

EMPLOYEE SHARE OPTION PLAN (ESOP)

Conquest Agri Limited (to be renamed Property Connect Limited)

Employee Share/Option Plan

Plan Rules

Purpose

These are the rules of the Company's Employee Share/Option Plan. The purpose of the Plan is to provide Eligible Employees with an opportunity to acquire ESOP Securities. By doing so, the Plan seeks to provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the longer-term performance of the Company and its returns to shareholders. The Plan is also intended to assist the Company to attract and retain skilled and experienced senior employees and provide them with an incentive to have a greater involvement with and focus on the longer term goals of the Company. This Plan commences on the date the Company determines.

1 Definitions and Interpretation

1.1 Definitions

In these Rules, unless the context otherwise requires:

Acceptance Period has the meaning given to that term in Rule 3.2(g);

Amendment has the meaning given to that term in Rule 16.1;

Applicable Law means any one or more or all, as the context requires, of the following to the extent that they apply to the Company or this Plan:

- (a) the Corporations Act;
- (b) tax laws;
- (c) the Constitution;
- (d) (if and for so long as the Company is listed on the ASX) the ASX Listing Rules;
- (e) any subordinate legislation, orders, rulings or other binding instruments passed or made by parliament, Australian Securities and Investments Commission or the Australian Taxation Office to clarify or expand paragraphs (a) and/or (b) of this definition;
- (f) any laws of foreign jurisdictions where Participants are resident;
- (g) any other laws;

Application Form means the form the Board determines is to be used by an Eligible Employee to apply for ESOP Securities under the Plan;

ASX means ASX Limited (ACN 008 624 691) or the stock exchange which it operates, as the context requires;

ASX Listing Rules means the official listing rules of the ASX;

Bad Leaver means:

- (h) a Participant who commits a fraudulent or other dishonest act which brings disrepute upon a Group Company; or
- (i) a Participant who ceases to be employed by or hold office or be contracted with any member of the Group and who is not a Good Leaver.

Board means the board of directors of the Company or a committee appointed by the board of directors of the Company for the purposes of the Plan;

Certificate means, in relation to an ESOP Security, the certificate or statement (in a form approved by the Board) issued to the Holder which discloses the number of ESOP Securities held by the Holder;

Company means Conquest Agri Limited (ACN 091 320 464) (to be renamed Property Connect Limited);

Constitution means the constitution of the Company, as amended from time to time;

Corporations Act means the *Corporations Act 2001* (Cth);

Eligible Employee means:

- (j) a full-time or permanent part-time senior manager of a Group Company;
- (k) an executive director, a non-executive director or a company secretary of a Group Company; or
- (l) a person who satisfied paragraph (j) or (k) of this definition during the 12 months immediately before the date of the Offer Letter issued to that person,

other than a person who has been given notice of dismissal for misconduct from his or her employment or office with the Group (or has given notice of resignation in order to avoid such dismissal);or

- (m) a contractor or consultant (herein 'contractor') who provides services to a Group Company;

Employee Incentive Scheme means any employee equity scheme extended to senior manager and/or directors of or a contractor to the Company and its Related Bodies Corporate or any other person nominated by the Company, and includes the Plan;

Entitlements means any rights to acquire shares, options or other securities granted or issued by the Company or by any other company to shareholders of the Company;

ESOP Security means a Share or Option;

Good Leaver means a Participant who ceases employment or office or contractual relations with any member of the Group in any of the following circumstances:

- (n) the Participant ceases employment with any and all Group Companies due to redundancy or Retirement;
- (o) the Participant ceases employment with any and all Group Companies due to the Participant's death or Permanent Incapacity; or
- (p) any other circumstances determined by the Board in its sole and absolute discretion;

Group means the Company and each Subsidiary of the Company and **Group Company** means any of them;

Holder means the holder of ESOP Securities;

Holding Lock means a mechanism to prevent a Participant transferring or otherwise dealing with the ESOP Securities;

Nominee means in respect of an Eligible Employee:

(q) a person who is the spouse, parent, brother, sister or child (**close relative**) of the Eligible Employee;

(r) a body corporate in which the Eligible Employee or a close relative of the Eligible Employee has, or any two or more of the Eligible Employee and close relatives of the Eligible Employee together have, a controlling interest (including any interest that gives control); or

(s) such other person approved by the Board in its absolute discretion;

Offer Letter means an offer letter to an Eligible Employee inviting that person or his/her Nominee to participate in the Plan;

Option means an option to subscribe for Share/s;

Participant means:

(t) an Eligible Employee (or his/her Nominee) who accepts an invitation to participate in the Plan, agrees to be bound by these Rules and whose application for ESOP Securities in accordance with the invitation is accepted by the Board; or

(u) the legal personal representative of any person referred to in (a) duly appointed on the death or legal incapacity of that person;

Performance Hurdles means conditions or events which must be satisfied before ESOP Securities may be vested (which may include, without limitation, conditions relating to the profitability of the Company or the price at which its Shares are traded on the ASX) and/or conditions which may require that the number of ESOP Securities able to be vested be reduced, or that some or all the ESOP Securities are forfeited or lapse in circumstances determined by the Board;

Permanent Incapacity means a condition the effect of which is in the opinion of the Board, to prevent a Participant from continuing to be an Employee engaged in a similar capacity as the Participant held prior to the condition arising;

Plan means the Company's Employee Share / Option Plan as amended from time to time and operated in accordance with these Rules;

Related Body Corporate has the meaning given to that term in the Corporations Act;

Retirement means the permanent cessation by a Participant of all gainful employment;

Rules means these Rules, as amended from time to time;

Share means a fully paid ordinary share in the capital of the Company;

Subsidiary has the meaning given to that term in the Corporations Act;

Vested ESOP Security means an ESOP Security in respect of which all Vesting Conditions have been satisfied or which otherwise becomes vested in accordance with these Rules; and

Vesting Conditions means, in relation to an ESOP Security, the period of time, Performance Hurdles and other vesting conditions determined by the Board at the time of the offer of the ESOP Security which are required to be satisfied before the ESOP Security becomes a Vested ESOP Security.

1.2 Interpretation

In these Rules, unless the context otherwise requires:

- (a) a gender includes all genders;
- (b) the singular includes the plural and conversely;
- (c) a reference to a person includes the legal personal representatives, successors and assigns of that person and also corporations and other entities recognised by law;
- (d) a reference to any Applicable Law includes that Applicable Law as amended, re-enacted or replaced and any law that supersedes that law; and
- (e) headings are for convenience only and do not affect the interpretation of these Rules.

2 Operation of the Plan

2.1 General

The Plan must be operated in accordance with these Rules.

2.2 Binding Rules

These Rules bind the Company, each Subsidiary of the Company, each Participant and each Holder.

3 Invitation

3.1 Invitation to Participate

Subject to these Rules, the Board may in its absolute discretion from time to time invite Eligible Employees to apply for ESOP Securities under the Plan on the terms set out in these Rules and any other terms the Board considers appropriate. In selecting Eligible Employees to apply for ESOP Securities, the Board will have regard to:

- (a) the position in the Group held or to be held by the Eligible Employee;
- (b) the Eligible Employee's length of service with the Group;
- (c) the contribution made by the Eligible Employee to the Group;
- (d) the potential contribution to be made by the Eligible Employee to the Group; and
- (e) any other matters which the Board considers relevant.

