determined in good faith by the Committee in accordance with the provisions of Treasury Department regulations 1.409A-1(b)(5)(iv) (A) and means, as of any given date, (i) if the Common Stock is listed or admitted to trade on a national securities exchange, the closing price of the Common Stock on the Composite Tape, as published in The Wall Street Journal, of the principal national securities exchange on which the Common Stock is so listed or admitted to trade, on such date, or, if there is no trading of the Common Stock on such date, then the closing price of the Common Stock as quoted on such Composite Tape on the next preceding date on which there was trading in such shares; (ii) if the Common Stock is not listed or admitted to trade on a national securities exchange, the mean between the closing bid and asked price for the Common Stock on such date, as furnished by a tier of the OTC Market Group Inc. (the “OTC Markets”) or similar organization; and (iv) if the stock is not listed or admitted to trade on a national securities exchange and if bid and asked prices for the Common Stock are not furnished by the OTC Markets or a similar organization, the value established in good faith by the Committee taking into account such facts and circumstances deemed to be material by the Committee to the value of the Common Stock in the hands of the Eligible Person.

Notwithstanding the foregoing, for purposes of granted Non-Qualified Stock Options, Stock Appreciation Rights, or Restricted Stock Units, the Fair Market Value of Common Stock shall be determined in accordance with the requirements of Code Section 409A, and for purposes of granting Incentive Stock Options, the Fair Market Value of Common Stock shall be determined in accordance with the requirements of Code Section 422.

n. “*Incentive Stock Option*” means any Stock Option designated as, and intended to qualify as, an “incentive stock option” within the meaning of Code Section 422.

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

p. “*Participant*” means an Eligible Person to whom an Award is granted under this Plan.

q. “*Performance-Based Award*” means an Award of Stock Options, Restricted Stock, Stock Appreciation Rights or Restricted Stock Units designated as a performance-based award by the Committee at the time of grant.

r. “*Performance Goals*” means the performance goals established by the Committee in connection with the grant of an Award.

s. “*Plan*” means this Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan, as set forth herein and as hereinafter amended from time to time.

t. “*Restricted Stock*” means an Award granted under Section 6.

u. “*Restricted Stock Unit*” means an Award granted under Section 7.

v. “*Stock Appreciation Right*” means an Award granted under Section 5.

w. “*Stock Option*” means an Award granted under Section 4.

x. “*Subsidiary*” shall have the meaning given to the term “Subsidiary corporation” in Code Section 424(f).

y. “*Termination of Service*” occurs when a Participant who is (i) an employee of the Company or any Subsidiary ceases to serve as an employee of the Company and its Subsidiaries, for any reason; or (ii) a non-employee director, consultant, vendor or other individual having a business relationship with the Company or any Subsidiary ceases to serve as a non-employee director, consultant, vendor or other individual having a business relationship with the Company or its Subsidiaries for any reason. Except as may be necessary or desirable to comply with applicable federal or state law, a “Termination of Service” shall not be deemed to have occurred when a Participant who is an employee becomes a non-employee director, consultant, vendor or other individual having a business relationship or vice versa. If, however, a Participant who is an employee and who has an Incentive Stock Option ceases to be an employee but does not suffer a Termination of Service, and if that Participant does not exercise the Incentive Stock Option within the time required under Code Section 422 upon ceasing to be an employee, the Incentive Stock Option shall thereafter become a Non-Qualified Stock Option. Notwithstanding the foregoing definition, in the event an Award issued under the Plan is subject to Code Section 409A, then, in lieu of the foregoing definition and to the extent necessary to comply with the requirements of Code Section 409A, the definition of “Termination of Service” for purposes of such Award shall be the definition of “separation from service” provided for under Code Section 409A and the regulations or other guidance issued thereunder.

z. “*Total Disability*” means a mental or physical impairment of the individual which has lasted or is expected to last for a continuous period of twelve (12) months or more and which causes the individual to be unable, in the opinion of the Company and two (2) (if more than one (1) is required by the Company in its sole discretion) independent physicians, to perform such individual’s duties for the Company and to be engaged in any substantial gainful activity, provided that, with respect to any Incentive Stock Option, Total Disability shall have the meaning given it under the rules governing Incentive Stock Options under the Code. Total Disability shall be deemed to have occurred on the first day after the Company and the two (2) (if more than one (1) is required by the Company in its sole discretion) independent physicians have furnished their opinion of total disability to the Committee. Notwithstanding the foregoing, in the event an Award issued under the Plan is subject to Code Section 409A, then, in lieu of the foregoing definition and to the extent necessary to comply with the requirements of Code Section 409A, the definition of “Total Disability” for purposes of such Award shall be the definition of “disability” provided for under Code Section 409A and the regulations or other guidance issued thereunder.

In addition, certain other terms used herein have definitions given to them in the first place in which they are used.

#### STATEMENT OF THE PLAN

##### 1. **Shares Subject to the Plan.**

Subject to an adjustment in accordance with Section 8, the maximum number of shares which may be issued under the Plan shall be forty million (40,000,000) shares of Common Stock, par value \$0.001 per share (the “Initial Limit”), of the Company (the “Shares”), which shall automatically increase on the first day of each calendar quarter, beginning on January 1, 2022, and for each quarter thereafter through October 1, 2028, by a number of shares of Common Stock equal to the least of (i) 3,000,000 Shares, (ii) twenty percent (20%) of the outstanding Shares on the last day of the immediately preceding calendar quarter, or (iii) such number of Shares determined by the Committee (the “Quarterly Increase”). The Company shall at all times while the Plan is in effect reserve such number of shares of Common Stock as will be sufficient to satisfy the requirements of outstanding Awards granted under the Plan. The Shares subject to the Plan shall be either authorized and unissued shares or treasury shares of Common Stock. If any Award is forfeited, or if any Stock Option (and related Stock Appreciation Right, if any) terminates, expires, or lapses for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, or if any Stock Appreciation Right is exercised for cash, the unpurchased Shares subject to such Awards shall again be available for distribution under the Plan (the “Unpurchased Shares”). Notwithstanding anything to the contrary herein, the aggregate number of shares of Common Stock underlying the Awards issued to the Eligible Persons during the term of the Plan may not exceed 120,000,000 shares (the “Total Limit”), provided that for the purposes of the determination of the Total Limit, (i) the number of shares of Common Stock shall be calculated at the moment when the pertinent Award is issued and (ii) the number of Unpurchased Shares shall not count towards the Total Limit. Subject to such overall limitations, the maximum aggregate number of Shares that may be issued in the form of Incentive Stock Options shall not exceed the Total Limit.

2. **Eligibility.**

Awards may be granted only to employees, salaried officers and other key persons employed or retained by the Company or its Subsidiaries, and any non-employee director, consultant, vendor or other individual having a business relationship with the Company or its Subsidiaries to the extent not prohibited by law ("Eligible Persons"). As used in this Plan, the term "Subsidiaries" shall include Subsidiaries of a Subsidiary.

3. **Administration of the Plan.**

3.1 The Plan shall be administered by either the full Board of Directors or by a committee (either the full Board or the committee is referred to hereinafter as the "Committee") composed of at least two (2) non-employee directors, each of whom shall be a disinterested person, as defined by Rule 16b-3(c)(2)(i) under the Exchange Act, which Committee shall be appointed by and serve at the pleasure of the Board. Within the limits of the express provisions of the Plan, the Committee shall have the authority to determine, in its absolute discretion, (i) the individuals to whom, and the time or times at which Awards shall be granted, (ii) whether and to what extent Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units or any combination thereof are to be granted hereunder, (iii) the number of Shares to be covered by each Award granted hereunder, (iv) subject to Sections 4.7 and 6.3(G), the terms and conditions of any Award granted hereunder including, but not limited to, the option price, any vesting condition, restriction or limitation (which may be related to the performance of the Participant, the Company or any Subsidiary), and any vesting, acceleration, forfeiture or waiver regarding any Award and the shares of Common Stock relating thereto, (v) modify, amend or adjust the terms and conditions of any Award, at any time or from time to time, including but not limited to, Performance Goals; provided, however, that the Committee may not adjust upwards the amount payable with respect to Performance-Based Awards or waive or alter the Performance Goals associated therewith or cause such Award to vest earlier than permitted by Section 6.3(G); (vi) to what extent and under what circumstances Common Stock and other amounts payable with respect to an Award shall be deferred; and (vii) under what circumstances an Award may be settled in cash or Common Stock under Sections 6.3(B) and 10, provided, however, that the Committee shall not have such power to the extent that the mere possession (as opposed to the exercise) of such power would result in adverse tax consequences to any Participant under Code Section 409A. In making such determinations, the Committee may take into account such factors as the Committee, in its absolute discretion, shall deem relevant. Subject to the express provisions of the Plan, the Committee shall also have the authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it, to determine the terms and provisions of the respective option instruments or agreements (which need not be identical) and to make all other determinations and take all other actions necessary or advisable for the administration of the Plan. The Committee's determinations on the matters referred to in this Section 3.1 shall be conclusive. Any determination by a majority of the members of the Committee shall be deemed to have been made by the whole Committee.

3.2 Notwithstanding Section 3.1, to the extent permitted by Applicable Law, the Board may, in its discretion and by a resolution adopted by the Board, authorize one or more officers of the Company (an “Authorized Officer”) to (i) designate one or more employees, consultants, vendors, or other individuals having a business relationship with the Company or its Subsidiaries, to the extent not prohibited by law, as Eligible Persons to whom Awards will be granted under the Plan, and (ii) determine the number of shares of Common Stock that will be subject to such Awards; provided, however, that the resolution of the Board granting such authority shall (x) specify the total number of shares of Common Stock that may be made subject to the Awards, (y) set forth the price or prices (or a formula by which such price or prices may be determined) to be paid for the purchase of the Common Stock subject to such Awards, and (z) not authorize an officer to designate such officer as a recipient of any Award.

3.3 The Committee may delegate to officers of the Company, pursuant to a written delegation, the authority to perform specified functions under the Plan. Any actions taken by any officers of the Company pursuant to such written delegation of authority shall be deemed to have been taken by the Committee. With respect to restrictions in the Plan that are based on the requirements of Rule 16b-3 promulgated under the Exchange Act, Code Section 422, the rules of any exchange or inter-dealer quotation system upon which the Company’s securities are listed or quoted, or any other Applicable Law, to the extent that any such restrictions are no longer required by Applicable Law, the Committee shall have the sole discretion and authority to grant Awards that are not subject to such mandated restrictions and/or to waive any such mandated restrictions with respect to outstanding Awards.

3.4 No member of the Board or the Committee, nor any officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board and the Committee, each officer of the Company, and each employee of the Company acting on behalf of the Board or the Committee shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation to the fullest extent provided by law. Except to the extent required by any unwaivable requirement under Applicable Law, no member of the Board or the Committee (and no Subsidiary of the Company) shall have any duties or liabilities, including, without limitation, any fiduciary duties, to any Participant (or any person claiming by and through any Participant) as a result of this Plan, any Award or any Claim arising hereunder and, to the fullest extent permitted under Applicable Law, each Participant (as consideration for receiving and accepting an Award Agreement) irrevocably waives and releases any right or opportunity such Participant might have to assert (or participate or cooperate in) any Claim against any member of the Board or the Committee and any Subsidiary of the Company arising out of this Plan. The indemnification provided this Section 3.4 shall be in addition to any rights of indemnification the members may have as directors or otherwise under the By-laws of the Company, any agreement or vote of stockholders or disinterested directors or otherwise.

