

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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**InterDigital, Inc.**

CIK: **1405495** | IRS No.: **231882087** | State of Incorporation: **PA** | Fiscal Year End: **1231**  
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**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): January 18, 2013**

**InterDigital, Inc.**

(Exact Name of Registrant as Specified in Charter)

Pennsylvania	1-33579	23-1882087
(State or other jurisdiction of incorporation)	(Commission File No.)	(I.R.S. Employer Identification Number)

200 Bellevue Parkway, Suite 300, Wilmington, Delaware 19809-3727  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: 302-281-3600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants 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))

**Item 5.02(e) Compensatory Arrangements of Certain Officers.**

1. Approval of Long-Term Compensation Awards.

On January 18, 2013, the compensation committee (the “committee”) of the board of directors of the company approved:

(i) the following participation levels and allocations for the 2013-2015 cycle under the company’s Long-Term Compensation Program (“LTCP”):

<b>Executive</b>	<b>Target Payout</b>
William J. Merritt	\$1,500,000
Richard J. Brezski	\$500,000
Scott A. McQuilkin	\$750,000
James J. Nolan	\$600,000
Lawrence F. Shay	\$1,000,000

For each Executive, 25% of the target payout is paid in the form of restricted stock units (“RSUs”) that vest based on continued service at the end of the three-year cycle; 25% of the target payout is paid in the form of stock options, which vest ratably over three years and have a seven-year term; and 50% of the target payout is paid in the form of performance-based RSUs based on the company’s achievement during the 2013-2015 cycle of pre-approved goals established by the committee.

(ii) the following discretionary awards, paid in the form of time-based RSUs, for the following Executives:

<b>Executive</b>	<b>Time-Based RSUs</b>
William J. Merritt	25,000
Scott A. McQuilkin	12,000
James J. Nolan	9,000
Lawrence F. Shay	15,000

For each Executive, the discretionary award vests with respect to one-third of the RSUs subject to the award on each of the grant date and the first two anniversaries of the grant date.

## 2. Amended Long-Term Incentive Compensation Program

On January 18, 2013, the committee approved an amended LTCP. Our Executives, along with other employees of the company, are eligible to participate in the LTCP. Under the terms of the amended LTCP, effective for the cycle that began on January 1, 2013 and cycles thereafter, the participants in the LTCP will receive their LTCP participation in the form of time-based RSUs, that generally vest in full at the end of the three-year cycle, stock options, that ratably vest over the three-year cycle, and performance-based awards granted under the long-term incentive plan (“LTIP”) component of the LTCP, which can be in the form of cash, equity-based awards and equity. The components of each participant’s LTCP award will be determined annually by our chief executive officer (or, in certain circumstances, our committee) and the form of the LTIP award will be determined by our committee. For the cycle beginning in 2013, our Executives will be awarded 25% of the LTCP target payout in the form of RSUs that vest based on continued service at the end of the three-year cycle, 25% of the LTCP target payout in the form of stock options, which vest ratably over three years and have a seven-year term, and 50% of the LTCP target payout under the LTIP in the form of performance-based RSUs which vest based on the company’s achievement during the 2013-2015 cycle of goals established by the committee. The terms of each of these awards for the 2013 cycle are described below.

The level of participation in the LTCP for our Executives will be determined yearly, and for the cycle beginning in 2013, is set forth above. Payouts of LTIP performance-based awards will be determined by the committee based on the company’s achievement of one or more performance goals during the cycle period, as established and approved by the committee. Payouts pursuant to the LTIP may exceed or be less than target, depending on the level of the company’s achievement of the performance goal(s). No payout may be made if the company fails to achieve the minimum level of performance for the applicable cycle, and the payout for any particular cycle is capped at 200% of target.

The description of the LTCP as set forth above is not complete and is qualified in all respects by reference to the LTCP. A copy of the LTCP is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

## 3. Revised Form Award Agreements.

On January 18, 2013, the committee approved the form of Term Sheet and the form of Standard Terms and Conditions (together, the “Award Agreement”) for (i) Time-Based RSUs; (ii) Performance-Based RSUs; (iii) Stock Options; and (iv) Discretionary Time-Based RSUs, each to be used to set forth the terms of grants of time-based RSU awards, performance-based RSU awards, stock option awards and discretionary time-based RSU awards (each, an “Award”), respectively, to certain participants in the company’s 2009 Stock Incentive Plan, including the Executives.