3.2 Application Form and Offer Letter

The Board must give to each Eligible Employee who is invited to apply for ESOP Securities under the Plan an Application Form together with an Offer Letter setting out the following information in relation to the ESOP Securities:

- (a) the number of ESOP Securities for which the Eligible Employee may apply;
- (b) the consideration (if any) for the grant of the ESOP Securities;
- (c) if the ESOP Securities are Options:
 - (i) the exercise price of the Options or the method of determining such exercise price;
 - (ii) the latest time at which the Options may be exercised;
- (d) any applicable Vesting Conditions (including, without limitation, the period or periods during which the Options or any of them may be exercised and any applicable Performance Hurdles);
- (e) the conditions of any Holding Lock which applies to:

- (i) the ESOP Securities; and/or
- (ii) (if the ESOP Securities are Options) the Shares issued on exercise of the Options;
- (f) any other terms and conditions relating to the invitation or the ESOP Securities which in the opinion of the Board are fair and reasonable and not inconsistent with these Rules;
- (g) the time within which the invitation may be accepted by the Eligible Employee (**Acceptance Period**);
- (h) in respect of the initial application made by an Eligible Employee, a summary of, or a copy of, these Rules; and
- (i) any other information or documents that the Applicable Law require the Company to give to the Eligible Employee.

3.3 Participant bound by Application Form, Offer Letter, Rules and Constitution

By completing and returning the Application Form within the Acceptance Period, a Participant applies for ESOP Securities under the Plan on the terms of the Offer Letter and agrees to be bound by the terms of the Application Form, the Offer Letter, these Rules and the Constitution.

3.4 Acceptance by Nominee of Eligible Employee

- (a) An Eligible Employee may by notice to the Board nominate a Nominee in whose favour the Eligible Employee wishes to renounce an invitation received by, or any future invitation that may be made to, that Eligible Employee.
- (b) The Board may, in its discretion, elect not to allow a renunciation of an invitation in favour of a Nominee.
- (c) If the renunciation in favour of a Nominee is permitted by the Board and the Eligible Employee wishes to proceed with the renunciation in favour of its Nominee, then:
 - (i) the Eligible Employee will procure that its Nominee accepts the invitation made to that Eligible Employee;
 - (ii) both the Eligible Employee and the Nominee agree to be bound by these Rules as a Participant; and
 - (iii) the Eligible Employee must procure that the Nominee complies with the terms of the Application Form, these Rules, the Constitution as applicable.

4 Grant of ESOP Securities

4.1 Grant of ESOP Securities

Subject to the satisfaction of any terms or conditions set out in the Application Form, following receipt of a completed and signed Application Form and the acceptance by the Board of the Application Form, the Company will as soon as practicable after the end of the Acceptance Period:

- (a) issue to the Participant, on the terms of the Offer Letter, the number of ESOP Securities applied for by the Participant in the Application Form; and
- (b) complete a register of ESOP Securities in accordance with the Applicable Law.

4.2 No payment for ESOP Securities

Unless otherwise determined by the Board, no payment is required for the grant of ESOP Securities under the Plan.

4.3 Certificate

Subject to the Applicable Law, the Company may issue a Certificate to a Participant in respect of the ESOP Securities granted to that Participant. The Company must comply with the Applicable Law with respect to the issue of the Certificate.

4.4 Quotation on ASX

(a) Subject to clause 4.4(b), no ESOP Securities will be quoted on the ASX, unless the Board determines otherwise.

(b) The Company must apply for quotation on the official list of the ASX of:

(i) Shares issued under this Plan; and

(ii) Shares issued on the exercise of Options granted under this Plan,

as soon as practicable after the issue of those Shares, if and so long as Shares are quoted on the ASX at that time.

5 Restrictions on transfer

5.1 No transfer

(a) ESOP Securities may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board.¹

(b) While an ESOP Security is subject to a Holding Lock, that ESOP Security may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board.

5.2 Prohibition on value schemes or arrangements

A Participant must not enter into a scheme or arrangement that protects the value of ESOP Security granted under the Plan prior to them becoming a Vested ESOP Security.

6 Vesting of ESOP Securities

6.1 Manner of vesting and exercise

The vesting of ESOP Securities and the exercise of any Options granted under the Plan may only be effected in such form and manner as the Board prescribes.