#### **4. Stock Options.**

Stock Options may be granted alone or in addition to other Awards. Stock Options granted hereunder may be either Incentive Stock Options or Non-Qualified Stock Options. Any Stock Option granted hereunder shall be in such form as the Committee may from time to time approve. Stock Options granted under the Plan shall be subject to the following terms and conditions and shall contain such additional terms and conditions as the Committee shall deem desirable:

4.1 *Stock Option Exercise Price.* Subject to adjustments in accordance with Sections 8 and 9, the exercise price of each Stock Option granted under the Plan shall be set forth in the applicable Option Agreement, but in no event shall such price be less than the Fair Market Value of the Shares subject to the Stock Option on the date the Stock Option is granted. The exercise price for Incentive Stock Options shall not be less than 100% of the Fair Market Value per share of the Common Stock at the time the Stock Option is granted, nor less than 110% of such Fair Market Value in the case of an Incentive Stock Option granted to an individual who, at the time the option is granted, is a 10% Holder.



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 foregoing, 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.

4.3 *Exercise of Stock Options.*

4.3.1 Subject to the provisions in this Section 4.3 and in Section 10, Stock Options may be exercised in whole or in part. The Committee, in its absolute discretion, shall determine the time or times at which any Stock Option granted under the Plan may be exercised; provided, however, that each Stock Option:

(A) shall be exercisable by a Participant only if such Participant was an Eligible Person (and in the case of an Incentive Stock Option, was an employee or salaried officer of the Company or any of its Subsidiaries) at all times beginning from the date of the grant of the Incentive Stock Option to a date not more than three (3) months (except as otherwise provided in Sections 4.4, 4.5, and 9) before exercise of such Stock Option;

(B) may not be exercised prior to the expiration of at least six (6) months from the date of grant except in the case of the death or Total Disability of the Participant or otherwise with the approval of the Committee or the Board of Directors or, if the option agreement evidencing such Stock Option so provides, upon a "Change of Control" as defined below;

(C) shall expire no later than the expiration of ten (10) years (five (5) years in the case of an Incentive Stock Option granted to a 10% Holder) from the date of its grant; and

(D) shall not be exercisable by a Participant until such Participant executes and delivers a written representation to the effect that such Participant is acquiring the Common Stock for investment and not with the intent of distributing the same (unless such Common Stock shall be appropriately registered under the Securities Act of 1933, as amended, or exempt from registration thereunder).

A "Change of Control" as used in this Section 4.3 shall mean any of the following:

(i) any consolidation, merger or sale of the Company in which the Company is not the continuing or surviving corporation or pursuant to which shares of the Company's stock would be converted into cash, securities or other property; or

(ii) the stockholders of the Company approve an agreement for the sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company; or

(iii) any approval by the stockholders of the Company of any plan or proposal for the liquidation or dissolution of the Company; or

(iv) the acquisition of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act of an aggregate of 30% or more of the voting power of the Company's outstanding voting securities by any single person or group (as such term is used in Rule 13d-5 under the Exchange Act), unless such acquisition was approved by the Board of Directors prior to the consummation thereof); or

(v) the appointment of a trustee in a Chapter 11 bankruptcy proceeding involving the Company or the conversion of such a proceeding into a case under Chapter 7.

Notwithstanding the foregoing, (i) a transaction will not constitute a Change of Control if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before the transaction and (ii) if an Award issued under the Plan is subject to Code Section 409A, then an event shall not constitute a Change of Control for purposes of such Award unless such event also constitutes a change in the Company's ownership, its effective control or the ownership of a substantial portion of its assets within the meaning of Code Section 409A.

As a condition of the grant of a Stock Option, the Committee, in its absolute discretion, may require an Eligible Person to enter into an employment agreement with the Company or any Subsidiary or affiliate of the Company covering a period of at least one (1) year following the grant, and if the grant specifically requires, compliance with all terms and conditions of any such employment agreement shall be a condition to the exercise by the Participant of such Participant's Stock Option (provided, however, that such compliance may be waived by the Committee in its absolute discretion).

4.3.2 Stock Options granted under the Plan shall be exercised by the delivery by the holder thereof to the Company at its principal offices (to the attention of the Secretary) of written notice of the number of Shares with respect to which the Stock Option is being exercised, accompanied by payment in full of the Stock Option exercise price of such Shares. The exercise price shall be payable in cash by a certified or bank check or such other instrument as the Company may accept; provided, however, that in lieu of payment in cash, a Participant may, with the approval of the Board and on the recommendation of the Committee, pay for all or part of the Shares to be purchased upon exercise of such Participant's Stock Option by:

(A) tendering to the Company shares of Common Stock owned by such Participant and having a Fair Market Value (as determined pursuant to Section 4.1) equal to the exercise price (or the balance thereof) applicable to such Participant's Stock Option; or

(B) complying with any exercise and sell (or cashless exercise) program which the Company has established with a broker-dealer.

4.3.3 The holder of an option shall have none of the rights of a stockholder with respect to the Shares covered by such holder's option until such Shares shall be issued to such holder upon the exercise of such holder's option.

4.4 *Termination of Service.* In the event that the service of an individual to whom a Stock Option has been granted under the Plan shall terminate (otherwise than by reason of such individual's death or Total Disability, or for Cause (as such term is defined below or in the Award Agreement), such option may be exercised (if and to the extent that such individual was entitled to do so at the date of termination of such individual's service) at any time within three (3) months after such termination (unless such individual and the Committee agree to extend such period beyond three (3) months), but in no event after the expiration of the term of the option. No option granted under the Plan may be exercised by a Participant following a Termination of Service for Cause. Termination of Service for "Cause" shall mean dismissal for dishonesty, conviction or confession of a crime punishable by law (except minor violations), fraud, misconduct or disclosure of confidential information. If the service of an individual to whom a Stock Option has been granted under the Plan shall be suspended pending an investigation of whether or not the individual shall be terminated for Cause, all of the individuals rights under any option granted hereunder likewise shall be suspended during the period of investigation.

**4.5 Death or Total Disability of a Stock Option Holder.** In the event of the death or Total Disability of an individual to whom a Stock Option has been granted under the Plan (i) while serving as an Eligible Person; or (ii) within three (3) months after the termination of such service (or within the additional time period agreed upon by the individual and the Committee pursuant to Section 4.4), other than for Cause, such option may be exercised (if and to the extent that the deceased individual was entitled to do so at the date of such individual's death or Total Disability) by a legatee or legatees of such Participant under such individual's last will and testament or by such individual's personal representatives or distributees, at any time within twelve (12) months after such individual's death or Total Disability, but in no event after the expiration of the term of the option.

**4.6 Non-transferability of Stock Options.** A Stock Option shall not be transferable otherwise than by will or the laws of descent and distribution and is exercisable during the lifetime of the Eligible Person only by such Eligible Person. Notwithstanding the foregoing, the Committee shall have discretionary authority to grant Stock Options which will be transferable to members of a Participant's immediate family, including trusts for the benefit of such family members and partnerships in which such family members are the only partners. A transferred option would be subject to all of the same terms and conditions as if such option had not been transferred. Upon any attempt to transfer a Stock Option granted under this Plan otherwise than as permitted hereunder, or upon the levy of attachment or similar process upon such option, such option shall automatically become null and void and of no further force and effect.

**4.7 Evidence of Stock Option Grant.** Each option granted pursuant to the Plan shall be evidenced by an agreement (the "Option Agreement") which shall clearly identify the status of the Stock Options granted thereunder (i.e., whether an Incentive Stock Option or Non-Qualified Stock Option). The Option Agreement shall comply in all respects with the terms and conditions of the Plan and may contain such additional provisions, including, without limitation, restrictions upon the exercise of the option, as the Committee shall deem advisable.

**4.8 Deferral of Stock Option Shares.** The Committee may from time to time establish procedures pursuant to which a Participant may elect to defer, until a time or times later than the exercise of a Stock Option, receipt of all or a portion of the shares of Common Stock subject to such Stock Option and/or to receive cash at such later time or times in lieu of such deferred shares, all on such terms and conditions as the Committee shall determine. If any such deferrals are permitted, then notwithstanding Sections 4.3.1 and 4.3.2. above, a Participant who elects such deferral shall not have any rights as a stockholder with respect to such deferred shares unless and until shares are actually delivered to the Participant with respect thereto, except to the extent otherwise determined by the Committee. Notwithstanding anything herein to the contrary, in no event will any deferral of the delivery of shares of Common Stock or any other payment with respect to any Award be allowed if the Committee determines, in its sole discretion, that the deferral would result in the imposition of additional tax under Code Section 409A(a)(1)(B).

## **5. Stock Appreciation Rights**

**5.1 Grant and Exercise.** Stock Appreciation Rights may be granted in conjunction with all or part of any Stock Option granted under the Plan. In the case of a Non-Qualified Stock Option, such rights may be granted either at or after the time of grant of such Stock Option. In the case of an Incentive Stock Option, such rights may be granted only at the time of grant of such Stock Option. A Stock Appreciation Right shall terminate and no longer be exercisable upon the termination or exercise of the related Stock Option.

A Stock Appreciation Right may be exercised by a Participant in accordance with Section 5.2 by surrendering the applicable portion of the related Stock Option in accordance with procedures established by the Committee. Upon such exercise and surrender, the Participant shall be entitled to receive an amount determined in the manner prescribed in Section 5.2. Stock Options which have been so surrendered shall no longer be exercisable to the extent the related Stock Appreciation Rights have been exercised.

*5.2 Terms and Conditions.* Stock Appreciation Rights shall be subject to such terms and conditions as shall be determined by the Committee, including the following:

(A) Stock Appreciation Rights shall be exercisable only at such time or times and to the extent that the Stock Options to which they relate are exercisable in accordance with the provisions of Section 4 and this Section 5.

(B) Upon the exercise of a Stock Appreciation Right, a Participant shall be entitled to receive an amount in cash, shares of Common Stock or both, in value equal to the excess of the Fair Market Value of one share of Common Stock over the option price per share specified in the related Stock Option multiplied by the number of shares in respect of which the Stock Appreciation Right shall have been exercised, with the Committee having the right to determine the form of payment.

(C) Stock Appreciation Rights shall be transferable only to permitted transferees of the underlying Stock Option in accordance with Section 4.6.

(D) Upon the exercise of a Stock Appreciation Right, the Stock Option or part thereof to which such Stock Appreciation Right is related shall be deemed to have been exercised for the purpose of the limitation set forth in Section 1 on the number of shares of Common Stock to be issued under the Plan, but only to the extent of the number of shares covered by the Stock Appreciation Right at the time of exercise based on the value of the Stock Appreciation Right at such time.

## **6. Restricted Stock**

*6.1 Administration.* Shares of Restricted Stock may be awarded either alone or in addition to other Awards granted under the Plan. The Committee shall determine the Eligible Persons to whom and the time or times at which grants of Restricted Stock will be awarded, the number of shares to be awarded to any Eligible Person, the conditions for vesting, the time or times within which such Awards may be subject to forfeiture and any other terms and conditions of the Awards, in addition to those contained in Section 6.3.