**a. Form Award Agreement for Time-Based Restricted Stock Units.**

The Award Agreement for time-based RSUs contemplates that each Award will vest on the third anniversary of the grant date, subject to the grantee's continued employment through such date; provided, that (i) if the grantee's employment with the company ceases due to death, Disability or termination by the company without Cause (each capitalized term as defined in the Award Agreement), then such grantee will become vested in a pro-rata portion of the Award; and (ii) if the grantee's employment with the company ceases within one year following a Change in Control (as defined in the Award Agreement) due to a termination by the company without Cause (and other than by reason of the grantee's death or Disability) or upon the grantee's resignation for Good Reason (as defined in the Award Agreement), such grantee will become vested in 100% of the Award.

**b. Form Award Agreement for Performance-Based Restricted Stock Units**

The Award Agreement for performance-based RSUs contemplates that each Award will vest on the third anniversary of the grant date, if at all, subject to the grantee's continued employment through such date and the achievement of the performance goals and parameters set forth in the Award Agreement; provided, that (i) if the grantee's employment with the company ceases due to death, Disability or termination by the company without Cause (each capitalized term as defined in the Award Agreement), in each case, at any time after the second anniversary of the grant date and prior to the vesting date, the grantee will become vested, if at all, in a pro-rata portion of the Award (based on actual performance over the three-year vesting period); and (ii) if the grantee's employment with the company ceases within one year following a Change in Control (as defined in the Award Agreement) due to a termination by the company without Cause (and other than by reason of the grantee's death or Disability) or upon the grantee's resignation for Good Reason (as defined in the Award Agreement), such grantee will become vested in 100% of the Award and the performance goals and parameters set forth in the Award Agreement will be deemed earned at the target level based on actual performance through the date of the Change in Control as of the effective date of the Change in Control.

**c. Form Award Agreement for Stock Options**

The Award Agreement for stock options contemplates that each Award will vest with respect to one-third of the stock options on each of the three anniversaries of the grant date, subject to the grantee's continued employment through such date, and will expire on the seventh anniversary of the grant date (the "Expiration Date"); provided, that if the grantee's employment with the company ceases for any reason, then the unvested portion of the Award will be forfeited and the vested portion of the Award may be exercised for up to six months after the termination date, unless one of the following circumstances exists: (i) if the grantee's employment with the company ceases due to Disability (as defined in the Award Agreement), then the Award will expire on the earlier of the Expiration Date or twelve months following the termination date; (ii) if the grantee's employment with the company ceases due to death or the grantee's death occurs within three months following termination for any reason, then the Award will expire on the

earlier of the Expiration Date or twelve months following the grantee's death; (iii) if the grantee's employment is terminated by the company for Cause, then the entire Award, whether or not then vested and exercisable, will be immediately forfeited and canceled as of the date of such termination; (iv) if the grantee's employment is terminated by the company without Cause (as defined in the Award Agreement), then such grantee will become vested in a pro-rata portion of the unvested portion of the Award and the vested portion of the Award will remain exercisable until the earlier of the Expiration Date or six months after the grantee's termination date; and (v) if the grantee's employment with the company ceases within one year following a Change in Control (as defined in the Award Agreement) due to a termination by the company without Cause (and other than by reason of the grantee's death or Disability) or upon the grantee's resignation for Good Reason (as defined in the Award Agreement), such grantee will become vested in 100% of the Award and the vested portion of the Award will remain exercisable until the earlier of the Expiration Date or six months after the grantee's termination date.