6.2 Other permitted vesting

The Board may determine that an ESOP Security will become a Vested ESOP Security, whether or not any or all applicable Vesting Conditions have been satisfied if (in the Board's opinion) one of the following events has occurred or is likely to occur:

(a) the merger or consolidation of the Company into another company;

(b) if a takeover bid is made in respect of the Company and the Board recommends acceptance to shareholders;

(c) if a scheme of arrangement is made or undertaken in respect of the Company, and the Board in its absolute discretion determines exercise to be appropriate;

¹ Tony: What about transfers upon death? Such transfers are allowed in the U.S.

- (d) any event similar to those described in Rules 6.2(a) to 6.2(c) involving a change in ownership or control of the Company or all or substantial part of the assets of the Company; or
- (e) any other event as determined by the Board in its absolute discretion.

6.3 Specific Vesting Conditions and exercise procedure for Options

(a) Subject to Rule 6.2, an Option granted under the Plan may only be exercised if, at the time of exercise:

- (i) the Option is a Vested ESOP Security;
- (ii) the Option has not been forfeited or lapsed under Rule 7; and
- (iii) the Exercise Price (as adjusted under Rule 8, if applicable) has been paid.

(b) The exercise of some Options only does not affect the Holder's right to exercise other Options at a later time. If the Holder exercises less than all the Options represented by a Certificate then the Company will cancel the Certificate and issue a new Certificate for the balance.

(c) The Board may determine in respect of the exercise of each Option the method by which Shares may be acquired for the purposes of the Plan, whether by allotment, issue or allocation.

(d) Following exercise of an Option, the Company must, within such time as the Board determines, issue or allocate to or acquire on market for the person exercising the Option, that number of Shares in respect of which the Option has been exercised, credited as fully paid.

(e) Unless the terms of issue of the Options provide otherwise, Shares issued on the exercise of Options will rank equally in all respects with all existing Shares from the date of allotment, including in relation to:

- (i) voting rights; and
- (ii) entitlements to participate in:
 - (A) distributions and dividends; and
 - (B) future rights issues and bonus issues,

where the record date for determining entitlements falls on or after the date of allotment.

7 Lapse and forfeiture

7.1 End of exercise period

Subject to clauses 7.2, 7.3 and 7.4:

(a) if an ESOP Security is a Share, that Share is automatically forfeited as at the moment immediately after the latest time at which that Share may become a Vested ESOP Security, as specified by the Board in the Offer Letter; or

(b) if an ESOP Security is an Option, that Option automatically lapses as at the moment immediately after:

- (i) (if that Option is not a Vested ESOP Security) the latest time at which that Option may become a Vested ESOP Security, as specified by the Board in the Offer Letter; or
- (ii) (if that Option is a Vested ESOP Security) the latest time at which that Option may be exercised, as specified by the Board in the Offer Letter.

7.2 Good Leaver

If a Participant is a Good Leaver, then:

(a) all ESOP Securities held by the Participant that are Vested ESOP Securities at the date of cessation of employment or office or contractual relations may be:

(i) (if those ESOP Securities are Shares) retained by the Participant; or

(ii) (if those ESOP Securities are Options) exercised by the Participant during the 30 day period (or such longer period as is specified in the applicable documentation) following the date of cessation of employment or office or contract (notwithstanding that the exercise period specified in the Offer Letter ends during the 30 day period), after which those Options will automatically lapse;

(b) all other ESOP Securities held by the Participant will be automatically forfeited and automatically lapse on the date of cessation of employment or office or contract; and

(c) all Offer Letters which have not been accepted by the Participant are automatically revoked on the date of cessation of employment or office,

unless the Board determines otherwise.

7.3 Bad Leaver

If a Participant is a Bad Leaver, then on the date of cessation of employment or office or contract:

(a) all ESOP Securities held by the Participant will be automatically forfeited and automatically lapse;

(b) the Participant automatically forfeits all of his/her rights, title and interest in all ESOP Securities and Entitlements; and

(c) all Offer Letters which have not been accepted by the Participant are automatically revoked,

unless the Board determines otherwise.

