

**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): April 27, 2023

LANTHEUS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36569
(Commission
File Number)

35-2318913
(IRS Employer
Identification No.)

**201 Burlington Road, South Building
Bedford, Massachusetts 01730**
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (978) 671-8001

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- 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, par value \$0.01 per share	LNTH	The Nasdaq Global 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.

The Lantheus Holdings, Inc. 2023 Employee Stock Purchase Plan (the “2023 Plan”) was approved at the Annual Meeting (as defined below). The material terms of the 2023 Plan were described in the Company’s (as defined below) definitive proxy statement filed with the Securities and Exchange Commission on March 17, 2023, under the caption “Proposal 3: Approval of 2023 Employee Stock Purchase Plan,” which description is incorporated herein by reference and is qualified in its entirety by the full text of the 2023 Plan. A copy of the 2023 Plan is filed herewith as Exhibit 10.1 to this Current Report on Form 8-K.

Item 5.07 Submission of Matters to a Vote of Security Holders

The Annual Meeting of Stockholders (the “Annual Meeting”) of Lantheus Holdings, Inc. (the “Company”) was held on April 27, 2023. Set forth below is a brief description of each matter submitted to a vote of the Company’s stockholders at the Annual Meeting and the final voting results for each matter. A more complete description of each matter is set forth in the Company’s definitive proxy statement for the Annual Meeting, which was filed with the Securities and Exchange Commission on March 17, 2023.

Proposal 1 – Election of Directors

Each of the following nominees for Class II director was elected by the Company’s stockholders to serve a three-year term until the 2026 Annual Meeting of Stockholders based on the following vote:

<u>Nominee</u>	<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
Minnie Baylor-Henry	54,629,634.90	3,337,578.00	64,620.00	4,299,661.09
Heinz Mäusli	54,520,267.90	3,458,880.00	52,685.00	4,299,661.09
Julie McHugh	40,664,122.00	17,303,290.90	64,420.00	4,299,661.09

Proposal 2 – Approval, on an advisory basis, of the compensation paid to our named executive officers

The approval, on an advisory basis, of the compensation paid to our named executive officers was approved by the Company’s stockholders based on the following vote:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
56,744,221.90	1,207,246.00	80,365.00	4,299,661.09

Proposal 3 – Approval of the Lantheus Holdings, Inc. 2023 Employee Stock Purchase Plan.

The approval of the Lantheus Holdings, Inc. 2023 Plan was approved by the Company’s stockholders based on the following vote:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
57,911,119.90	86,952.00	33,761.00	4,299,661.09

Proposal 4 – Ratification of Appointment of Deloitte & Touche LLP

The appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2023 was ratified by the Company’s stockholders based on the following vote:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
61,770,519.00	507,844.00	53,131.00	0

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1*	Lantheus Holdings, Inc. 2023 Employee Stock Purchase Plan
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

SIGNATURES

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.

LANTHEUS HOLDINGS, INC.

By: /S/ Daniel M. Niedzwiecki
Name: Daniel M. Niedzwiecki
Title: Chief Administrative Officer, General Counsel and
Corporate Secretary

Date: May 1, 2023

LANTHEUS HOLDINGS, INC.
2023 Employee Stock Purchase Plan

1. **Purpose.** This Lantheus Holdings, Inc. 2023 Employee Stock Purchase Plan is intended to provide employees of the Company and its Participating Subsidiaries with an opportunity to acquire a proprietary interest in the Company through the purchase of shares of Common Stock. The Company intends that the Plan qualify as an “employee stock purchase plan” under Section 423 of the Code and be exempt from the requirements of Section 409A of the Code and the Plan will be interpreted in a manner that is consistent with that intent.
2. **Definitions.** As used in the Plan, the following capitalized terms have the following meanings:
 - (a) “**Beneficial Owner**” has the meaning set forth in Rule 13d-3 under the Exchange Act.
 - (b) “**Board**” or “**Board of Directors**” means the Board of Directors of the Company, as constituted from time to time.
 - (c) “**Business Combination**” has the meaning set forth in the definition of Corporate Transaction.
 - (d) “**Cashless Participation Agreement**” means an agreement in the form as may be adopted by the Board or the Committee from time to time.
 - (e) “**Cashless Participation Program**” means the program described in Section 10 of the Plan.
 - (f) “**Code**” means the U.S. Internal Revenue Code of 1986, as it may be amended. Any reference to a section of the Code will be deemed to include a reference to any regulations promulgated under that section of the Code.
 - (g) “**Committee**” means the Compensation Committee of the Board or such other committee appointed by the Board to administer the Plan, or its authorized delegates to the extent of such delegation, as applicable.
 - (h) “**Common Stock**” means the common stock of the Company, par value \$0.01 per share.
 - (i) “**Company**” means Lantheus Holdings, Inc., a Delaware corporation, including any successor thereto.