#### **d. Form Award Agreement for Discretionary Time-Based Restricted Stock Units**

The Award Agreement for discretionary time-based RSUs contemplates that each Award will vest with respect to one-third of the RSUs subject to the Award on each of the grant date and the first two anniversaries of the grant date, subject to the grantee's continued employment through such date; provided, that (i) if the grantee's employment with the company ceases due to death, Disability or termination by the company without Cause (each capitalized term as defined in the Award Agreement), then such grantee will become vested in a pro-rata portion of the Award; and (ii) if the grantee's employment with the company ceases within one year following a Change in Control (as defined in the Award Agreement) due to a termination by the company without Cause (and other than by reason of the grantee's death or Disability) or upon the grantee's resignation for Good Reason (as defined in the Award Agreement), such grantee will become vested in 100% of the Award.

The descriptions of the Award Agreements as set forth above are not complete and are qualified in all respects by reference to the applicable Award Agreement. Copies of the Award Agreements are attached as Exhibits 10.2 through 10.9 to this Current Report on Form 8-K and are incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	InterDigital, Inc. Amended and Restated Long-Term Compensation Program
10.2	InterDigital, Inc. Term Sheet and Standard Terms and Conditions for Time-Based Restricted Stock Units (Discretionary Award)
10.3	InterDigital, Inc. Term Sheet and Standard Terms and Conditions for Time-Based Restricted Stock Units
10.4	InterDigital, Inc. Term Sheet and Standard Terms and Conditions for Performance-Based Restricted Stock Units
10.5	InterDigital, Inc. Term Sheet and Standard Terms and Conditions for Stock Options

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

INTERDIGITAL, INC.

/s/ Jannie K. Lau

Jannie K. Lau

Executive Vice President, General Counsel and Secretary

Dated: January 25, 2013

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## **INDEX TO EXHIBITS**

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10.5	InterDigital, Inc. Term Sheet and Standard Terms and Conditions for Stock Options

**INTERDIGITAL  
AMENDED AND RESTATED LONG-TERM COMPENSATION PROGRAM**

The Long-Term Compensation Program (the “Program”) of InterDigital, Inc. (the “Company”) is designed to incentivize employees to exercise their best efforts toward ensuring the success of the Company. All regular full-time and regular part-time employees (as defined in the Company’s Employee Handbook) of the Company and its affiliates are eligible to participate in one or more components of the Program, based on their level within the organization, provided that they are qualified to participate in Company 2009 Stock Incentive Plan (as may be amended or modified from time to time, the “Plan”). If applicable, these Program components are offered pursuant to, and are subject to, the Plan.

**Program Participation Levels and Payout Targets.** Each participant’s level of participation in the Program is a target percentage of their annual base salary at the time of commencement in the Program, based on their level within the organization pursuant to the chart set forth below:

<u>Organizational Level</u>	<u>Target Payout (% of Annual Base Salary)</u>
Chief Executive Officer	TBD per each Cycle (as defined below)
Senior Executive Vice President or Executive Vice President (or functional equivalent)*	TBD per each Cycle (as defined below)
Vice President (or functional equivalent)	40 - 50%
Senior Director (or functional equivalent)	35 - 45%
Director (or functional equivalent)	30 - 40%
Senior Manager/Manager (or functional equivalent)	10 – 20%
Non-Manager (or functional equivalent):	5 – 15%

\*. The C.E.O. (or the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”) in the case of Section 16 Officers) will, in his sole discretion, designate the specific Target Payout for all Senior Executive Vice Presidents and Executive Vice Presidents in either a set dollar amount or a specific percentage of annual base salary based on their role within the Company and their ability to effect the success of the Company and the achievement of its long-term goals. Additionally the C.E.O. will, in his sole discretion, designate the specific Target Payout for all other Organizational Levels within the ranges designated above.

**Program Cycles.** The Program consists of cycles (each a “Cycle”) that are each generally three years in length, normally commencing on or about January 1<sup>st</sup> of each year.

**Compensation Components.** The Program consists of three (3) possible components: (1) a Restricted Stock Unit Program (“RSU Program”) consisting of awards of time-based restricted stock units (“RSUs”), (2) a Long-Term Incentive Plan (the “LTIP”) providing performance-based awards in the form of cash, equity-based awards or equity (or a combination thereof) and (3) a Stock Option Program (“Option Program”). The C.E.O (or the Compensation Committee in the case of Section 16 Officers) will determine annually, what percentage of Program participation each level of Participants receive in the form of time-based RSUs granted pursuant to the RSU Program, performance based awards pursuant to the LTIP and stock option awards pursuant to the Option Program.