7.4 End of period otherwise determined by the Board

If the ESOP Securities are Options and the Board determines a further period, or reduces the period, in which those Options may be exercised, whether such revised period is more or less than the 30-day period specified in Rule 7.2(a)(ii), or more or less than the exercise period specified in the Offer Letter for those Options, then those Options will lapse at the end of that revised period.

7.5 Cessation of employment - interpretation

For the purposes of these Rules, a Participant will not be deemed to be either a Good Leaver or a Bad Leaver if:

(a) the Participant is absent due to approved leave granted by a Group Company;

(b) immediately after the Participant leaves the employment or office or the contractual relations ends of a Group Company the Participant is employed by, or holds an office or enters contractual relations with, another Group Company;

(c) the Participant is seconded from a Group Company to a government department or instrumentality or to another company; or

(d) immediately after the Participant leaves the employment or office of or the contractual relations with a Group Company the Participant is employed by a joint venture company in which a Group Company holds a substantial interest at the time of employment, and which has been approved by the Board as an associated company for the purposes of the Plan.

8 Capital reconstructions and new issues

8.1 Alterations to capital and reconstructions

Subject to the Applicable Law, if the Company makes any new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital then the Board may make adjustments to the rights attaching to those ESOP Securities which are Options (including, without limitation, to the number of Shares which may be acquired on exercise of the Options and the Exercise Price of an Options) on any basis it deems fit in its discretion.

8.2 New issues

Subject to the Applicable Law, unless the Board determines otherwise, a Holder is only entitled to participate (in respect of Options granted under the Plan) in a new issue of Shares to existing shareholders of the Company if the Holder has validly exercised the Holder's Options and become a Shareholder prior to the relevant record date, and is then only entitled to participate in relation to Shares of which the Holder is the registered holder.

9 Powers of the Board

9.1 Powers of the Board

The Plan will be managed by the Board, which will have power to:

- (a) determine appropriate procedures and make regulations for the administration of the Plan consistent with these Rules;
- (b) resolve and bind the Company and Participants absolutely regarding any question of fact, interpretation, effect or application arising in connection with the Plan;
- (c) determine matters falling for determination under these Rules in its absolute discretion having regard to the interests of and for the benefit of the Company;
- (d) exercise the discretions conferred on it by these Rules or which may otherwise be required in relation to the Plan; and
- (e) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under the Plan.

9.2 Suspension or termination of Plan

- (a) The Plan may be suspended or terminated at any time by resolution of the Board.
- (b) In the event of a suspension or termination, these Rules will continue to operate with respect to any ESOP Securities issued under the Plan prior to that suspension or termination.

10 Contracts of Employment and Other Employment Rights

10.1 Rules not part of employment contract etc

- (a) This Plan does not form part of any contract of employment or services between a Group Company, or any Related Body Corporate of a Group Company, and any Eligible Employee.
- (b) Nothing in these Rules confers on any Eligible Employee the right to receive any ESOP Securities.
- (c) It is a condition of these Rules that the Plan may be terminated at any time at the discretion of the Board and that no compensation under any employment or services contract will arise as a result.

10.2 Termination of employment

This Plan:

- (a) does not confer on any Eligible Employee or Participant the right to continue as an employee or officer or contractor of any Group Company or any Related Body Corporate of a Group Company;
- (b) does not affect any rights which a Group Company, or any Related Body Corporate of a Group Company, may have to terminate the employment or office of or contractual relations with the Eligible Employee or Participant; and
- (c) may not be used to increase damages in any action brought against a Group Company, or any Related Body Corporate of a Group Company, in respect of that termination.

11 Connection with other plans

Unless the Board otherwise determines, participation in the Plan does not affect, and is not affected by, participation in any other Employee Incentive Scheme by the Company unless the terms of that other Employee Incentive Scheme provide otherwise.

12 Notices

Any notice or direction given under these Rules is validly given if it is handed to the person concerned or sent by ordinary prepaid post to the person's last known address or given in any reasonable manner which the Board from time to time determines.