*6.2 Awards and Certificates.* Shares of Restricted Stock shall be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of one or more stock certificates. Any certificate issued in respect of shares of Restricted Stock shall be registered in the name of such Eligible Person and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

“The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan and a Restricted Stock Agreement. Copies of such Plan and Agreement are on file at the offices of XTI Aerospace, Inc., 8123 InterPort Blvd., Suite C, Englewood, CO 80112.”

The Committee may require that the certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed and that, as a condition of any Award of Restricted Stock, the Participant shall have delivered a stock power, endorsed in blank, relating to the Common Stock covered by such Award.

6.3 *Terms and Conditions.* Shares of Restricted Stock shall be subject to the following terms and conditions:

(A) The Committee may, prior to or at the time of grant, designate an Award of Restricted Stock as a Performance-Based Award, in which event it shall condition the grant or vesting, as applicable, of such Restricted Stock upon the attainment of Performance Goals. If the Committee does not designate an Award of Restricted Stock as a Performance-Based Award, it may also condition the grant or vesting thereof upon the attainment of Performance Goals. Regardless of whether an Award of Restricted Stock is a Performance-Based Award, the Committee may also condition the grant or vesting thereof upon the continued service of the Participant. The conditions for grant or vesting and the other provisions of Restricted Stock Awards (including without limitation any applicable Performance Goals) need not be the same with respect to each recipient. The Committee may at any time, in its sole discretion, accelerate or waive, in whole or in part, any of the foregoing restrictions; *provided, however*, that in the case of Restricted Stock that is a Performance-Based Award, the applicable Performance Goals have been satisfied and *further provided, however*, that the Committee shall not have such power to the extent that the mere possession (as opposed to the exercise) of such power would result in adverse tax consequences to any Participant under Code Section 409A.

(B) Subject to the provisions of the Plan and the Restricted Stock Agreement referred to in Section 6.3(G), during the period, if any, set by the Committee, commencing with the date of such Award for which such Participant's continued service is required (the "Restriction Period"), and until the later of (i) the expiration of the Restriction Period and (ii) the date the applicable Performance Goals (if any) are satisfied, the Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber shares of Restricted Stock.

(C) Except as provided in this Section 6.3(C) and Sections 6.3(A) and 6.3(B) and the Restricted Stock Agreement, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a stockholder of the Company holding the class or series of Common Stock that is the subject of the Restricted Stock, including, if applicable, the right to vote the shares and the right to receive any dividends. If so determined by the Committee in the applicable Restricted Stock Agreement, (i) cash dividends on the class or series of Common Stock that is the subject of the Restricted Stock Award shall be automatically deferred and reinvested in additional Restricted Stock, held subject to the vesting of the underlying Restricted Stock, or held subject to meeting Performance Goals applicable only to dividends; and (ii) dividends payable in Common Stock shall be paid in the form of Restricted Stock of the same class as the Common Stock with which such dividend was paid, held subject to the vesting of the underlying Restricted Stock, or held subject to meeting Performance Goals applicable only to dividends.

(D) Except to the extent otherwise provided in the applicable Restricted Stock Agreement or Sections 6.3(A), 6.3(B), 6.3(E) or 9.1(D), upon a Participant's Termination of Service for any reason during the Restriction Period or before the applicable Performance Goals are satisfied, all shares still subject to restriction shall be forfeited by the Participant.

(E) Except to the extent otherwise provided in Section 9.1(D), in the event that a Participant retires or such Participant's service is involuntarily terminated, the Committee shall have the discretion to waive, in whole or in part, any or all remaining restrictions (other than, in the case of Restricted Stock with respect to which a Participant is a Covered Employee, satisfaction of the applicable Performance Goals unless the Participant's service is terminated by reason of death or Total Disability) with respect to any or all of such Participant's shares of Restricted Stock.

(F) If and when any applicable Performance Goals are satisfied and the Restriction Period expires without a prior forfeiture of the Restricted Stock, unlegended certificates for such shares shall be delivered to the Participant upon surrender of the legended certificates.

(G) Each Award shall be confirmed by, and be subject to, the terms of a Restricted Stock Agreement.

## **7. Restricted Stock Units.**

*7.1 Administration.* Restricted Stock Units may be awarded either alone or in addition to other Awards granted under the Plan. The Committee shall determine the Eligible Persons to whom and the time or times at which grants of Restricted Stock Units will be awarded and the number of Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). All Restricted Stock Units shall be made pursuant to a Restricted Stock Unit Award Agreement (an “RSU Agreement”).

*7.2 Terms of Restricted Stock Units.* The Committee will determine the terms of a Restricted Stock Unit including, without limitation: (a) the number of Shares subject to the Restricted Stock Unit; (b) the time or times during which the Restricted Stock Unit may be settled; (c) the consideration to be distributed on settlement; and (d) the effect of the Participant’s Termination of Service on each Restricted Stock Unit. A Restricted Stock Unit may be awarded upon satisfaction of such performance goals based on Performance Goals during any period of service determined by the Committee, during which years of service or performance is to be measured for the Award (the “Performance Period”) as are set out in advance in the Participant’s RSU Agreement. If the Restricted Stock Unit is being earned upon satisfaction of Performance Goals, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for the Restricted Stock Unit; (y) select from among the Performance Goals to be used to measure the performance, if any; and (z) determine the number of Shares deemed subject to the Restricted Stock Unit. Performance Periods may overlap and Participants may participate simultaneously with respect to Restricted Stock Units that are subject to different Performance Periods and different performance goals and other criteria.

*7.3 Form and Timing of Settlement.* Payment of earned Restricted Stock Units shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the RSU Agreement. The Committee, in its sole discretion, may settle earned Restricted Stock Units in cash, Shares, or a combination of both. The Committee may also permit a Participant to defer payment under a Restricted Stock Unit to a date or dates after the Restricted Stock Unit is earned provided that the terms of the Restricted Stock Unit and any deferral satisfy the requirements of Code Section 409A.

*7.4 Termination.* Except as may be set forth in the Participant’s RSU Agreement, vesting ceases on such Participant’s date of Termination of Service (unless determined otherwise by the Committee).

## **8. Adjustments Upon Change in Capitalization.**

In the event of changes in the outstanding shares of Common Stock 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 and class of shares available under the Plan, the number and class of Shares or the amount of cash or other assets or securities available upon the exercise of any Award granted hereunder and the number of Shares to be issued pursuant to an Award shall be correspondingly adjusted, to the end that the Participant’s proportionate interest in the Company, any successor thereto or in the cash, assets or other securities into which Shares are converted or exchanged shall be maintained to the same extent, as near as may be practicable, as immediately before the occurrence of any such event. Notwithstanding the foregoing, no adjustment under this Section 8 shall reduce the maximum number of Shares which may be issued under the Plan, the Quarterly Increase, or reduce any limitations related to Incentive Stock Options. For example, if the Company effects a reverse stock split of its outstanding Common Stock the number of Shares available upon the exercise of any Award shall be adjusted; however, the maximum number of Shares available under the Plan shall not be correspondingly adjusted. All references in this Plan to “Common Stock” from and after the occurrence of such event shall be deemed for all purposes of this Plan to refer to such other class of shares or securities issuable upon the exercise or payment of Awards granted pursuant hereto.

**9. Material Transaction, Liquidation or Dissolution of the Company.**

9.1 In the event of a reorganization, merger or consolidation in which the Company is not the surviving corporation, or a sale of all or substantially all of the assets of the Company to another person or entity (each a "Material Transaction"), unless otherwise provided in the applicable agreement for an Award, the Committee shall:

(A) provide for the assumption of outstanding Awards, or the substitution of outstanding Awards for new Awards, for equity securities of the surviving, successor or purchasing corporation, or a parent or Subsidiary thereof, with appropriate adjustments as to the number, kind, vesting and prices of Shares subject to such Awards, as determined in good faith by the Board in its sole discretion, or

(B) provide that the vesting of each outstanding Award shall automatically be accelerated, if applicable, so that 100% of the unvested Shares covered by such Award shall be fully vested upon the consummation of the Material Transaction, and

(i) provide notice to Participants that all outstanding Stock Options, Stock Appreciation Rights and Restricted Stock Units must be exercised on or before a specified date (which date shall be at least ten days from the date of notice), after which the Stock Options, Stock Appreciation Rights and Restricted Stock Units shall terminate; or

(ii) terminate each outstanding Stock Option, Stock Appreciation Right or Restricted Stock Unit in its entirety and exchange such Award for a payment of cash, securities and/or property equal to the Fair Market Value of the Common Stock into which such Award convertible, less the exercise price for such Award.

(C) provide that the restrictions and deferral limitations applicable to any Restricted Stock shall lapse, and such Restricted Stock shall become free of all restrictions and become fully vested and transferable, and

(D) the Committee may also make additional adjustments and/or settlements of outstanding Awards as it deems appropriate and consistent with the Plan's purposes.

Notwithstanding the foregoing, for purposes of Sections 9.1(A), 9.1(B), 9.1(C) and 9.1(D), the Committee shall not have any of the foregoing powers to the extent that the mere possession (as opposed to the exercise) of such power would result in adverse tax consequences to any Participant under Code Section 409A.

9.2 In the event of the dissolution or liquidation the Company, whether voluntary or otherwise, that is not a Material Transaction, all outstanding unexercised Stock Options and Stock Appreciation Rights must be exercised, if at all, within the ninety day period commencing on the date specified in Section 9.3 below. All such Awards which become exercisable during the ninety (90) day period commencing on the date specified in Section 9.3 below, shall terminate at the end of such ninety (90) day period to the extent not exercised prior thereto.

9.3 The date specified in this Section 9.3 is the date of the earliest to occur of the following events:

- (i) the entry, in a court having jurisdiction, of an order that the Company be liquidated or dissolved;
- (ii) adoption by the stockholders of the Company of a resolution resolving that the Company be liquidated or dissolved voluntarily; or
- (iii) adoption by the stockholders of the Company of a resolution to the effect that the Company cannot, by reason of its liabilities, continue its business and that it is advisable to liquidate or dissolve the Company. Notwithstanding anything herein to the contrary, in no event may any option granted hereunder be exercised after the expiration of the term of such option.

**10. Further Conditions.**

Each Award granted under the Plan shall be subject to the requirement that if at any time the Committee shall determine, in its absolute discretion, that it is necessary or desirable as a condition of, or in connection with the grant and/or issuance of Award or the exercise thereof, to effect or obtain, as the case may be:

- (i) the listing, registration or qualification of the Shares subject to such Award upon any securities exchange or under any state or federal law;
- (ii) the consent or approval of any governmental body;
- (iii) any investment representation or agreement by the individual desiring to be issued or to exercise an Award granted under the Plan; or
- (iv) an opinion of counsel for the Company, then, no Award may be issued or exercised, as the case may be, in whole or in part unless such listing, registration, qualification, consent, approval, investment or representation agreement or opinion shall have been effected or obtained, as the case may be, free of any condition not acceptable to the Board or the Committee.

**11. Exchange and Buyout of Awards.**

11.1 The Committee may, at any time or from time to time, authorize the Company, with the consent of the respective Participants, to issue new Awards in exchange for the surrender and cancellation of any or all outstanding Awards.