(j) “**Compensation**” means base salary or wages (as applicable) paid to an Eligible Employee by the Company or a Participating Subsidiary as compensation for services to the Company or Participating Subsidiary (before deduction for any salary deferral contributions made by the Eligible Employee to any tax-qualified or nonqualified deferred compensation plan), including overtime, shift differentials, vacation pay, holiday pay, sick pay, jury duty pay and funeral leave pay, but excluding annual bonuses, other bonuses and awards, commissions, car allowances, education or tuition reimbursements, imputed income arising under any group insurance or benefit program, travel expenses, business and relocation expenses and income realized in connection with stock options or other equity-based awards.

(k) “**Corporate Transaction**” means the occurrence of one of the following events:

(i) Any Person becomes the Beneficial Owner, directly or indirectly, of more than fifty percent (50%) of the combined voting power, excluding any Person who Beneficially Owns fifty percent (50%) or more of the voting power on the Effective Date, of the then outstanding voting securities of the Company entitled to vote generally in the election of its directors (the “**Outstanding Company Voting Securities**”), including by way of merger, consolidation or otherwise; provided, however, that for purposes of this definition, the following acquisitions will not constitute a Corporate Transaction: (A) any acquisition of Outstanding Company Voting Securities directly from the Company, including without limitation, a public offering of securities, or (B) any acquisition of Outstanding Company Voting Securities by the Company or any of its Subsidiaries, including an acquisition by any employee benefit plan or related trust sponsored or maintained by the Company or any of its Subsidiaries.

(ii) Consummation of a reorganization, merger, or consolidation to which the Company is a party or a sale or other disposition of all or substantially all of the assets of the Company (a “**Business Combination**”), unless, following such Business Combination: (A) any Persons who were the Beneficial Owners of Outstanding Company Voting Securities immediately prior to such Business Combination are the Beneficial Owners, directly or indirectly, of more than fifty percent (50%) of the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors (or election of members of a comparable governing body) of the entity resulting from the Business Combination (including, without limitation, an entity which, as a result of such transaction, owns all or substantially all of the Company or all or substantially all of the Company’s assets, either directly or through one or more subsidiaries) (the “**Successor Entity**”) in substantially the same proportions as their ownership immediately prior to such Business Combination; or (B) no Person (excluding any Successor Entity or any employee benefit plan or related trust of the Company, any of its Subsidiaries, such Successor Entity or any of its subsidiaries) is the Beneficial Owner, directly or indirectly, of more than fifty percent (50%) of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or comparable governing body) of the Successor Entity, except to the extent that such ownership of the Company existed prior to the Business Combination.

(iii) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

(l) “**Designated Broker**” means the financial services firm or other agent designated by the Company to maintain ESPP Share Accounts on behalf of Participants who have purchased shares of Common Stock under the Plan.

(m) “**Effective Date**” means September 14, 2023, subject to the Plan obtaining shareholder approval in accordance with Section 20(k).

(n) “**Employee**” means any individual who renders services to the Company or a Participating Subsidiary as an employee pursuant to an employment relationship with that employer. For purposes of the Plan, an employment relationship will be treated as continuing intact while the individual is on military leave, sick leave or other leave of absence that meets the requirements of Treasury Regulation Section 1.421-1(h)(2). Where the period of leave exceeds three (3) months (or any other period of time specified in Treasury Regulation Section 1.421-1(h)(2)) and the individual’s right to re-employment is not guaranteed by applicable law or contract, the employment relationship will be deemed to have terminated on the first day immediately following that three-month period (or any other period specified in Treasury Regulation Section 1.421-1(h)(2)).