13 Plan costs and brokerage

- (a) Unless otherwise determined by the Board, the Company must pay:
 - (i) all costs, charges and expenses relating to the establishment and operation of the Plan; and
 - (ii) any brokerage for the acquisition of Shares (including, without limitation, upon the exercise of an Option) under the Plan.
- (b) For the avoidance of doubt, the Company is not responsible for any brokerage payable in relation to the sale of Shares or Options held by any Participant.

14 Overseas Eligible Employees

The Company, at the Board's discretion, may:

- (a) invite Eligible Employees who are resident outside of Australia to participate in the Plan; and
- (b) make regulations for the operation of the Plan which are not inconsistent with these Rules to apply to Eligible Employees and Participants who are resident outside of Australia.

15 General restrictions

15.1 General

Notwithstanding any Rule, ESOP Securities may not be issued, transferred or dealt with under the Plan if to do so would contravene the Applicable Law or where the compliance with any Applicable Law would in the opinion of the Board be unduly onerous or impractical.

15.2 Limit on aggregate number of Shares

Unless otherwise determined by the Board, taking into account what it considers to be all relevant factors, an offer of ESOP Securities may only be made under the Plan at any particular time, if:

- (a) the number of Shares proposed to be issued pursuant to that offer; plus
- (b) the number of Shares that may be acquired on exercise of the Options proposed to be issued pursuant to that offer; plus
- (c) the number of Shares which have not been forfeited or become Vested ESOP Securities under the Plan; plus
- (d) the number of Shares that may be acquired on exercise of rights or options on issue under any Employee Incentive Scheme (including the Plan) in the last three years; plus
- (e) the number of Shares which would be issued if each already issued and outstanding offer with respect to Shares or rights or options over Shares under any Employee Incentive Scheme (including the Plan) in the last three years was to be accepted and, if the offer relates to rights or options, those rights or options were exercised,

does not exceed 5% (five percent) of the total number of issued Shares as of the time of the offer.

16 Amendment of the Rules, Vesting Conditions or terms of issue

16.1 General

Subject to Rule 16.2 and the Applicable Law, the Board may amend, add to, delete, revoke or otherwise vary any or all of the Vesting Conditions, the terms of issue of an ESOP Security, or these Rules at any time in any manner it thinks fit in its absolute discretion (**Amendment**).

16.2 Limitation on Amendments

No Amendment to the provisions of these Rules may be made which reduces the rights of Participants in respect of ESOP Securities acquired by them prior to the date of the Amendment, other than an Amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future Applicable Law;
- (b) to correct any manifest error or mistake; or
- (c) for the purpose of enabling Participants to receive a more favourable taxation treatment in respect of their participation in the Plan.

17 Governing law

These Rules are governed by and shall be construed in accordance with the laws of the State of New South Wales.

Conquest Agri Limited (to be renamed Property Connect Limited)

U.S. Addendum to Employee Share/Option Plan Rules

Approved by Board resolution on: [●], 2015; Approved by shareholder resolution on: [●], 2015

1 ESTABLISHMENT AND PURPOSE

1.1 Pursuant to Rule 14, this Conquest Agri Limited (to be renamed Property Connect Limited) U.S. Addendum to Employee Share/Option Plan Rules (the “**U.S. Addendum**”) is established effective as of the later of the date of adoption by Board resolution and approval by shareholder resolution, as set forth above.

1.2 The purpose of the U.S. Addendum is to allow the Company to issue Options to Eligible Employees of Conquest Agri Limited (to be renamed Property Connect Limited) (the “Company”) and its Subsidiaries that may, to the extent permitted or desirable, qualify as “incentive stock options” within the meaning of Section 422 of the Code in addition to qualifying as an Option, and to otherwise comply with the applicable laws of the U.S..