**(1) RSU Program.** The RSU Program provides all eligible Program participants with an opportunity to share in the growth of the Company’s value in the marketplace and rewards participants based on the performance of the Company’s stock over time through awards of time-based RSUs.

A time-based RSU is a contractual right to receive a share of Company common stock, par value \$0.01 per share, subject to vesting and other terms and conditions of the award. Pursuant to the RSU Program, each eligible Program participant will receive an

award of time-based RSUs no later than February 15 of the first year of the Program Cycle, and each such award shall generally have a three-year vesting period, with the vesting schedule to be determined by the Compensation Committee in its sole discretion. Each time-based RSU recipient will receive terms and standard terms and conditions setting forth the terms and conditions of each RSU grant.

**(2) Long-Term Incentive Plan.** The Long-Term Incentive Plan (the “LTIP”) provides eligible Program participants with performance-based awards that may be paid out, as determined by the Compensation Committee, in its sole discretion, in the form of cash, Company common stock, equity-based awards or any combination thereof. The allocation of the awards in either cash, Company common stock or equity-based awards may be determined at any time during the Cycle. Any payout under the LTIP is determined by the Compensation Committee in its sole discretion based on the Company’s achievement of one or more performance goals during the Cycle period, as established and approved by the Compensation Committee. Payouts under the LTIP may exceed or be less than target, depending on the level of achievement of the performance goal(s). Unless the Compensation Committee, in its sole discretion, authorizes an exception, no payout may be made if the Company fails to achieve at least 80% of the performance goal(s) for the applicable Cycle, and the Company’s achievement of the performance goal(s) for any particular Cycle that exceeds the target is capped at 140%. The minimum performance achievement that qualifies for a payout (i.e., 80% achievement of the performance goals) results in a payout amount equal to 50% of target and the maximum payout performance achievement (i.e., 140% achievement or greater) results in a payout amount of no more than 200% of target. Each 1-percentage point variation in performance achievement results in a 2.5-percentage point variation in payout.

Payouts under the LTIP will be made no later than March 15<sup>th</sup> of the year following the end of each Cycle, provided that the participant is still employed on the date of payout. Each LTIP award recipient will receive terms and standard terms and conditions setting forth the terms and conditions of each LTIP award grant.

**(3) Stock Option Program.** The Stock Option Program (“Option Program”) provides eligible Program participants with an opportunity to share in the growth of the Company’s value in the marketplace and rewards participants based on the performance of the Company’s stock over time through awards of stock options.

A stock option is a contractual right to purchase a share of Company common stock at a certain exercise price per share, which is Fair Market Value (as such term is defined in the Plan) of the shares on the date of the grant and subject to the other terms and conditions of the award. Pursuant to the Option Program, each eligible Program participant will receive an award of stock options no later than February 15 of the first year of the Program Cycle and each such award shall generally have a three-year vesting period, with the vesting schedule to be determined by the Compensation Committee in its sole discretion. Each stock option recipient will receive terms and standard terms and conditions setting forth the terms and conditions of each stock option grant.

The number of RSUs awarded is calculated based on the target percentage of the annual base salary allocated to the particular component divided by the Company’s closing share price on the day prior to the award.

#### Program Participation

**New Program Participants.** A newly hired employee is eligible for pro-rata participation in the LTCP Cycle that began on January 1<sup>st</sup> of the hire year and full participation beginning with the next applicable Cycle, so long as they remain eligible. Participation in the pro-rata Cycle will be determined based on the amount of time (number of pay periods) remaining in the Cycle upon hire and will be determined by the Compensation Committee in its sole discretion.