(o) “**Eligible Employee**” means an Employee who (i) has been employed by the Company or a Participating Subsidiary for at least one (1) month, (ii) customarily works at least twenty (20) hours per week and (iii) is employed by the Company or a Participating Subsidiary on the last day of enrollment period for the next Offering Period. Notwithstanding the foregoing, the Committee may establish additional eligibility requirements for any Offering that has not yet commenced, provided that such additional eligibility requirements are not inconsistent with Section 423 of the Code.

(p) “**Enrollment Form**” means an agreement, in a form (including an electronic form) acceptable to the Committee, pursuant to which an Eligible Employee may elect to (i) participate in an Offering Period under the Plan, (ii) stop payroll deductions and withdraw from an Offering Period, and/or (iii) request a refund of his or her accumulated payroll deductions for an Offering Period. The term “Enrollment Form” shall include any Enrollment Form submitted under the Prior Plan that, but for the termination of the Prior Plan, would have remained in effect thereunder for an Offering Period commencing on the Effective Date.

(q) “**ESPP Share Account**” means an account into which Common Stock purchased with accumulated payroll deductions at the end of an Offering Period are held on behalf of a Participant.

(r) “**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended.

(s) “**Fair Market Value**” means, with respect to a share of Common Stock as of any date, the closing price on that date, as reported on The NASDAQ Global Market or other principal exchange on which the Common Stock is then listed (or, if the Common Stock was not traded on that date, then on the next preceding trading day that the Common Stock was traded on that exchange), as reported in The Wall Street Journal. In the absence of an established market for the shares of Common Stock, the Fair Market Value will be determined in good faith by the Committee consistent with the requirements of Section 423 of the Code, and that determination will be conclusive and binding on all persons.

(t) “**Irrevocable Contract**” means an irrevocable enforceable contract in the form as may be adopted by the Board or the Committee from time to time.

(u) “**Offering Date**” means the first Trading Day of each Offering Period.

(v) “**Offering**” or “**Offering Period**” means a period of six (6) months beginning each March 14 and September 14 of each year, or such other period established pursuant to Section 5 of the Plan (but not to exceed twenty-seven (27) months).

(w) “**Outstanding Company Voting Securities**” has the meaning set forth in the definition of Corporate Transaction.

(x) “**Participant**” means an Eligible Employee who is actively participating in the Plan.

(y) “**Participating Subsidiaries**” means Lantheus Medical Imaging, Inc. and any other Subsidiaries that may be designated as eligible to participate in the Plan by the Committee from time to time in its sole discretion.

(z) “**Person**” will have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

(aa) “**Plan**” means this Lantheus Holdings, Inc. 2023 Employee Stock Purchase Plan, as amended from time to time.

(bb) “**Prior Plan**” means the Lantheus Holdings, Inc. 2017 Employee Stock Purchase Plan, as amended from time to time.

(cc) “**Purchase Date**” means the last Trading Day of each Offering Period.

(dd) “**Purchase Price**” means an amount equal to the lesser of eighty-five percent (85%) of the Fair Market Value of a share of Common Stock on (i) the Purchase Date or (ii) the Offering Date, or such other amount specified by the Committee to the extent permitted under Section 423 of the Code; provided that the Purchase Price per share of Common Stock will in no event be less than the par value of the Common Stock.

(ee) “**Securities Act**” means the Securities Act of 1933, as amended.

(ff) “**Subsidiary**” means any corporation or other entity, domestic or foreign, of which not less than 50% of the combined voting power is held by the Company or a Subsidiary, whether or not that corporation or entity exists now or is hereafter organized or acquired by the Company or a Subsidiary. In all cases, the determination of whether an entity is a Subsidiary will be made in accordance with Section 424(f) of the Code.

(gg) “**Successor Entity**” has the meaning set forth in the definition of Corporate Transaction.

(hh) “**Trading Day**” means any day on which the national stock exchange upon which the Common Stock is listed is open for trading or, if the Common Stock is not listed on an established stock exchange or national market system, a business day, as determined by the Committee.