1.3 The U.S. Addendum shall form part of the Plan and shall not be a separate and independent plan. The terms and conditions of the Plan apply to Options granted under the U.S. Addendum except that where the Rules and the U.S. Addendum conflict and provided that such provision in the Rules is not required to satisfy the provisions of the laws of Australia applicable to the Plan, the rules of the U.S. Addendum will take precedence. Any Rules, terms or conditions specific to Options issued pursuant to the U.S. Addendum are as set forth in the U.S. Addendum.

1.4 Defined terms that are set forth in the Rules and used but not expressly defined in the U.S. Addendum shall have the same meaning in the U.S. Addendum as that set forth in the Plan.

2 DEFINITIONS

“Code” means the U.S. Internal Revenue Code of 1986, as amended, as well as any applicable regulations and guidance thereunder.

“Effective Date” means the earlier of (i) the date that this U.S. Addendum is first approved by the Company’s shareholders, or (ii) the date this U.S. Addendum is adopted by the Board.

“Fair Market Value” means, as of any date, the value of the Shares determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

“Incentive Stock Option” means an Option that qualifies as an “incentive stock option” within the meaning of Section 422 of the Code.

“Nonqualified Stock Option” means an Option that does not qualify as an Incentive Stock Option.

“Securities Act” means the U.S. Securities Act of 1933, as amended.

“Ten Percent Stockholder” means a person who owns (or is deemed to own pursuant to Section 424(d) of the Code) Shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company or any “parent corporation” or “subsidiary corporation” of the Company as such terms are defined in Section 424 of the Code.

“U.S.” means the United States of America.

3 Plan Reserve; Incentive Stock Option Limit. Notwithstanding anything to the contrary in the Plan, subject to the provisions of Rule 8.1 relating to alterations to capital and reconstruction, the aggregate maximum number of Shares that may be issued pursuant to this U.S. Addendum and the aggregate maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options is, in each case, 5% (five percent) of the total number of issued Shares as of the Effective Date.

4 ELIGIBILITY

4.1 General Eligibility for Options. Incentive Stock Options may be granted only to Eligible Employees that are employees of the Company or a “parent corporation” or “subsidiary corporation” thereof (as such terms are defined in Sections 424(e) and (f) of the Code) as of the date of grant. Options other than Incentive Stock Options may be granted to Eligible Employees; and provided further, however, Nonqualified Stock Options may not be granted to Eligible Employees who are providing services only to any “parent” of the Company, as such term is defined in Rule 405 promulgated under the Securities Act, unless the stock underlying such Option is treated as “service recipient stock” under Section 409A of the Code or unless such Option complies with the distribution requirements of Section 409A of the Code.

4.2 Ten Percent Stockholders. A Ten Percent Stockholder shall not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant and the Option is not exercisable after the expiration of five (5) years from the date of grant.

5 Option Terms. All Options issued pursuant to the terms of the U.S. Addendum shall be separately designated (in the Application Form, Offer Letter, or other applicable documentation) as Incentive Stock Options or Nonqualified Stock Options at the time of grant. If an Option is not specifically designated as an Incentive Stock Option, then the Option shall be a Nonqualified Stock Option. The provisions of separate Options need not be identical; provided, however, that each Application Form, Offer Letter, or other applicable documentation evidencing such award shall conform to (through incorporation by reference of the provisions of this Section 5 of the U.S. Addendum, or otherwise) the substance of each of the following provisions:

5.1 Exercise Price. Subject to the provisions of Section 4.2 of this U.S. Addendum regarding Incentive Stock Options granted to Ten Percent Stockholders, the Exercise Price of each Option shall be not less than one hundred percent (100%) of the Fair Market Value of the Shares subject to the Option on the date the Option is granted. Notwithstanding the foregoing, an Option may be granted with an Exercise Price lower than one hundred percent (100%) of the Fair Market Value of the Shares subject to the Option if such Option is granted in connection with an assumption of or substitution for another option or other stock right in the context of a corporate transaction and in a manner consistent with the provisions of Sections 409A or 424(a) of the Code, as applicable.