**Promotion during Program Cycle.** If an employee is promoted within the first six months of the start of a LTCP Cycle and such promotion results in (i) an accompanying increase in his or her LTCP participation target or (ii) his or her participation in the LTIP for the first time, the benefit of the Program target increase or initial participation in the LTIP will be realized effective as of the date of the promotion for the Cycle that began on January 1<sup>st</sup> of the promotion year. If an employee is promoted at any other time during a Cycle, any change to their participation in the LTCP will be realized at the beginning of the next applicable Cycle, unless the Compensation Committee, in its sole discretion, authorizes an exception.

***Effect of Termination of Employment.*** All LTIP awards, RSUs and stock options awarded under the Program are subject to the terms and conditions of the award, including vesting requirements. A Program participant must remain continuously employed by the Company or a Subsidiary (as such term is defined in the Plan) for the applicable vesting period pursuant to an LTIP award, RSU or a stock option and must continue to be employed at least until the time the LTIP payout is made in order to receive the LTIP payout. For purposes of this discussion of “effect of termination of employment”, references to the Company shall be deemed to include references to its Subsidiaries (as such term is defined in the Plan) as the context requires.

Any benefits from the Program are automatically forfeited and canceled without consideration therefor upon termination of employment; however, benefits may be eligible for partial vesting, as explained below, where the participant’s employment terminates due to his or her death, “disability,” or as a result of the termination of employment by the Company (or a Subsidiary) other than for “cause” (each as defined below).

***Partial Vesting of RSU Award granted under the RSU Program.*** If a participant’s employment terminates due to death, disability or the participant’s employment with the Company is terminated by the Company without cause, time-based RSUs will vest pro-rata upon such termination based on the portion of the Cycle during which the participant was employed. The settlement of any time-based RSUs that become vested as described above will occur as soon as administratively practical after termination of employment, but in no event later than March 15 of the year after the year of termination.

***Partial Vesting of LTIP Award.*** If a participant’s employment terminates for any reason during the first or second year of a Cycle, the participant forfeits eligibility to receive any LTIP payout associated with those Cycles. If, however, during the third year of a Cycle, a participant’s employment with the Company terminates due to his or her death, disability or the participant is terminated by the Company without cause, the participant will be eligible to earn a pro-rata portion of the LTIP payout. Any pro-rata cash payout, shares or other equity-based award vesting resulting from the LTIP cycle will be delivered to the employee (or, if applicable, the employee’s estate) as soon as administratively practicable after any payout would have taken place if the participant had remained employed, as described above, but in any event no later than March 15 after the year of termination.

***Partial Vesting of Stock Options granted under the Option Program.*** If a participant’s employment terminates due to death, disability or the participant’s employment with the Company is terminated by the Company without cause, stock options will vest pro-rata upon such termination based on the portion of the Cycle during which the participant was employed. Such options will be exercisable for the period of time set forth in the terms and conditions related to the award.

For purposes of the Program:

- “Affiliate” means any other individual, corporation, partnership, association, trust or other entity that, directly or indirectly, is in control of or is controlled by or is under common control with the Company.
- “cause” has the meaning set forth in the participant’s employment agreement (in existence at the time of determination) or terms and conditions of the award, or, if no such definition exists, means: (a) willful and repeated failure of an employee to perform substantially his or her duties (other than any such failure resulting from incapacity due to physical or mental illness); (b) an employee’s conviction of, or plea of guilty or nolo contendere to, a felony which is materially and demonstrably injurious to the Company or an Affiliate; (c) willful misconduct or gross negligence by an employee in connection with his or her employment; (d) unsatisfactory job performance; or (e) an employee’s breach of any material obligation or duty owed to the Company or an Affiliate.
- “disability” means: (a) a disability entitling the employee to long-term disability benefits under the applicable long-term disability plan of the Company (or an Affiliate if employee is employed by such Affiliate); or (b) if the employee is not covered by such a plan, a physical or mental condition or illness that renders the employee incapable of performing his or her duties for a total of 180 days or more during any consecutive 12-month period.
- “Good Reason” means any of the following events, occurring without employee’s prior written consent: (i) any material reduction in employee’s base salary (other than a proportionate reduction in salary which is applied to a majority of the Company’s employees); (ii) a material diminution of employee’s duties or responsibilities within the Company; and (iii) a relocation of employee’s primary work location (or office), or Company’s primary place of operation, by a distance of more than fifty (50) miles. Notwithstanding the foregoing, Good Reason shall only exist if employee shall have provided the Company with written notice within ninety (90) days of the initial occurrence of any of the foregoing events or conditions, and the Company or any successor or affiliate fails to eliminate the conditions

constituting Good Reason within thirty (30) days after receipt of written notice of such event or condition from employee. Employee's resignation from employment with the Company for Good Reason must occur within six (6) months following the initial occurrence of one of the foregoing events or conditions.