3. Administration. The Plan will be administered by the Committee, which will have the authority and discretion to construe and interpret the Plan, prescribe, amend and rescind rules relating to the Plan’s administration and take any other actions necessary or desirable for the administration of the Plan (including, without limitation, adopting sub-plans applicable to particular Participating Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code). The Committee may correct any defect or omission or reconcile any inconsistency or ambiguity in the Plan. The decisions of the Committee will be final and binding on all persons. The Committee may delegate its authority under the Plan to one or more of its members, to members of the Board, or to officers or employees of the Company to the extent permitted by applicable law. All expenses of administering the Plan will be borne by the Company.
4. Eligibility. Unless otherwise determined by the Committee in a manner that is consistent with Section 423 of the Code, any individual who is an Eligible Employee as of the first day of the enrollment period designated by the Committee for a particular Offering Period will be eligible to participate in that Offering Period, subject to the requirements of Section 423 of the Code.

Notwithstanding any provision of the Plan to the contrary, no Eligible Employee will be granted an option under the Plan if either (i) immediately after the grant of the option, that Eligible Employee would own stock of the Company or hold outstanding options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary, determined in accordance with Section 424(d) of the Code, or (ii) that option would permit his or her rights to purchase stock under all employee stock purchase plans (described in Section 423 of the Code) of the Company and its Subsidiaries (including, without limitation, the Prior Plan) to accrue at a rate that exceeds twenty five thousand dollars (\$25,000) of the Fair Market Value of that stock (determined at the time the option is granted) for each calendar year in which that option is outstanding at any time, determined in accordance with Section 423(b)(8) of the Code.

5. Offering Periods. The Plan will be implemented by a series of separate Offering Periods, each of which will be six (6) months in duration, with new Offering Periods commencing on or about March 14 and September 14 of each year (or such other time or times as may be determined by the Committee). The first Offering Period under the Plan will commence on September 14, 2023, which shall also be the first Offering Date. The Committee will have the authority to change the duration, frequency, start and end dates of Offering Periods to the extent permitted by Section 423 of the Code.
6. Participation.
 - a. Enrollment; Payroll Deductions. An Eligible Employee may elect to participate in an Offering Period under the Plan by properly completing an Enrollment Form and submitting it to the Company prior to the commencement of the Offering Period, at such time as may be specified and in accordance with the enrollment procedures established by the Committee. For the avoidance of doubt, an Enrollment Form submitted under the Prior Plan shall be deemed to constitute an Enrollment Form under the Plan. Participation in the Plan is entirely voluntary. By submitting an Enrollment Form, the Eligible Employee authorizes payroll deductions on each payroll date occurring during the applicable Offering Period in the whole percentage of Compensation for such payroll period as he or she elects (but not less than one percent (1%) and not more than fifteen percent (15%), unless otherwise determined by the Committee prior to the applicable Offering Period). Payroll deductions will commence on the first payroll date following the Offering Date and end on the last payroll date on or before the Purchase Date. The Company will credit each Participant's payroll deductions during an Offering Period to a notional account, but will have no obligation to pay interest on payroll deductions or to hold those amounts in a trust or in any segregated account. Unless expressly permitted by the Committee or as provided under the Cashless Participation Program, a Participant may not make any separate contributions or payments to the Plan. During an Offering Period, payroll deduction authorizations may not be increased or decreased, except that a Participant may terminate his or her payroll deductions in accordance with Section 11(a) of the Plan. A Participant who elects to contribute at least one percent (1%) but less than fifteen percent (15%) of Compensation to the Plan during an Offering Period may also participate in the Cashless Participation Program during such Offering Period by executing the Cashless Participation Agreement and Irrevocable Contract pursuant to Section 10 of the Plan. Such Cashless Participation Agreement and Irrevocable Contract will not impair the Participant's ability to withdraw from the Plan in accordance with Section 11(a) of the Plan.