11.2 The Committee may, at any time or from time to time, authorize the Company to buy from a Participant an Award previously granted with payment in cash, Shares (including Restricted Stock) or other consideration, based on such terms and conditions as the Committee and the Participant may agree.



**12. Termination, Modification and Amendment.**

12.1 The Plan (but not Awards previously granted under the Plan) shall terminate on January 4, 2028, and no Awards shall be granted after, the tenth (10<sup>th</sup>) anniversary of its adoption by the Board; provided that the Board may at any time terminate the Plan prior thereto upon the adoption of a resolution of the Board.

12.2 The Board shall have complete power and authority to modify or amend the Plan in whole or in part and from time to time in such respects as it shall deem advisable; provided, however, that the Board shall not, without the approval of the votes represented by a majority of the outstanding Common Stock of the Company present or represented and entitled to vote at a meeting of stockholders duly held in accordance with Applicable Laws or by the written consent of stockholders owning stock representing a majority of the votes of the Company's outstanding stock entitled to vote:

(i) increase the number of Shares available for the grant of Awards under Section 1 of the Plan (except as provided in Section 8);

(ii) extend the term of the Plan or the period during which Awards may be granted or exercised;

(iii) reduce the Stock Option price of an outstanding Stock Option;

(iv) alter the maximum number of Shares available for the grant of Awards in the form of Incentive Stock Options and Restricted Stock;

(v) materially increase the benefits accruing to Participants under the Plan;

(vi) modify the requirements as to eligibility for participation in the Plan;

(vii) modify the nature of the Awards which may be granted under the Plan; and

(viii) with respect to Stock Options which are Incentive Stock Options, amend the Plan in any respect which would cause such Stock Options to no longer qualify for Incentive Stock Option treatment pursuant to the Code.

No termination or amendment of the Plan shall, without the consent of the individual Participant, adversely affect the rights of such Participant under an Award theretofore granted to such Participant.

**13. Taxes.**

The Company may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with any Awards granted under the Plan. The Company may further require notification from the Participants upon any disposition of Common Stock acquired pursuant to the Awards granted hereunder.

**14. Effectiveness Of The Plan.**

The Plan shall become effective immediately upon its approval and adoption by the Board, subject to approval by a majority of the votes of the outstanding shares of capital stock of the stockholders of the Company cast at any duly called annual or special meeting of the Company's stockholders held within one (1) year from the date of Board adoption and approval.

**15. Designation of Beneficiary by Participant.**

A Participant may designate one or more beneficiaries to receive any rights and payments to which such Participant may be entitled in respect of any option granted under the Plan in the event of such Participant's death. Such designation shall be on a written form acceptable to and filed with the Committee. The Committee shall have the right to review and approve beneficiary designations. A Participant may change the Participant's beneficiary(ies) from time to time in the same manner as the original designation, unless such Participant has made an irrevocable designation. Any designation of beneficiary under the Plan (to the extent it is valid and enforceable under Applicable Law) shall be controlling over any other disposition, testamentary or otherwise, as determined by the Committee. If no designated beneficiary survives the Participant and is living on the date on which any right or amount becomes payable to such Participant's beneficiary(ies), such payment will be made to the legal representatives of the Participant's estate, and the term "beneficiary" as used in the Plan shall be deemed to include such person or persons. If there is any question as to the legal right of any beneficiary to receive a distribution under the Plan, the Committee may determine that the amount in question be paid to the legal representatives of the estate of the Participant, in which event the Company, the Committee, the Board and the Committee and the members thereof will have no further liability to any person or entity with respect to such amount.

**16. Certificates.**

All Shares delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements promulgated under such laws or any stock exchange or automated quotation system upon which the Shares may be listed or quoted and each stock certificate evidencing such Shares and other certificates shall have the appropriately legend.

**17. Securities Law and Other Regulatory Compliance.**

17.1 The issuance of Awards under the Plan will not be effective unless such issuance is made in compliance with all applicable federal and state securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of issuance/grant and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver stock certificates for Shares under this Plan prior to:

(i) obtaining any approvals from governmental agencies that the Committee determines are necessary or advisable; and/or

(ii) completion of any registration or other qualification of such Shares under any state or federal law or ruling of any governmental body that the Committee determines to be necessary or advisable.

17.2 The Company will be under no obligation to register the Shares under the Securities Act of 1933, as amended, or to effect compliance with the registration, qualification or listing requirements of any state securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

18. **No Obligation to Employ.**

The Plan shall not constitute a contract of employment or a services relationship and nothing in this Plan shall confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Subsidiary or affiliate of the Company or limit in any way the right of the Company or any Subsidiary or affiliate of the Company to terminate the Participant's employment or other relationship at any time, with or without Cause.

19. **Non-exclusivity of the Plan.**

Neither the adoption of the Plan by the Board, the submission of the Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board or the Committee to adopt such additional compensation arrangements as the Board may deem desirable, including, without limitation, the granting of Stock Options otherwise than under the Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

20. **Miscellaneous Provisions.**

20.1 Determinations made by the Committee under the Plan need not be uniform and may be made selectively among Eligible Persons under the Plan, whether or not such Eligible Persons are similarly situated.

20.2 No Shares, other Company securities or property, other securities or property, or other forms of payment shall be issued hereunder with respect to any option granted under the Plan unless counsel for the Company shall be satisfied that such issuance will be in compliance with applicable federal, state, local and foreign legal, securities exchange and other applicable requirements.

20.3 It is the intent of the Company that if the Company's securities are registered with the Securities and Exchange Commission, the Plan comply in all respects with Rule 16b-3 under the Exchange Act, that any ambiguities or inconsistencies in construction of the Plan be interpreted to give effect to such intention and that if any provision of the Plan is found not to be in compliance with Rule 16b-3, such provision shall be deemed null and void to the extent required to permit the Plan to comply with Rule 16b-3.

20.4 The appropriate officers of the Company shall cause to be filed any reports, returns or other information regarding the grant of Stock Options hereunder or any Shares issued pursuant hereto as may be required by Section 13 or 15(d) of the Exchange Act (or any successor provision) or any other applicable statute, rule or regulation.

20.5 The Plan shall be governed by, construed, and enforced in accordance with the laws of the State of Nevada (excluding any conflict of laws, rule or principle of Nevada law that might refer the governance, construction, or interpretation of this Plan to the laws of another state). A Participant's sole remedy for any Claim shall be against the Company, and no Participant shall have any claim or right of any nature against any Subsidiary of the Company or any stockholder or existing or former director, officer or employee of the Company or any Subsidiary of the Company. The individuals and entities described above in this Section 20.5 (other than the Company) shall be third-party beneficiaries of this Plan for purposes of enforcing the terms of this Section 20.5.

[FORM]

## AMENDED AND RESTATED

XTI AEROSPACE, INC.

## 2018 EMPLOYEE STOCK INCENTIVE PLAN

## INCENTIVE STOCK OPTION AGREEMENT

THIS INCENTIVE STOCK OPTION AGREEMENT (this “**Agreement**”) dated as of \_\_\_\_\_, is between XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (the “**Company**”) and \_\_\_\_\_ (the “**Optionee**”), an Eligible Person who is an employee of the Company or any Subsidiary of the Company, pursuant to the Amended and Restated XTI Aerospace, Inc. 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 them 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 Stock**”), in accordance with the provisions of the Plan;

**NOW, THEREFORE**, in consideration of the mutual covenants 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 up to \_\_\_\_\_ full shares of Common Stock (the “**Optioned 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 Code, and not a nonqualified stock option (“**NQSO**”).

2. **Exercise Price.** The exercise price of the Common Stock covered by the Option shall be \$ \_\_\_\_\_ per share (being the Fair Market Value per share of the Common Stock on the Grant Date (as defined below) or 110% of such Fair Market Value, in the case of a 10% or more stockholder as provided in Section 422 of the Code (a “**More-Than-10% Owner**”). The “**Grant Date**” is \_\_\_\_\_, 20\_\_.

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.

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**4. Vesting; Exercise of Option.** Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested, and the Stock Option shall be exercisable as follows:

[TO BE UPDATED WITH SPECIFIC VESTING TERMS]:

(a) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by the Company or a Subsidiary on that date.

(b) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by the Company or a Subsidiary on that date.

(c) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by the Company or a Subsidiary on that date.

(d) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by the Company or a Subsidiary on that date.

Notwithstanding the foregoing, if (x) the Optionee's Termination of Service is due to the Optionee's death or Total Disability or (y) a Change of Control occurs and the Optionee remains an employee at least until immediately prior to the Change of Control, the total Optioned Shares not previously vested shall thereupon immediately become vested, and this Option shall become fully exercisable immediately prior to the occurrence of such applicable event, if not previously so exercisable.

**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 Stock 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;

ISO); or

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

(f) Cashless Exercise. If elected by the Optionee and permitted by the Board or the Committee, 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 Stock issuable upon the exercise of the Option. Such reduction may be effected by designating that the number of Common Stock issuable to the Optionee upon such exercise shall be reduced by the number of Common Stock 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 Stock to be issued to the Optionee upon such exercise.

(g) Other Forms of Consideration. If elected and permitted by the Board or the Committee, 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 or the Committee and not inconsistent with the Plan.

In the event the exercise price is paid, in whole or in part, with Common Stock, the portion of the exercise price so paid shall be equal to the Fair Market Value of the Common Stock 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 Stock with respect to which the Option is so exercised or via deposit/withdrawal at custodian ("DWAC") pursuant to instructions provided by the Optionee, provided that the Common Stock underlying the Option have been registered, or are exempt from the registration requirements, of the federal and state securities laws. The Optionee shall obtain the rights of a shareholder upon receipt of (i) a certificate(s), (ii) a book-entry security entitlement or (iii) any other similar statement evidencing beneficial ownership representing such Common Stock.

Such certificate(s) (or book-entry security entitlement(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 Total Disability (as defined in the Plan) of the Optionee, the notice shall be accompanied by appropriate proof of the right of such person to exercise the Option. All Common Stock that is 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 Stock) to satisfy all applicable withholding requirements, the Company shall be entitled to satisfy any withholding requirements for any such tax by disposing of Common Stock 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. In satisfaction of the foregoing withholding requirement, unless otherwise determined by the Company or the Company's affiliates, the Company shall withhold the number of shares to be delivered upon the exercise of the Option with an aggregate Fair Market Value that equals (but does not exceed) the amount of any federal, state and/or local taxes required by law to be withheld in connection with the Optioned Shares. The Optionee acknowledges that there may be adverse tax consequences upon the vesting of this Award or disposition of the underlying shares and that the Optionee has been advised, and hereby is advised, to consult a tax advisor. The Optionee represents that the Optionee is in no manner relying on the Board, the Committee, the Company or an affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including, without limitation, attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences. Nothing in the preceding sentence shall impair or limit the Company's right 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 the Optionee's Total Disability, by the Optionee's guardian or legal representative.

**7. Termination of Service.** Subject to Section 20 of this Agreement, if the Optionee's service with the Company and any of its Subsidiaries is terminated for any reason (other than death or Total Disability or termination for Cause (as defined in Section 4.4 of the Plan)) prior to the Expiration Date, then the Option may be exercised by the Optionee, to the extent of the number of Common Stock with respect to which the Optionee could have exercised it on the date of such Termination of Service, at any time prior to the earlier of (i) the Expiration Date, or (ii) three (3) months after such Termination of Service. Subject to Section 20 of this Agreement, any part of the Option that was not exercisable immediately before that Termination of Service shall terminate at that time. No Option granted under this Agreement or the Plan may be exercised by a Optionee following a Termination of Service for Cause.