5.2 Restrictions on Transfer. An Option shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Option Holder only by the Option Holder. Notwithstanding the foregoing, an Option may be transferred pursuant to a domestic relations order or, with respect to Nonqualified Options only, as permitted by Rule 701 of the Securities Act if approved by the Board; provided, however, that if an Option is an Incentive Stock Option, such Option may be deemed to be a Nonqualified Stock Option as a result of such transfer.

5.3 Incentive Stock Option \$100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Shares with respect to which Incentive Stock Options are exercisable for the first time by any Option Holder during any calendar year (under any incentive stock option plan of the Company and any parent corporation or subsidiary corporation of the Company within the meaning of Section 424 of the Code) exceeds U.S. \$100,000, the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Nonqualified Stock Options, notwithstanding any contrary provision of the applicable Option Agreement.

5.4 Manner of Payment of Exercise Price. The exercise price of Options may be paid by the following methods, in each case to the extent permitted by the Board: (a) cash; (b) check; (c) to the extent permitted under, and in accordance with, applicable laws, delivery of a promissory note with such

recourse, interest, security and redemption provisions as the Board determines to be appropriate; (d) cancellation of indebtedness; (e) other previously owned Shares that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which the Option is exercised; (f) a “cashless exercise,” whereby payment of the exercise price or tax withholding obligations or other required deductions may be satisfied, in whole or in part, with Shares subject to the Option, including by reducing the number of Shares delivered upon exercise of the Option by the largest number of whole shares whose Fair Market Value does not exceed such amount (i.e., a “net exercise”) or by delivery of an irrevocable direction to a securities broker (on a form prescribed by the Company) to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of such amount; (g) such other consideration and method of payment as is permitted under applicable laws; or (h) any combination of the foregoing methods of payment.

5.4.1 Notwithstanding the foregoing, with respect to Incentive Stock Options, (a) to the extent required by applicable laws, the permissible manners of payment of the exercise price shall be determined at the time of grant, and (b) a “net exercise” arrangement described in Section 5.4 of this U.S. Addendum is not available.

6 Term. No Options may be granted pursuant to this U.S. Addendum after the day prior to the 10th anniversary of the Effective Date. No Option shall in any event be exercisable on or after the 10th anniversary of the date of its grant under any circumstances whatsoever and every Option shall, unless an earlier lapse occurs, lapse on the 10th anniversary of the date of its grant.

7. ADDITIONAL RULES APPLICABLE TO CALIFORNIA RESIDENTS

7.1. If a Participant terminates employment or other service, such Participant may exercise his or her Option within such period of time as specified in the Application Form, Offer Letter, or other applicable documentation, which, except in the case of termination as a Bad Leaver or otherwise for “cause,” shall not be less than 30 days following the date of the Participant’s termination, to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of the Option). In the absence of a specified time in the applicable documentation, the Option shall remain exercisable for three months following the Participant’s termination.

7.2 If a Participant terminates employment or other service as a result of the Participant’s Permanent Incapacity or other disability, the Participant may exercise his or her Option within such period of time as specified in the Application Form, Offer Letter, or other applicable documentation, which shall not be less than six months following the date of the Participant’s termination, to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option). In the absence of a specified time in the applicable documentation, the Option shall remain exercisable for 12 months following the Participant’s termination.

7.3 If a Participant dies while employed or otherwise providing services, the Option may be exercised within such period of time as specified in the Application Form, Offer Letter, or other applicable documentation, which shall not be less than six months following the date of the Participant’s death, to the extent the Option is vested on the date of death (but in no event later than the expiration of the term of such Option) by the Participant’s designated beneficiary, personal representative, or by the person(s) to whom the Option is transferred pursuant to the Participant’s will or in accordance with the laws of descent and distribution. In the absence of a specified time in the applicable documentation, the Option shall remain exercisable for 12 months following the Participant’s termination.

7.4 No ESOP Security shall be granted to a resident of California more than 10 years after the earlier of the date of adoption of the Plan by the Company or the date the Plan is approved by the Company’s shareholders.