***Effect of a Change in Control.*** If a Change in Control occurs during a Cycle and while a participant is actively employed by the Company or an Affiliate, and (1) the Program is terminated and a participant does not receive a replacement from a successor to the Company that is equivalent or greater than the value of the participant's LTCP at the time of the Change in Control, as determined by the Compensation Committee in its sole discretion, or, (2) notwithstanding the foregoing, in the event that a participant, within one year of the Change in Control, is terminated without cause or terminates for Good Reason (the occurrence of (1) or (2), an "Acceleration Event"), then the following shall occur:

- ***Time-Based RSUs:*** All time-based RSUs will become fully vested and shares of Company common stock with respect to those RSUs will be delivered contemporaneous with, or as soon as practicable after, the Acceleration Event.
- ***LTIP:*** Generally, LTIP awards shall be deemed satisfied at target as of the date of the Change in Control, and remain subject to any conditions of continued employment. Upon a termination of employment without cause or for Good Reason, the target payout will be made.
- ***Stock Options:*** Stock Options will become fully vested as of the Acceleration Event.

For purposes of the Program:

- "Change in Control" has the meaning set forth in the Plan.

#### Other Program Information

***Future Program Cycles.*** While the Company reserves the right to alter or discontinue the Program at any time, its present intent is to continue the Program for future Cycles. If an employee is eligible to participate in a future Cycle, additional information may be distributed at the start of that Cycle.

***Administration.*** The Program is administered by the Compensation Committee. **The Compensation Committee has the right to terminate or amend the Program and its components at any time for any reason.** The Compensation Committee also has the authority to select employees to receive awards, to create, amend and rescind rules regarding the operation of the Program, to set/approve specific cycle goals, to determine whether LTIP goals have been achieved, to reconcile inconsistencies, to supply omissions, to fix administrative or scrivener errors and to otherwise make all determinations necessary or desirable for the operation of the Program. The Compensation Committee delegates the authority to amend the Program to the Chief Executive Officer, Chief Financial Officer, General Counsel or one or more of these employees as part of a committee of employees and/or directors of the Company, provided, however, that any amendment of the Program that is a "material amendment" (as determined pursuant to NASDAQ Stock Market Rule 5635© and the interpretive material thereunder) must be approved by the Compensation Committee or by a majority of the Company's independent directors, as defined for purposes of such rule.

***Awards Subject to the Plan; Adjustments.*** All awards granted pursuant to the Plan are subject to the provisions therein, including, without limitation, relating to the adjustments of and changes in the Company's stock.

***No Assignment.*** An employee may not assign, pledge or otherwise transfer any right relating to any award under the Program and any attempt to do so will be void.

***No Right to Continued Employment.*** Participation in the Program does not give any employee any right to continue in employment or limit in any way the right of the Company or its subsidiaries or affiliates to terminate a participant's employment at any time, for any reason.

***Interaction between the Plan, the Program and Award Agreements.*** This Program is subject in its entirety to the terms and conditions of the Plan (if awards made hereunder are pursuant to the Plan). To the extent of any inconsistencies or conflicts between the terms of the Program and the terms of the Plan, the terms of the Plan shall govern. Furthermore, to the extent of any inconsistencies or conflicts between the terms of the Program and the terms and conditions of an award pursuant to the Plan, the terms and conditions of the award shall govern.