- b. Automatic Re-enrollment. The payroll deduction rate selected in the Enrollment Form (including, without limitation, an Enrollment Form submitted under the Prior Plan) will remain in effect for subsequent Offering Periods, and each Participant who participates in the Cashless Participation Program for an Offering Period will continue to participate in the Cashless Participation Program for subsequent Offering Periods, unless the Participant (a) submits a new Enrollment Form authorizing a new level of payroll deductions in accordance with Section 6(a), (b) properly revokes a previously executed Cashless Participation Agreement or fails to execute a new Cashless Participation Agreement or Irrevocable Contract, as may be required for an Offering Period, (c) withdraws (or is deemed to withdraw) from the Plan in accordance with Section 11 or (d) terminates employment or otherwise becomes ineligible to participate in the Plan or an Offering.
7. Grant of Option. On each Offering Date, each Eligible Employee who elected to participate in the applicable Offering Period will be granted an option to purchase, on the Purchase Date, a number of shares of Common Stock determined by dividing (a) the sum of (i) the Participant's elected payroll deductions for the applicable Offering Period plus (ii) the Participant's Cashless Participation Program loan proceeds, if any, for such Offering Period by (b) the applicable Purchase Price; provided, however, that in no event will any Participant purchase more than 2,500 shares of Common Stock during an Offering Period (subject to adjustment in accordance with Section 19 and the limitations set forth in Sections 4 and 14).
8. Exercise of Option/Purchase of Shares. A Participant's option to purchase shares of Common Stock will be exercised automatically on the Purchase Date of the applicable Offering Period. The Participant's accumulated payroll deductions and/or any loan proceeds from the Cashless Participation Program, as the case may be, will be used to purchase the maximum number of whole shares that can be purchased with such amounts as of the Purchase Date. No fractional shares may be purchased. Any balance remaining in a Participant's notional account following the Purchase Date will be automatically refunded to the Participant, except that any balance which is less than the purchase price of one share of Common Stock will be carried forward and credited to the Participant's notional account for the following Offering Period, unless the Participant ceases to be an Eligible Employee or elects not to participate in the following Offering Period in accordance with the terms of the Plan, in which case the balance of his or her notional account shall be refunded. For the avoidance of doubt, any amount that would have been carried forward under the Prior Plan for an Offering Period commencing thereunder on the Effective Date will be carried forward and credited to the Participant's account under the Plan for the Offering Period commencing hereunder on the Effective Date.
9. Transfer of Shares.
- a. Settlement of Purchase of Shares. Subject to Section 20(m), as soon as reasonably practicable after each Purchase Date, the Company will arrange for the delivery to each Participant of the shares of Common Stock purchased upon exercise of his or her option, other than any such shares sold to repay an outstanding loan balance under the Cashless Participation Program or to satisfy applicable withholding obligations. The Committee may permit or require that the shares be deposited directly into an ESPP Share Account established in the name of the Participant

with a Designated Broker and may require that the shares of Common Stock be retained with that Designated Broker for a specified period of time. Participants will not have any voting, dividend or other rights of a shareholder with respect to the shares of Common Stock subject to any option granted under the Plan until those shares have been actually delivered pursuant to this Section 9.

- b. Sales of Shares. Transactions involving any shares of Common Stock purchased under the Plan, including transactions under the Cashless Participation Program, are subject to, without limitation, (i) the Company's Policy on Insider Trading and Corporate Communications, (ii) applicable securities laws, including insider trading laws, and (iii) for those Participants designated as "affiliates" and/or "Section 16 Insiders" of the Company, Rule 144 and/or Section 16 reporting and other requirements, as applicable.

10. Cashless Participation Program. An Eligible Employee who elects to participate in an Offering Period under the Plan by properly completing and submitting an Enrollment Form may also elect to become a participant in the Cashless Participation Program for such Offering Period by completing and submitting to the Company, its appointed plan administrator or Cashless Participation loan provider a Cashless Participation Agreement and an Irrevocable Contract, which shall contain terms and conditions of the Eligible Employee's participation in the Cashless Participation Program, including, without limitation, the level of participation, sale price, loan terms, interest and repayment provisions. The aggregate principal amount of the loan made to a Participant under the Cashless Participation Program for an Offering Period will equal the difference between (a) the amount the Participant elects to contribute to the Plan for such Offering Period, as provided in the Participant's Enrollment Form, and (b) the maximum amount the Participant could have elected to contribute to the Plan for such Offering Period pursuant to Section 4, or such other amount as the Committee may determine in its sole discretion prior to the applicable Offering Period. Participation in the Cashless Participation Program is available to all Eligible Employees (other than employees subject to the disclosure requirements of Section 16(a) of the Exchange Act), unless prohibited by applicable law. All Employees must properly complete and submit an Enrollment Form to contribute a minimum of 1% of Compensation (or such higher amount as the Committee may specify) to the Plan during an Offering Period to be able to participate in the Cashless Participation program for such Offering Period.