**8. Total Disability.** In the event of the Total Disability (as defined in the Plan) of the Optionee (i) while serving as an Eligible Person; or (ii) within three (3) months after a Termination of Service, other than for Cause, then the Option may be exercised by the Optionee or by the Optionee's legal representative, to the extent of the number of Common Stock with respect to which the Optionee could have exercised it on the date of such Termination of Service at any time within twelve (12) months after the Optionee's Total Disability, but in no event after the Expiration Date. Any part of the Option that was not exercisable immediately before the Optionee's Termination of Service shall terminate at that time.

**9. Death.** If the Optionee dies (i) while serving as an Eligible Person; or (ii) within three (3) months after a Termination of Service, other than for Cause, 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 Stock with respect to which the Optionee could have exercised it on the date of the Optionee's death, at any time within twelve (12) months after the Optionee's death, but in no event after the Expiration Date. 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 Stock 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 Stock 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 Stock 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 Stock 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 affected or obtained on conditions acceptable to the Board or the Committee. 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 Stock subject to the Option for the Optionee's 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 Stock delivered in connection with the exercise of the Option, if any, 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 Stock or otherwise. The Optionee specifically understands and agrees that the Common Stock, 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 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 Stock 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 (or book-entry security entitlement) to the Optionee for such Common Stock. No adjustment shall be made for dividends or other rights for which the record date is prior to the date such stock certificate (or book-entry security entitlement) is issued.



## 12. Adjustment on Changes in Capitalization.

(a) In the event of changes in the outstanding Common Stock 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 or the dissolution or liquidation of the Company, whether voluntary or otherwise, that is not 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, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the exercise price or round up to the next whole 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 a participant 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. **The Optionee's Acknowledgements.** The Optionee acknowledges that a copy of the Plan has been made available for the Optionee's review by the Company and represents that the Optionee is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Optionee hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan or this Agreement.

15. **Specific Performance.** The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

16. **The Optionee's Representations.** Notwithstanding any of the provisions hereof, the Optionee hereby agrees that the Optionee will not exercise the Option granted hereby, and that the Company will not be obligated to issue any shares to the Optionee hereunder, if the issuance of such shares of Common Stock shall constitute a violation by the Optionee or the Company of any provision of any law or regulation of any governmental authority. Any determination by the Company under this Section 16 shall be final, binding, and conclusive. The obligations of the Company and the rights of the Optionee are subject to all Applicable Laws.

17. **Investment Representation.** Unless the shares are issued to the Optionee in a transaction registered under applicable federal and state securities laws, by the Optionee's execution hereof, the Optionee represents and warrants to the Company that all Common Stock which may be acquired hereunder will be acquired by the Optionee for investment purposes for the Optionee's own account and not with any intent for resale or distribution in violation of federal or state securities laws, all certificates issued with respect to the Common Stock shall bear an appropriate restrictive investment legend and shall be held indefinitely, unless they are subsequently registered under the applicable federal and state securities laws or the Optionee obtains an opinion of counsel, in form and substance satisfactory to the Company and its counsel, that such registration is not required.

18. **Not a Contract of Employment.** Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue to serve as an employee of the Company or any of the Company's affiliates or shall interfere with or restrict in any way the rights of the Company and the Company's affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of the Optionee at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an affiliate of the Company and the Optionee.

19. **Governing Law.** This Agreement shall be governed by the applicable Code provisions, to the maximum extent possible, in a manner consistent with the provisions of the Code concerning incentive stock options. 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.

20. **Employment Agreement.** Notwithstanding anything to the contrary in this Agreement, if there is a written employment agreement in effect between you and the Company or any Subsidiary (the "Employment Agreement"), then the Option shall be subject to the terms of such Employment Agreement, so long as such Employment Agreement remains in effect (as it may be amended, supplemented or restated from time to time) and the terms set forth in the Employment Agreement are applicable to the Option.

21. **Amendment, Modification, Suspension and Termination.** To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board of Directors of the Company or an affiliate of the Company (if the affiliate, rather than the Company, is a party to the Agreement); provided, however, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Award in any material way without the prior written consent of the Optionee.

22. **Clawback.** The Optionee by accepting this Agreement hereby acknowledges and consents to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Optionee and the shares underlying the Option, whether adopted before or after the Grant Date, and any term of applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

23. **409A Compliance.** The Option and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from, or comply with, the applicable requirements of Section 409A of the Code. If the Company makes a good faith determination that any compensation provided under this Agreement is likely to be subject to the additional tax imposed by Section 409A of the Code, the Company may, to the extent it deems necessary or advisable, modify this Agreement, without the Optionee's consent, to reduce the risk that such additional tax will apply, in a manner designed to preserve the material economic benefits intended to be provided to the Optionee under this Agreement (other than any diminution of such benefit that may be attributable to the time value of money resulting from a delay in the timing of payments hereunder for a period of approximately six months or such longer period as may be required).

24. **Limitations Applicable to Section 16 Persons.** Notwithstanding any other provision of the Plan or this Agreement, if the Optionee is subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), then the Plan, the Award and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

25. **Entire Agreement.** The Plan and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and affiliates of the Company and the Optionee with respect to the subject matter hereof.

26. **Limitation on the Optionee's Rights.** Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. The Plan, in and of itself, has no assets. The Optionee shall have only the rights of a general unsecured creditor of the Company and affiliates of the Company with respect to amounts credited and benefits payable, if any, with respect to the Shares issuable hereunder.

27. **Headings.** The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

28. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company for such purpose.

[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.

**XTI AEROSPACE, INC.**

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

**OPTIONEE:**

\_\_\_\_\_  
Optionee:

\_\_\_\_\_

AMENDED AND RESTATED

XTI AEROSPACE, INC.

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 XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (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 Incentive Stock Option Agreement.  
and/or
- \_\_\_\_\_ F. I elect to satisfy the payment for Shares purchased hereunder by remitting other forms of consideration as follows:  
\_\_\_\_\_  
\_\_\_\_\_

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

☐ Please have the shares delivered via DWAC to the following account:

DATED: \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Insert Name of Broker

\_\_\_\_\_  
Optionee Name

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

[FORM]

## AMENDED AND RESTATED

XTI AEROSPACE, INC.

## 2018 EMPLOYEE STOCK INCENTIVE PLAN

## NON-QUALIFIED STOCK OPTION AGREEMENT

THIS NON-QUALIFIED STOCK OPTION AGREEMENT (this “**Agreement**”) dated as of \_\_\_\_\_, is between XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (the “**Company**”) and \_\_\_\_\_ (the “**Optionee**”), an Eligible Person, pursuant to the Amended and Restated XTI Aerospace, Inc. 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 Stock**”), in accordance with the provisions of the Plan;

NOW, THEREFORE, in consideration of the mutual covenants 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 up to \_\_\_\_\_ full shares of Common Stock (the “**Optioned 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 a nonqualified stock option (“**NQSO**”) for purposes of the Code.

2. **Exercise Price.** The exercise price of the Common Stock covered by the Option shall be \_\_\_\_\_ per share (being the Fair Market Value per share of the Common Stock on the Grant Date). The “**Grant Date**” is \_\_\_\_\_, 20\_\_.

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 from the Grant Date. The Option shall not be exercisable on or after the Expiration Date. The Option is a Non-Qualified Stock Option that is intended to comply with the provisions governing nonqualified stock options under the final Treasury Regulations issued on April 17, 2007, in order to exempt this Stock Option from application of Section 409A of the Code.

**4. Vesting; Exercise of Option.** Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested, and the Stock Option shall be exercisable as follows:

**[TO BE UPDATED WITH SPECIFIC VESTING TERMS]:**

(a) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by (or, if the Optionee is a non-employee director, consultant, or vendor, is providing services to) the Company or a Subsidiary on that date.

(b) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by (or, if the Optionee is a non-employee director, consultant, or vendor, is providing services to) the Company or a Subsidiary on that date.

(c) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by (or, if the Optionee is a non-employee director, consultant, or vendor, is providing services to) the Company or a Subsidiary on that date.

(d) \_\_\_\_\_ of the total Optioned Shares shall vest and that portion of the Option shall become exercisable on \_\_\_\_\_, provided the Optionee is employed by (or, if the Optionee is a non-employee director, consultant, or vendor, is providing services to) the Company or a Subsidiary on that date.

Notwithstanding the foregoing, if (x) the Optionee's Termination of Service is due to the Optionee's death or Total Disability or (y) a Change of Control occurs and the Optionee remains an employee, non-employee director, consultant, or vendor at least until immediately prior to the Change of Control, the total Optioned Shares not previously vested shall thereupon immediately become vested, and this Option shall become fully exercisable immediately prior to the occurrence of such applicable event, if not previously so exercisable.

**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 Stock 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 Stock newly acquired by the Optionee upon exercise of the Option; or

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

(f) Cashless Exercise. If elected by the Optionee and permitted by the Board or the Committee, 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 Stock issuable upon the exercise of the Option. Such reduction may be effected by designating that the number of Common Stock issuable to the Optionee upon such exercise shall be reduced by the number of Common Stock 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 Stock to be issued to the Optionee upon such exercise.

(g) Other Forms of Consideration. If elected and permitted by the Board or the Committee, 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 or the Committee and not inconsistent with the Plan.

In the event the exercise price is paid, in whole or in part, with Common Stock, the portion of the exercise price so paid shall be equal to the Fair Market Value of the Common Stock 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 Stock with respect to which the Option is so exercised or via deposit/withdrawal at custodian (“DWAC”) pursuant to instructions provided by the Optionee, provided that the Common Stock underlying the Option have been registered, or are exempt from the registration requirements, of the federal and state securities laws. The Optionee shall obtain the rights of a shareholder upon receipt of (i) a certificate(s), (ii) a book-entry security entitlement or (iii) any other similar statement evidencing beneficial ownership, representing such Common Stock.

Such certificate(s) (or book-entry security entitlement(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 Total Disability (as defined in the Plan) of the Optionee, the notice shall be accompanied by appropriate proof of the right of such person to exercise the Option. All Common Stock that is 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 Stock) to satisfy all applicable withholding requirements, the Company shall be entitled to satisfy any withholding requirements for any such tax by disposing of Common Stock 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. In satisfaction of the foregoing withholding requirement, unless otherwise determined by the Company or the Company’s affiliates, the Company shall withhold the number of shares to be delivered upon the exercise of the Option with an aggregate Fair Market Value that equals (but does not exceed) the amount of any federal, state and/or local taxes required by law to be withheld in connection with the Optioned Shares. The Optionee acknowledges that there may be adverse tax consequences upon the vesting of this Award or disposition of the underlying shares and that the Optionee has been advised, and hereby is advised, to consult a tax advisor. The Optionee represents that the Optionee is in no manner relying on the Board, the Committee, the Company or an affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including, without limitation, attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences. Nothing in the preceding sentence shall impair or limit the Company’s right 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 the Optionee's Total Disability, by the Optionee's guardian or legal representative.