Effective January 18, 2013

**INTERDIGITAL, INC.**  
**TERM SHEET FOR RESTRICTED STOCK UNITS**  
**(Discretionary Award)**

InterDigital, Inc. (the “Company”), hereby grants to Grantee named below the number of restricted stock units specified below (the “Award”), upon the terms and subject to the conditions set forth in this Term Sheet, the Plan specified below (the “Plan”) and the Standard Terms and Conditions (the “Standard Terms and Conditions”) adopted under the Plan and provided to Grantee, each as amended from time to time. Each restricted stock unit subject to the Award represents the right to receive one share of the Company’s Common Stock, subject to the conditions set forth in this Term Sheet, the Plan and the Standard Terms and Conditions. The Award is granted pursuant to the Plan and is subject to and qualified in its entirety by the Standard Terms and Conditions. Capitalized terms not defined herein have the meanings set forth in the Plan or Standard Terms and Conditions.

Plan:	The Company’s 2009 Stock Incentive Plan.
Name of Grantee:	
Grant Number:	
Grant Date:	[ _____, 2013]
Number of restricted stock units:	
Vesting Schedule:	The Award vests with respect to one-third of the restricted stock units on each of the Grant Date and the first two anniversaries of the Grant Date, provided that the Award may earlier vest pursuant to the Standard Terms and Conditions (each date on which all or a portion of the Award vests, a “Vesting Date”).

By accepting this Term Sheet, Grantee acknowledges that he or she has received and read, and agrees that the Award shall be subject to, the terms of this Term Sheet, the Plan and the Standard Terms and Conditions.

INTERDIGITAL, INC.

BY: \_\_\_\_\_  
 William J. Merritt, President and CEO

GRANTEE

\_\_\_\_\_  
**INTERDIGITAL, INC.**

**STANDARD TERMS AND CONDITIONS FOR RESTRICTED STOCK UNITS**  
**(Discretionary Award)**

These Standard Terms and Conditions apply to any Award of restricted stock units granted to employees of the Company on or after January 1, 2013 under the InterDigital, Inc. 2009 Stock Incentive Plan (as amended or

modified from time to time, the “Plan”), which are evidenced by a Term Sheet (as defined below) or an action of the Administrator that specifically refers to these Standard Terms and Conditions.

1. Definitions. Capitalized terms not defined herein shall have the meanings set forth in either the Term Sheet or the Plan. As used herein:

(a) “Account” means a bookkeeping account reflecting Grantee’s interest in restricted stock units.

(b) “Applicable Fraction” means the number of Company payroll periods during the Restricted Period for which Grantee was employed by the Company divided by the total number of Company payroll periods during the Restricted Period.

(c) “Cause” has the meaning set forth in Grantee’s employment agreement (in existence at the time of determination) or, if no such definition exists, means: (i) willful and repeated failure of Grantee to perform substantially his/her duties (other than any such failure resulting from incapacity due to physical or mental illness); (ii) Grantee’s conviction of, or plea of guilty or nolo contendere to, a felony that is materially and demonstrably injurious to the Company or an affiliate; (iii) willful misconduct or gross negligence by Grantee in connection with his/her service to the Company; or (iv) Grantee’s breach of any material obligation or duty owed to the Company or an affiliate.

(d) “Change in Control” has the definition give to such term in the Plan.

(e) “Disability” means (i) a disability entitling Grantee to long-term disability benefits under the applicable long-term disability plan of the Company (or any Subsidiary if Grantee is employed by such Subsidiary) or (ii) if Grantee is not covered by such a plan, a physical or mental condition or illness that renders Grantee incapable of performing his/her duties for a total of 180 days or more during any consecutive 12-month period.

(f) “Dividend Equivalent” means credits arising in respect of dividends paid on Shares, as described in Section 6 herein.

(g) “Good Reason” means any of the following events, occurring without Grantee’s prior written consent: (i) any material reduction in Grantee’s base salary (other than a proportionate reduction in salary which is applied to a majority of the Company’s employees); (ii) a material change in Grantee’s duties or responsibilities within the Company; and (iii) a relocation of Grantee’s primary work location (or office), or Company’s primary place of operation, by a distance of more than fifty (50) miles. Notwithstanding the foregoing, Good Reason shall only exist if Grantee shall have provided the Company with written notice within ninety (90) days of the initial occurrence of any of the foregoing events or conditions, and the Company or any successor or affiliate fails to eliminate the conditions constituting Good Reason within thirty (30) days after receipt of written notice of such event or condition from Grantee. Grantee’s resignation from employment with the Company for Good Reason must occur within six (6) months following the initial occurrence of one of the foregoing events or conditions.