11. Withdrawal.

- a. Withdrawal Procedure. A Participant may irrevocably withdraw from an Offering by submitting to the Company a revised Enrollment Form indicating his or her election to decrease his or her rate of payroll deductions to zero and to withdraw at least fifteen (15) days before the Purchase Date (and if the Participant intends to revoke automatic re-enrollment for future Offering Periods, he or she should so indicate in that revised Enrollment Form). A Participant's irrevocable withdrawal from an Offering shall also constitute the Participant's withdrawal from the Cashless Participation Program for such Offering. If a Participant irrevocably withdraws from an Offering, he or she may elect to be refunded the accumulated

balance of his or her notional account or to allow the accumulated balance to purchase shares on the Purchase Date. If elected, the accumulated payroll deductions held on behalf of a Participant in his or her notional account (that have not been used to purchase shares of Common Stock) will be paid to the Participant reasonably promptly following receipt of the Participant's Enrollment Form indicating his or her election to withdraw and the Participant's option will be automatically terminated. If a Participant withdraws (or is deemed to withdraw) from an Offering Period, he or she cannot thereafter participate in that same Offering Period.

- b. Effect on Succeeding Offering Periods. A Participant's election to withdraw from an Offering Period will not have any effect upon his or her eligibility to participate in succeeding Offering Periods that commence following the completion of the Offering Period from which the Participant withdraws.
12. Termination of Employment; Change in Employment Status. Upon termination of a Participant's employment for any reason, including death, disability or retirement, or a change in the Participant's employment status following which the Participant is no longer an Eligible Employee, which in each case occurs at least fifteen (15) days before the Purchase Date, the Participant will be deemed to have withdrawn from the Plan and the payroll deductions in the Participant's notional account (that have not been used to purchase shares of Common Stock) will be returned to the Participant, or in the case of the Participant's death, to the person(s) entitled to those amounts under Section 18, and the Participant's option under any then-current Offering will be automatically terminated, together with the Participant's participation in the Cashless Participation Program for such Offering. If the Participant's termination of employment or change in status occurs within fifteen (15) days before a Purchase Date, the accumulated payroll deductions and any loan proceeds under the Cashless Participation Program for such Offering will be used to purchase shares on the Purchase Date, unless otherwise timely elected by the Participant in accordance with Section 11.
13. Interest. No interest will accrue on or be payable with respect to the payroll deductions of a Participant in the Plan.
14. Shares Reserved for Plan.
 - a. Number of Shares. Subject to adjustment pursuant to Section 19, a total of 500,000 shares of Common Stock have been reserved as authorized and available for purchase pursuant to the exercise of options granted under the Plan. The shares of Common Stock delivered upon the exercise of options under the Plan may be newly-issued shares, treasury shares or shares acquired on the open market. For the avoidance of doubt, if any option granted under the Plan expires or terminates for any reason without having been exercised in full or ceases for any reason to be exercisable in whole or in part, the unpurchased shares of Common Stock subject to such option will remain available for purchase pursuant to the exercise of options granted under the Plan.