**7. Termination of Service.** Subject to Section 19 of this Agreement, if the Optionee's service with the Company and any of its Subsidiaries is terminated for any reason (other than death or Total Disability or termination for Cause (as defined in Section 4.4 of the Plan)) prior to the Expiration Date, then the Option may be exercised by the Optionee, to the extent of the number of Common Stock with respect to which the Optionee could have exercised it on the date of such Termination of Service, at any time prior to the earlier of (i) the Expiration Date, or (ii) three (3) months after such Termination of Service. Subject to Section 19 of this Agreement, any part of the Option that was not exercisable immediately before that Termination of Service shall terminate at that time. No Option granted under this Agreement or the Plan may be exercised by a Optionee following a Termination of Service for Cause.

**8. Total Disability.** In the event of the Total Disability (as defined in the Plan) of the Optionee (i) while serving as an Eligible Person; or (ii) within three (3) months after a Termination of Service, other than for Cause, then the Option may be exercised by the Optionee or by the Optionee's legal representative, to the extent of the number of Common Stock with respect to which the Optionee could have exercised it on the date of such Termination of Service at any time within twelve (12) months after the Optionee's Total Disability, but in no event after the Expiration Date. Any part of the Option that was not exercisable immediately before the Optionee's Termination of Service shall terminate at that time.

**9. Death.** If the Optionee dies (i) while serving as an Eligible Person; or (ii) within three (3) months after a Termination of Service, other than for Cause, 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 Stock with respect to which the Optionee could have exercised it on the date of the Optionee's death, at any time within twelve (12) months after the Optionee's death, but in no event after the Expiration Date. Any part of the Option that was not exercisable immediately before the Optionee's death shall terminate at that time.

#### 10. Securities Matters.

(a) If, at any time, counsel to the Company shall determine that the listing, registration or qualification of the Common Stock 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 Stock 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 affected or obtained on conditions acceptable to the Board or the Committee. 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 Stock subject to the Option for the Optionee's 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 Stock delivered in connection with the exercise of the Option, if any, 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 Stock or otherwise. The Optionee specifically understands and agrees that the Common Stock, 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 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 Stock 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 (or book-entry security entitlement) to the Optionee for such Common Stock. No adjustment shall be made for dividends or other rights for which the record date is prior to the date such stock certificate (or book-entry security entitlement) is issued.

#### 11. Adjustment on Changes in Capitalization.

(a) In the event of changes in the outstanding Common Stock 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 or the dissolution or liquidation the Company, whether voluntary or otherwise, that is not 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, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the exercise price or round up to the next whole share.

12. **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 a participant 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.

13. **The Optionee's Acknowledgements.** The Optionee acknowledges that a copy of the Plan has been made available for the Optionee's review by the Company and represents that the Optionee is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Optionee hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan or this Agreement.

14. **Specific Performance.** The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

15. **The Optionee's Representations.** Notwithstanding any of the provisions hereof, the Optionee hereby agrees that the Optionee will not exercise the Option granted hereby, and that the Company will not be obligated to issue any shares to the Optionee hereunder, if the issuance of such shares of Common Stock shall constitute a violation by the Optionee or the Company of any provision of any law or regulation of any governmental authority. Any determination by the Company under this Section 15 shall be final, binding, and conclusive. The obligations of the Company and the rights of the Optionee are subject to all Applicable Laws.

16. **Investment Representation.** Unless the shares are issued to the Optionee in a transaction registered under applicable federal and state securities laws, by the Optionee's execution hereof, the Optionee represents and warrants to the Company that all Common Stock which may be acquired hereunder will be acquired by the Optionee for investment purposes for the Optionee's own account and not with any intent for resale or distribution in violation of federal or state securities laws, all certificates issued with respect to the Common Stock shall bear an appropriate restrictive investment legend and shall be held indefinitely, unless they are subsequently registered under the applicable federal and state securities laws or the Optionee obtains an opinion of counsel, in form and substance satisfactory to the Company and its counsel, that such registration is not required.

17. **Not a Contract of Service Relationship.** Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue to serve as an employee or other service provider of the Company or any of the Company's affiliates or shall interfere with or restrict in any way the rights of the Company and the Company's affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of the Optionee at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an affiliate of the Company and the Optionee.

18. **Governing Law.** This Agreement shall be governed by the applicable Code provisions, to the maximum extent possible, in a manner consistent with the provisions of the Code concerning non-qualified stock options. 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.

19. **Employment Agreement.** Notwithstanding anything to the contrary in this Agreement, if there is a written employment agreement in effect between you and the Company or any Subsidiary (the "**Employment Agreement**"), then the Option shall be subject to the terms of such Employment Agreement, so long as such Employment Agreement remains in effect (as it may be amended, supplemented or restated from time to time) and the terms set forth in the Employment Agreement are applicable to the Option.

20. **Amendment, Modification, Suspension and Termination.** To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board of Directors of the Company or an affiliate of the Company (if the affiliate, rather than the Company, is a party to the Agreement); provided, however, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Award in any material way without the prior written consent of the Optionee.

21. **Clawback.** The Optionee by accepting this Agreement hereby acknowledges and consents to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Optionee and the shares underlying the Option, whether adopted before or after the Grant Date, and any term of applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

22. **409A Compliance.** The Option and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from, or comply with, the applicable requirements of Section 409A of the Code. If the Company makes a good faith determination that any compensation provided under this Agreement is likely to be subject to the additional tax imposed by Section 409A of the Code, the Company may, to the extent it deems necessary or advisable, modify this Agreement, without the Optionee's consent, to reduce the risk that such additional tax will apply, in a manner designed to preserve the material economic benefits intended to be provided to the Optionee under this Agreement (other than any diminution of such benefit that may be attributable to the time value of money resulting from a delay in the timing of payments hereunder for a period of approximately six months or such longer period as may be required).

23. **Limitations Applicable to Section 16 Persons.** Notwithstanding any other provision of the Plan or this Agreement, if the Optionee is subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), then the Plan, the Award and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

24. **Entire Agreement.** The Plan and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and affiliates of the Company and the Optionee with respect to the subject matter hereof.

25. **Limitation on the Optionee's Rights.** Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. The Plan, in and of itself, has no assets. The Optionee shall have only the rights of a general unsecured creditor of the Company and affiliates of the Company with respect to amounts credited and benefits payable, if any, with respect to the Shares issuable hereunder.

26. **Headings.** The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

27. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company for such purpose.

[SIGNATURE PAGE FOLLOWS]

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

**XTI AEROSPACE, INC.**

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

**OPTIONEE:**

\_\_\_\_\_  
Optionee:

\_\_\_\_\_

AMENDED AND RESTATED

XTI AEROSPACE, INC.

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 XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (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 remitting other forms of consideration as follows: \_\_\_\_\_

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

[ ] Please have the shares delivered via DWAC to the following account: \_\_\_\_\_

DATED: \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Insert Name of Broker

\_\_\_\_\_  
Optionee Name

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



[FORM]

## AMENDED AND RESTATED

XTI AEROSPACE, INC.

## 2018 EMPLOYEE STOCK INCENTIVE PLAN

## RESTRICTED STOCK AWARD GRANT NOTICE

XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (the “**Company**”), pursuant to the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan, as amended from time to time (the “**Plan**”), hereby grants to the individual listed below (the “**Participant**”), in consideration of the mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the number of shares of the Company’s Common Stock set forth below (the “**Shares**”). This Restricted Stock award is subject to all of the terms and conditions as set forth herein and in the Restricted Stock Award Agreement attached hereto as Exhibit A (the “**Agreement**”) (including without limitation the restrictions on the Shares set forth in Section 2.2 of the Agreement (the “**Restrictions**”)) and the Plan, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Award Grant Notice (the “**Grant Notice**”) and the Agreement.

Name of Participant: \_\_\_\_\_

Grant Date: \_\_\_\_\_, 20\_\_\_\_

Total Number of Shares of Restricted Stock: \_\_\_\_\_

Vesting Schedule: Except as specifically provided in the Agreement and subject to the restrictions and conditions set forth in the Plan, the Shares shall vest, in accordance with the following schedule, provided the Participant remains an employee, non-employee director, consultant, or vendor of the Company or a Subsidiary on the applicable vesting date:

- [Vesting TBD]

[SIGNATURE PAGE FOLLOWS]

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By the Participant’s signature and the Company’s signature below, the Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. The Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Agreement and the Plan. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan, this Grant Notice and/or the Agreement. In addition, by signing below, the Participant also agrees that the Company or any affiliate of the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.2(c) of the Agreement by (i) withholding Shares otherwise issuable to the Participant upon the vesting of the Shares, (ii) instructing a broker on the Participant’s behalf to sell shares of Common Stock otherwise issuable to the Participant upon the vesting of the Shares and remit the proceeds of such sale to the Company, or (iii) using any other method permitted by Section 2.2(c) of the Agreement or the Plan.

This Grant Notice may be executed and/or accepted electronically and/or executed in duplicate counterparts, the production of either of which (including a signature or proof of electronic acceptance) shall be sufficient for all purposes for the proof of the binding terms of these Shares.

**XTI AEROSPACE, INC.**

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

**PARTICIPANT**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

Attachment:

Exhibit A – Restricted Stock Award Agreement

\_\_\_\_\_

## EXHIBIT A

### RESTRICTED STOCK AWARD AGREEMENT

Pursuant to the Restricted Stock Award Grant Notice (the “**Grant Notice**”) to which this Restricted Stock Award Agreement (the “**Agreement**”) is attached, XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (the “**Company**”) has granted to the Participant the number of shares of Restricted Stock (the “**Shares**”) under the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan, as amended from time to time (the “**Plan**”), as set forth in the Grant Notice. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

#### ARTICLE I.

##### GENERAL

**1.1 Incorporation of Terms of Plan.** The Award (as defined below) is subject to the terms and conditions of the Plan, which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

#### ARTICLE II.

##### AWARD OF RESTRICTED STOCK

###### 2.1 Award of Restricted Stock.

(a) **Award.** Pursuant to the Grant Notice and upon the terms and conditions set forth in the Plan and this Agreement, effective as of the Grant Date set forth in the Grant Notice, the Company has granted to the Participant an award of Restricted Stock (the “**Award**”) under the Plan in consideration of the Participant’s past and/or continued employment with or service to the Company or the Company’s affiliates, and for other good and valuable consideration which the Committee has determined exceeds the aggregate par value of the Common Stock subject to the Award as of the Grant Date. The number of Shares subject to the Award is set forth in the Grant Notice. The Participant is an employee, director or consultant of the Company or one of the Company’s affiliates.

(b) **Book Entry Form; Certificates.** At the sole discretion of the Committee, the Shares will be issued in either (i) uncertificated form, with the Shares recorded in the name of the Participant in the books and records of the Company’s transfer agent with appropriate notations regarding the restrictions on transfer imposed pursuant to this Agreement, and upon vesting and the satisfaction of all conditions set forth in Sections 2.2(b) and (d) hereof, the Company shall remove such notations on any such vested Shares in accordance with Section 2.1(c) below; or (ii) certificated form pursuant to the terms of Sections 2.1(c), (d) and (e) below.

(c) **Legend.** Certificates representing Shares issued pursuant to this Agreement shall, until all Restrictions (as defined below) imposed pursuant to this Agreement lapse or have been removed and the Shares have thereby become vested or the Shares represented thereby have been forfeited hereunder, bear the following legend (or such other legend as shall be determined by the Administrator):

“THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE) OF THE AMENDED AND RESTATED XTI AEROSPACE, INC. 2018 EMPLOYEE STOCK INCENTIVE PLAN AND A RESTRICTED STOCK AWARD AGREEMENT. COPIES OF SUCH PLAN AND AGREEMENT ARE ON FILE AT THE OFFICES OF XTI AEROSPACE, INC. (F/K/A INPIXON), 8123 INTERPORT BLVD., SUITE C, ENGLEWOOD, CO 80112.”

(d) **Escrow.** The Secretary of the Company or such other escrow holder as the Committee may appoint may retain physical custody of any certificates representing the Shares until all of the Restrictions lapse or shall have been removed; in such event, the Participant shall not retain physical custody of any certificates representing unvested Shares issued to the Participant. The Participant, by acceptance of the Award, shall be deemed to appoint, and does so appoint, the Company and each of its authorized representatives as the Participant’s attorney(s)-in-fact to effect any transfer of unvested forfeited Shares (or Shares otherwise reacquired by the Company hereunder) to the Company as may be required pursuant to the Plan or this Agreement and to execute such documents as the Company or such representatives deem necessary or advisable in connection with any such transfer.

(e) **Removal of Notations; Delivery of Certificates Upon Vesting.** As soon as administratively practicable after the vesting of any Shares subject to the Award pursuant to Section 2.2(b) hereof, the Company shall, as applicable, either remove the notations on any Shares subject to the Award issued in book entry form which have vested or deliver to the Participant a certificate or certificates evidencing the number of Shares subject to the Award which have vested (or, in either case, such lesser number of Shares as may be permitted pursuant to Section 2.2(c) of this Agreement). The Participant (or the beneficiary or personal representative of the Participant in the event of the Participant’s death or incapacity, as the case may be) shall deliver to the Company any representations or other documents or assurances required by the Company. The Shares so delivered shall no longer be subject to the Restrictions hereunder.

## **2.2 Restrictions.**

(a) **Forfeiture.** Notwithstanding any contrary provision of this Agreement, upon the Participant’s Termination of Service for any or no reason, any portion of the Award which has not vested prior to or in connection with such Termination of Service (after taking into consideration any accelerated vesting and lapsing of Restrictions, if any, which may occur in connection with such Termination of Service) shall thereupon be forfeited immediately and without any further action by the Company or the Participant, and the Participant shall have no further right or interest in or with respect to such Shares or such portion of the Award. For purposes of this Agreement, “**Restrictions**” shall mean the restrictions on sale or other transfer set forth in Section 3.2 hereof and the exposure to forfeiture set forth in this Section 2.2(a).

(b) **Vesting and Lapse of Restrictions.** Shares which have become vested pursuant to the terms of this Agreement in accordance with the vesting schedule set forth in the Grant Notice and this Section 2.2(b) are collectively referred to herein as “**Vested Shares**.” All other Shares are collectively referred to herein as “**Unvested Shares**.” Subject to Section 2.2(a), above, the Award shall vest and Restrictions shall lapse in accordance with the vesting schedule set forth in the Grant Notice (rounding down to the nearest whole Share, except in the case of the final vesting event). In addition, if (x) the Participant’s Termination of Service is due to the Participant’s death or Total Disability or (y) a Change of Control occurs and the Participant remains an employee, non-employee director, consultant, or vendor at least until immediately prior to the Change of Control, all Unvested Shares shall become Vested Shares immediately prior to the occurrence of such applicable event.

(c) **Tax Withholding.** The Company or the Company’s affiliates shall be entitled to require a cash payment (or to elect, such other form of payment determined in accordance with Section 13 of the Plan) by or on behalf of the Participant and/or to deduct from other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld with respect to the grant or vesting of the Award or the lapse of the Restrictions hereunder. In satisfaction of the foregoing withholding requirement, unless otherwise determined by the Company or the Company’s affiliates, the Company shall withhold the number of Shares upon the vesting of the Vested RSUs with an aggregate Fair Market Value that equals (but does not exceed) the amount of any federal, state and/or local taxes required by law to be withheld in connection with the Award. The Participant acknowledges that there may be adverse tax consequences upon the vesting of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including, without limitation, attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

(d) **Conditions to Delivery of Shares.** Subject to Section 2.1 above, the Shares deliverable under this Award may be either previously authorized but unissued Shares, treasury Shares or Shares purchased on the open market. Such Shares shall be fully paid and nonassessable. Notwithstanding the foregoing, the issuance of such Shares shall not be delayed if and to the extent that such delay would result in a violation of Section 409A of Internal Revenue Code of 1986, as amended (the “**Code**”). In the event that the Company delays the issuance of such Shares because it reasonably determines that the issuance of such Shares will violate Section 17 of the Plan, such issuance shall be made at the earliest date at which the Company reasonably determines that issuing such Shares will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii).

**2.3 Consideration to the Company.** In consideration of the grant of the Award pursuant hereto, the Participant agrees to render faithful and efficient services to the Company or any affiliate of the Company.

## ARTICLE III.

### OTHER PROVISIONS

**3.1 Section 83(b) Election.** If the Participant makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which the Participant would otherwise be taxable under Section 83(a) of the Code, the Participant hereby agrees to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service.

**3.2 Restricted Stock Not Transferable.** Until the Restrictions hereunder lapse or expire pursuant to this Agreement and the Shares vest, the Restricted Stock (including any Shares received by holders thereof with respect to Restricted Stock as a result of stock dividends, stock splits or any other form of recapitalization) shall be subject to the restrictions on transferability set forth in Section 6.3(B) of the Plan.

**3.3 Rights as Stockholder.** Except as otherwise provided herein and in Sections 6.3(A), 6.3(B) and 6.3(C) of the Plan, upon the Grant Date, the Participant shall have all the rights of a stockholder of the Company with respect to the Shares, subject to the Restrictions, including, without limitation, voting rights and rights to receive any cash or stock dividends, in respect of the Shares subject to the Award and deliverable hereunder.

**3.4 The Participant's Acknowledgements.** The Participant acknowledges that a copy of the Plan has been made available for the Participant's review by the Company and represents that the Participant is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan, the Grant Notice, or this Agreement.

**3.5 Specific Performance.** The parties acknowledge that remedies at law will be inadequate remedies for breach of the Grant Notice and this Agreement and consequently agree that the Grant Notice and this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under the Grant Notice and this Agreement.

**3.6 The Participant's Representations.** Notwithstanding any of the provisions hereof, the Participant hereby agrees that the Participant will not acquire any Shares, and that the Company will not be obligated to issue any Share to the Participant hereunder, if the issuance of such shares of Common Stock shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination by the Company under this Section 3.6 shall be final, binding, and conclusive. The obligations of the Company and the rights of the Participant are subject to all Applicable Laws.

**3.7 Investment Representation.** Unless the Shares are issued to the Participant in a transaction registered under applicable federal and state securities laws, by the Participant's execution hereof, the Participant represents and warrants to the Company that all Common Stock which may be acquired hereunder will be acquired by the Participant for investment purposes for the Participant's own account and not with any intent for resale or distribution in violation of federal or state securities laws, all certificates issued with respect to the Common Stock shall bear an appropriate restrictive investment legend and shall be held indefinitely, unless they are subsequently registered under the applicable federal and state securities laws or the Participant obtains an opinion of counsel, in form and substance satisfactory to the Company and its counsel, that such registration is not required.

**3.8 Not a Contract of Service Relationship.** Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee or other service provider of the Company or any of the Company's affiliates or shall interfere with or restrict in any way the rights of the Company and the Company's affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of the Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an affiliate of the Company and the Participant.

**3.9 Governing Law.** The laws of the State of Nevada shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

**3.10 Conformity to Securities Laws.** The Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and any and all applicable state and federal laws. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Award is granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by Applicable Law (as defined in the Plan), the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

**3.11 Amendment, Modification, Suspension and Termination.** To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board of Directors of the Company or an affiliate of the Company (if the affiliate, rather than the Company, is a party to the Agreement); provided, however, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Award in any material way without the prior written consent of the Participant.

**3.12 Notices.** Any notice to be given under the terms of this Agreement shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to the Participant shall be addressed to the Participant at the Participant's last address reflected on the Company's records. Any notice shall be deemed duly given when sent via email or when sent by reputable overnight courier or by certified mail (return receipt requested) through the United States Postal Service.

**3.13 Clawback.** The Participant by accepting this Agreement and the Grant Notice hereby acknowledges and consents to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Participant and the Shares, whether adopted before or after the Grant Date, and any term of applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

**3.14 Successors and Assigns.** The Company or any affiliate of the Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company and its affiliates. Subject to the restrictions on transfer set forth in Section 3.2 hereof, this Agreement shall be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

**3.15 Limitations Applicable to Section 16 Persons.** Notwithstanding any other provision of the Plan or this Agreement, if the Participant is subject to Section 16 of the Exchange Act, then the Plan, the Award and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

**3.16 Entire Agreement.** The Plan, the Grant Notice and this Agreement (including all Exhibits thereto, if any) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and affiliates of the Company and the Participant with respect to the subject matter hereof.

**3.17 Limitation on the Participant's Rights.** Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. The Plan, in and of itself, has no assets. The Participant shall have only the rights of a general unsecured creditor of the Company and affiliates of the Company with respect to amounts credited and benefits payable, if any, with respect to the Shares issuable hereunder.

**3.18 Headings.** The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

**3.19 Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company for such purpose.



[FORM]

## AMENDED AND RESTATED

XTI AEROSPACE, INC.

## 2018 EMPLOYEE STOCK INCENTIVE PLAN

## RESTRICTED STOCK UNIT AWARD GRANT NOTICE

XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation, (the “**Company**”), pursuant to the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan, as amended from time to time (the “**Plan**”), hereby grants to the individual listed below (the “**Participant**”), in consideration of the mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the number of restricted stock units set forth below (the “**RSUs**”). This award of RSUs is subject to all of the terms and conditions as set forth herein and in the Restricted Stock Unit Award Agreement attached hereto as Exhibit A (the “**Agreement**”) (including without limitation the restrictions on the RSUs set forth in Section 2.2 of the Agreement (the “**Restrictions**”)) and the Plan, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Unit Award Grant Notice (the “**Grant Notice**”) and the Agreement.

Name of Participant: \_\_\_\_\_

Grant Date: \_\_\_\_\_, 20\_\_\_\_

Total Number of RSUs: \_\_\_\_\_

Vesting Schedule: Except as specifically provided in the Agreement and subject to the restrictions and conditions set forth in the Plan, the RSUs shall vest, in accordance with the following schedule, provided the Participant remains an employee, director or consultant of the Company on the applicable vesting date:

- [Vesting TBD]

[SIGNATURE PAGE FOLLOWS]

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By the Participant’s signature and the Company’s signature below, the Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. The Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Agreement and the Plan. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan, this Grant Notice and/or the Agreement. In addition, by signing below, the Participant also agrees that the Company or any affiliate of the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.2(e) of the Agreement by (i) withholding shares of Common Stock otherwise issuable to the Participant upon the vesting and conversion of the RSUs, (ii) instructing a broker on the Participant’s behalf to sell shares of Common Stock otherwise issuable to the Participant upon the vesting and conversion of the RSUs and remit the proceeds of such sale to the Company, or (iii) using any other method permitted by Section 2.2(e) of the Agreement or the Plan.