- b. Over-Subscribed Offerings. The number of shares of Common Stock which a Participant may purchase in an Offering under the Plan may be reduced if the Offering is over-subscribed. No option granted under the Plan will permit a Participant to purchase shares of Common Stock which, if added together with the total number of shares of Common Stock purchased by all other Participants in that Offering, would exceed the total number of shares of Common Stock remaining available under the Plan. If the Committee determines that, on a particular Purchase Date, the number of shares of Common Stock with respect to which options are to be exercised exceeds the number of shares of Common Stock then available under the Plan, the Company will make a pro rata allocation of the shares of Common Stock remaining available for purchase in as uniform a manner as reasonably practicable and as the Committee determines to be equitable, and the Committee's determinations will be final and binding on all Participants. In such event, the Committee shall give written notice to each Participant of such reduction and shall, if necessary, make corresponding reductions, first, in the loan proceeds available to a Participant to purchase shares under the Cashless Exercise Program for such Offering and, next, in the rate of the Participant's payroll deductions for such Offering.
15. Transferability. No payroll deductions credited to a Participant's notional account, no rights to loan proceeds under the Cashless Participation Program, and no rights with respect to the exercise of an option or any rights to receive Common Stock under the Plan, may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution, or as provided in Section 18) by the Participant. Any attempt to assign, transfer, pledge or otherwise dispose of any rights or amounts in contravention of this Section 15 will be null, void and without effect. For the avoidance of doubt, participation in the Cashless Participation Program, including without limitation, the delivery to the Cashless Participation Provider of any Common Stock required for the repayment by the Participant of any Cashless Participation loan amount, will not be deemed to violate this Section 15.
16. Application of Funds. All payroll deductions received or held by the Company under the Plan, as well as all proceeds received by the Company from the sale of shares under the Cashless Participation Program or in satisfaction of a Participant's tax and withholding obligations, may be used by the Company for any corporate purpose to the extent permitted by applicable law, and the Company will not be required to segregate any such payroll deductions, contributions or proceeds from its general assets.
17. Statements. Each Participant will be provided with statements at least annually which will set forth the contributions made by that Participant to the Plan, the Purchase Price of any shares of Common Stock purchased with accumulated funds or loan proceeds under the Cashless Participation Program, the number of shares of Common Stock purchased and any payroll deduction amounts remaining in that Participant's notional account.

18. Designation of Beneficiary. A Participant may file, on forms supplied by the Committee, a written designation of beneficiary who is to receive any shares of Common Stock from the Participant's ESPP Share Account under the Plan and any accumulated balance in the Participant's notional account, in each case, in the event of that Participant's death.
19. Adjustments Upon Changes in Capitalization; Corporate Transactions.
- a. Adjustments. If there shall occur any change with respect to the outstanding shares of Common Stock by reason of any recapitalization, reclassification, stock dividend, extraordinary dividend, stock split, reverse stock split or other distribution with respect to the shares of Common Stock or any merger, reorganization, consolidation, combination, spin-off, stock purchase or other similar corporate change or any other change affecting the Common Stock (other than regular cash dividends to shareholders of the Company), the Committee shall, in the manner and to the extent it considers equitable to the Participants and consistent with the terms of the Plan, cause an adjustment to be made to number and type of shares that may be delivered under the Plan, the Purchase Price per share and the number of shares of Common Stock covered by each outstanding option under the Plan, and the numerical limits of Section 7 and Section 14; provided, that any such adjustment shall be made in a manner that complies with Section 423 of the Code.
 - b. Corporate Transaction. In the event of a Corporate Transaction, each outstanding option will be assumed or an equivalent option substituted by the successor or a parent or Subsidiary of that successor. If the successor corporation refuses to assume or substitute the option or any Participant is participating in the Cashless Participation Program, the Committee may (i) cancel each outstanding option and return the balance in each Participant's notional account to the Participant or (ii) pursuant to Section 20(i), terminate the Offering Period with respect to which the option relates by setting a new Purchase Date on which the Offering Period will end. Any such new Purchase Date will be determined by the Committee and will occur before the effective date of the Corporate Transaction. Prior to any new Purchase Date, the Committee will provide each Participant with written notice, which may be electronic, of the new Purchase Date and that the Participant's option will be exercised automatically on that date, unless before that time, the Participant has withdrawn from the Offering in accordance with Section 11 or has been deemed to withdraw in accordance with Section 12.
20. General Provisions.
- a. Equal Rights and Privileges. Notwithstanding any provision of the Plan to the contrary and in accordance with Section 423 of the Code, all Eligible Employees who are granted options under the Plan will have the same rights and privileges.
 - b. No Right to Continued Service. Neither the Plan nor any option granted under the Plan will confer on any Participant the right to continue as an Employee or in any other capacity.