This Grant Notice may be executed and/or accepted electronically and/or executed in duplicate counterparts, the production of either of which (including a signature or proof of electronic acceptance) shall be sufficient for all purposes for the proof of the binding terms of these RSUs.

**XTI AEROSPACE, INC.**

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

**PARTICIPANT**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

Attachment:

Exhibit A – Restricted Stock Unit Award Agreement

\_\_\_\_\_

## EXHIBIT A

### RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the “**Grant Notice**”) to which this Restricted Stock Unit Award Agreement (the “**Agreement**”) is attached, XTI Aerospace, Inc. (f/k/a Inpixon), a Nevada corporation (the “**Company**”) has granted to the Participant an award of Restricted Stock Units (“**RSUs**”) under the Amended and Restated XTI Aerospace, Inc. 2018 Employee Stock Incentive Plan, as amended from time to time (the “**Plan**”), as set forth in the Grant Notice. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

#### ARTICLE I.

##### GENERAL

**1.1 Incorporation of Terms of Plan.** The Award (as defined below) is subject to the terms and conditions of the Plan, which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

#### ARTICLE II.

##### AWARD OF RESTRICTED STOCK UNITS

**2.1 Award of Restricted Stock Units.** Pursuant to the Grant Notice and upon the terms and conditions set forth in the Plan and this Agreement, effective as of the Grant Date set forth in the Grant Notice, the Company has granted to the Participant an award of RSUs (the “**Award**”) under the Plan in consideration of the Participant’s past and/or continued employment with or service to the Company or the Company’s affiliates, and for other good and valuable consideration. The number of RSUs subject to the Award is set forth in the Grant Notice and may be converted into the number of shares of Common Stock of the Company equal to the number of RSUs, subject to the terms and conditions of the Plan and this Agreement. Each RSU shall be a notional share of Common Stock, with the value of each RSU being equal to the Fair Market Value of a share of Common Stock at any time.

##### 2.2 Restrictions.

(a) **Forfeiture.** Notwithstanding any contrary provision of this Agreement, upon the Participant’s Termination of Service for any or no reason, any portion of the Award which has not vested prior to or in connection with such Termination of Service (after taking into consideration any accelerated vesting and lapsing of Restrictions, if any, which may occur in connection with such Termination of Service) shall thereupon be forfeited immediately and without any further action by the Company or the Participant, and the Participant shall have no further right or interest in or with respect to such shares of Common Stock or such portion of the Award. For purposes of this Agreement, “**Restrictions**” shall mean the restrictions on sale or other transfer set forth in Section 3.1 hereof and the exposure to forfeiture set forth in this Section 2.2(a).

(b) **Vesting and Lapse of Restrictions.** RSUs which have become vested pursuant to the terms of this Agreement in accordance with the vesting schedule set forth in the Grant Notice and this Section 2.2(b) are collectively referred to herein as “**Vested RSUs**.” All other RSUs are collectively referred to herein as “**Unvested RSUs**.” Subject to Section 2.2(a), above, the RSUs shall vest and Restrictions shall lapse in accordance with the vesting schedule set forth in the Grant Notice (rounding down to the nearest whole Share, except in the case of the final vesting event). In addition, if (x) the Participant’s Termination of Service is due to the Participant’s death or Total Disability or (y) a Change of Control occurs and the Participant remains an employee, non-employee director, consultant, or vendor at least until immediately prior to the Change of Control, all Unvested RSUs shall become Vested RSUs immediately prior to the occurrence of such applicable event.

(c) **Delivery of Common Stock.** Subject to the provisions of the Plan and this Agreement, upon the vesting of RSUs, or as soon as practicable following vesting, and in no event, later than 90 days after vesting of RSUs, the Company shall convert the Vested RSUs into the number of whole shares of Common Stock equal to the number of Vested RSUs and shall deliver to the Participant or the Participant’s personal representative a number of shares of Common Stock equal to the number of Vested RSUs credited to the Participant.

(d) **Who May Receive Common Stock with Respect to Vested RSUs.** During the lifetime of the Participant, the Common Stock received upon conversion of the Vested RSUs may only be received by the Participant or the Participant’s guardian or legal representative. If the Participant dies prior to the dates the Participant’s RSUs are converted into shares of Common Stock as described in Section 2.2(c) above, the Common Stock relating to such converted RSUs may be received by any individual who is entitled to receive the property of the Participant pursuant to the applicable laws of descent and distribution.

(e) **Tax Withholding.** The Company or the Company’s affiliates shall be entitled to require a cash payment (or to elect, such other form of payment determined in accordance with Section 13 of the Plan) by or on behalf of the Participant and/or to deduct from other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld upon the conversion of Vested RSUs. In satisfaction of the foregoing withholding requirement, unless otherwise determined by the Company or the Company’s affiliates, the Company shall withhold the number of shares to be delivered upon the conversion of the Vested RSUs with an aggregate Fair Market Value that equals (but does not exceed) the amount of any federal, state and/or local taxes required by law to be withheld in connection with the Award. The Participant acknowledges that there may be adverse tax consequences upon the receipt, vesting or settlement of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including, without limitation, attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

**2.3 Consideration to the Company.** In consideration of the grant of the Award pursuant hereto, the Participant agrees to render faithful and efficient services to the Company or any affiliate of the Company.

### ARTICLE III.

#### OTHER PROVISIONS

**3.1 Restricted Stock Units Not Assignable or Transferable.** The RSUs are not assignable or transferable by the Participant except by will or by the laws of descent and distribution.

**3.2 Rights as Stockholder.** The Participant will have no rights as a stockholder with respect to any of the Common Stock underlying the RSUs until the registration of such shares of Common Stock in the Participant's name (the issuance of a certificate or certificates to the Participant). The RSUs shall be subject to the terms and conditions of this Grant Notice and Agreement. Except as otherwise provided in Section 3.4 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the registration of such shares of Common Stock in the Participant's name (or the issuance of certificate or certificates to the Participant). The Participant, by the Participant's execution of this Grant Notice and Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the shares of Common Stock.

**3.3 No Fractional Shares.** RSUs may be converted only with respect to full shares, and no fractional share of Common Stock shall be issued.

**3.4 Adjustment of Number of RSUs and Related Matters.** The number of shares of Common Stock covered by the RSUs shall be subject to adjustment in accordance with Section 8 of the Plan.

**3.5 The Participant's Acknowledgements.** The Participant acknowledges that a copy of the Plan has been made available for the Participant's review by the Company and represents that the Participant is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan, the Grant Notice, or this Agreement.

**3.6 Specific Performance.** The parties acknowledge that remedies at law will be inadequate remedies for breach of the Grant Notice and this Agreement and consequently agree that the Grant Notice and this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under the Grant Notice and this Agreement.

**3.7 The Participant's Representations.** Notwithstanding any of the provisions hereof, the Participant hereby agrees that the Participant will not acquire shares of Common Stock, and that the Company will not be obligated to register any shares of Common Stock in the Participant's name or issue any shares of Common Stock to the Participant hereunder, if the registration and/or issuance of such shares of Common Stock shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination by the Company under this Section 3.7 shall be final, binding, and conclusive. The obligations of the Company and the rights of the Participant are subject to all Applicable Laws.

**3.8 Investment Representation.** Unless the shares of Common Stock are issued to the Participant in a transaction registered under applicable federal and state securities laws, by the Participant's execution hereof, the Participant represents and warrants to the Company that all Common Stock which may be acquired hereunder will be acquired by the Participant for investment purposes for the Participant's own account and not with any intent for resale or distribution in violation of federal or state securities laws, all certificates issued with respect to the Common Stock shall bear an appropriate restrictive investment legend and shall be held indefinitely, unless they are subsequently registered under the applicable federal and state securities laws or the Participant obtains an opinion of counsel, in form and substance satisfactory to the Company and its counsel, that such registration is not required.

**3.9 Not a Contract of Service Relationship.** Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee or other service provider of the Company or any of the Company's affiliates or shall interfere with or restrict in any way the rights of the Company and the Company's affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of the Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an affiliate of the Company and the Participant.

**3.10 Governing Law.** The laws of the State of Nevada shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

**3.11 Conformity to Securities Laws.** The Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and any and all applicable state and federal laws. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Award is granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by Applicable Law (as defined in the Plan), the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

**3.12 Amendment, Modification, Suspension and Termination.** To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board of Directors of the Company or an affiliate of the Company (if the affiliate, rather than the Company, is a party to the Agreement); provided, however, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Award in any material way without the prior written consent of the Participant unless the Company determines, in its sole discretion, that such change or modification is necessary for purposes of compliance with or exemption from the requirements of Section 409A of the Code or any regulations or other guidance issued thereunder. Notwithstanding the preceding sentence, the Company may amend the Plan or revoke the RSUs to the extent permitted by the Plan.

**3.13 Notices.** Any notice to be given under the terms of this Agreement shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to the Participant shall be addressed to the Participant at the Participant's last address reflected on the Company's records. Any notice shall be deemed duly given when sent via email or when sent by reputable overnight courier or by certified mail (return receipt requested) through the United States Postal Service.

**3.14 Clawback.** The Participant by accepting this Agreement and the Grant Notice hereby acknowledges and consents to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Participant and the RSUs, whether adopted before or after the Grant Date, and any term of applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

**3.15 Successors and Assigns.** The Company or any affiliate of the Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company and its affiliates. Subject to the restrictions on transfer set forth in Section 3.1 hereof, this Agreement shall be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

**3.16 Limitations Applicable to Section 16 Persons.** Notwithstanding any other provision of the Plan or this Agreement, if the Participant is subject to Section 16 of the Exchange Act, then the Plan, the Award and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

**3.17 Entire Agreement.** The Plan, the Grant Notice and this Agreement (including all Exhibits thereto, if any) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and affiliates of the Company and the Participant with respect to the subject matter hereof.

**3.18 Limitation on the Participant's Rights.** Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. The Plan, in and of itself, has no assets. The Participant shall have only the rights of a general unsecured creditor of the Company and affiliates of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs issuable hereunder.

**3.19 Headings.** The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

**3.20 Section 409A; Six Month Delay.** The RSUs are intended to be exempt from Section 409A of the Code, and this Agreement and the Grant Notice will be administered and interpreted consistently with that intent. Notwithstanding anything herein to the contrary, in the case of a conversion of RSUs and distribution of shares of Common Stock on account of any Termination of Service (other than death), if the Participant is a “specified employee” as defined in Section 1.409A-1(i) of the final regulations under Section 409A of the Code, then solely to the extent required under Section 409A of the Code, a distribution of the number of such shares of Common Stock to the Participant (determined after application of the withholding requirements set forth in Section 2.2(e) above), shall not occur until the date which is six months following the date of the Participant’s Termination of Service (or, if earlier, the date of the Participant’s death). It is intended that each conversion and settlement of shares of Common Stock to be delivered under this Agreement shall be treated as a separate payment for purposes of Section 409A of the Code.

**3.21 Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company for such purpose.