- c. Rights as Shareholder. A Participant will become a shareholder with respect to the shares of Common Stock that are purchased pursuant to options granted under the Plan only after the shares are transferred to the Participant or the Participant's ESPP Share Account. A Participant will have no rights as a shareholder with respect to shares of Common Stock subject to an option under the Plan until that Participant becomes a shareholder as provided above.
- d. Successors and Assigns. The Plan will be binding on the Company and its successors and assigns.
- e. Entire Plan. The Plan constitutes the entire plan with respect to the subject matter hereof and supersedes all prior plans with respect to the subject matter hereof.
- f. Compliance with Law. The obligations of the Company with respect to payments under the Plan are subject to compliance with all applicable laws and regulations. Common Stock will not be issued with respect to an option granted under the Plan unless the exercise of that option and the issuance and delivery of the shares of Common Stock pursuant to that option will comply with all applicable provisions of laws and regulations, including, without limitation, the Securities Act, the Exchange Act and the requirements of any stock exchange upon which the shares may then be listed.
- g. Notice of Disqualifying Dispositions. Each Participant will give the Company prompt written notice of any disposition or other transfer of shares of Common Stock acquired pursuant to the exercise of an option under the Plan, if that disposition or transfer is made within two (2) years after the Offering Date.
- h. Term of Plan. The Plan will become effective on the Effective Date and, unless terminated earlier pursuant to Section 20(i) or Section 20(k), will have a term of ten years from the Effective Date.
- i. Amendment or Termination. The Committee may, in its sole discretion, amend, suspend or terminate the Plan at any time and for any reason; provided, further, that any Cashless Participation Agreement or Irrevocable Contract may only be amended in accordance with its terms. Any amendment that would be treated as the adoption of a new plan for purposes of Section 423 of the Code will have no force or effect unless approved by the Company's shareholders within twelve (12) months before or after its adoption. If the Plan is terminated, the Committee may elect to terminate all outstanding Offering Periods either immediately, on the next scheduled Purchase Date (which may, in the discretion of the Committee, be accelerated) or at such other date as the Committee may specify and may elect to return the balance of each Participant's notional account or permit outstanding options to be exercised on the next scheduled Purchase Date. If the Plan is terminated, all amounts that have not been used to purchase shares of Common Stock will be returned to Participants (without interest, except as otherwise required by law) as soon as administratively practicable.

- j. Applicable Law. The laws of the State of Delaware will govern all questions concerning the construction, validity, interpretation and application of the Plan, without regard to that state's conflict of law rules.
- k. Shareholder Approval. The Plan will be subject to approval by Company shareholders within twelve (12) months before or after the date the Plan is adopted by the Board. In the event that shareholder approval is not obtained before the first Purchase Date under the Plan, all options to purchase shares of Common Stock under the Plan will be cancelled and become null and void.
- l. Section 423. The Plan is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code. Any provision of the Plan that is inconsistent with Section 423 of the Code will be reformed to comply with Section 423 of the Code.
- m. Withholding. To the extent required by applicable Federal, state or local law, a Participant must make arrangements satisfactory to the Company for the payment of any withholding or similar tax obligations that arise in connection with the Plan, including, without limitation, as a result of participation in the Cashless Participation Program. Each Participant agrees, by entering the Plan, that the Company or any Subsidiary may withhold from a Participant's wages, salary or other compensation at any time the amount necessary for the Company or any Subsidiary to meet applicable withholding obligations, including any withholding required to make available to the Company or any Subsidiary any tax deductions or benefits attributable to the sale or disposition of shares of Common Stock by such Participant. With the consent of the Committee, Participants may satisfy applicable tax and withholding obligations from proceeds received through broker-assisted "cashless exercise" or any other method of withholding permitted by U.S. Treasury Regulation Section 1.423-2(f). The Company will not be required to issue any share of Common Stock under the Plan until such obligations are satisfied.
- n. Severability. If any provision of the Plan will for any reason be held to be invalid or unenforceable, that invalidity or unenforceability will not affect any other provision of the Plan, and the Plan will be construed as if that invalid or unenforceable provision were omitted.
- o. Headings. The headings of sections in the Plan are included solely for convenience and will not affect the meaning of any of the provisions of the Plan.

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