(h) “Restricted Period” means the period beginning on the Grant Date and ending on the third anniversary of the Grant Date.

(i) “Vesting Date” has the definition given to such term in the Term Sheet.

2. Grant of Restricted Stock Units.

(a) The Company has granted to Grantee named in the Term Sheet provided to said Grantee herewith (the “Term Sheet”) an award of a number of restricted stock units (the “Award”) specified in

the Term Sheet. Each restricted stock unit represents the right to receive one share of the Company's Common Stock, upon the terms and subject to the conditions set forth in the Term Sheet, these Standard Terms and Conditions and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Term Sheet, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary.

(b) The Company shall maintain an Account for Grantee reflecting the number of restricted stock units credited to Grantee hereunder.

3. Restrictions on Restricted Stock Units. Subject to the terms and conditions set forth herein and in the Plan, Grantee shall not be permitted to sell, transfer, pledge or assign the Award or the Shares subject to the Award except by will or by the laws of descent and distribution. No such transfer occurring as a result of Grantee's death shall be effective to bind the Company unless the Administrator shall have been furnished with a copy of the applicable will or such other evidence as the Administrator may deem necessary to establish the validity of the transfer.

4. Vesting and Forfeiture.

(c) The Award shall be forfeitable unless and until otherwise vested pursuant to the terms of the Term Sheet and these Standard Terms and Conditions. Subject to termination or acceleration as provided in these Standard Terms and Conditions, the Term Sheet and the Plan, the Award shall become vested as described in the Vesting Schedule of the Term Sheet, provided that Grantee remains continuously employed by the Company through the applicable Vesting Date and also through the date settlement occurs. Each restricted stock unit credited under Section 6 in respect of Dividend Equivalents shall vest at the time of vesting of the portion of the Award that gives rise, directly or indirectly, to such Dividend Equivalent.

(d) Except as set forth in Sections 4(c) and 4(d) hereof, upon the date Grantee's employment with the Company terminates for any reason, the then unvested portion of the Award shall be forfeited by Grantee and cancelled and surrendered to the Company without payment of any consideration to Grantee.

(e) If Grantee's employment with the Company terminates prior to the applicable Vesting Date due to death, Disability or termination by the Company for any reason other than Cause, then Grantee will become vested in a pro-rata portion of the Award. That pro-rata portion will be determined by multiplying the number of unvested restricted stock units subject to this Award by the Applicable Fraction.

(f) Notwithstanding anything in Section 4(c) to the contrary, if Grantee's service or employment with the Company ceases within one year following a Change in Control due to a termination by the Company without Cause (and other than by reason of Grantee's death or Disability) or upon Grantee's resignation for Good Reason, Grantee will become vested in 100% of his or her then unvested restricted stock units.

(g) Settlement for restricted stock units that become vested pursuant to Section 4(c) or Section 4(d), will occur, subject to the terms of the Plan, as soon as administratively practicable after the termination of employment, but in no event later than by the first March 15 following the termination of employment.

5. Settlement. Unless otherwise set forth herein, each restricted stock unit credited hereunder (including restricted stock units credited in respect of Dividend Equivalents) will be settled by the delivery of one share of Common Stock (subject to adjustment under Section 12 of the Plan). Settlement will

occur as soon as administratively practicable following the applicable Vesting Date, but in no event later than by the first March 15 following the Vesting Date.

6. Dividend Equivalents and Adjustments. Dividend Equivalents shall be credited on the restricted stock units subject to this Award (other than restricted stock units that, at the relevant record date, previously have been settled or forfeited) in accordance with this Section 6:

(h) *Cash Dividends.* If the Company declares and pays a dividend or distribution on its Shares in the form of cash, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution, multiplied by the amount of cash actually paid as a dividend or distribution on each outstanding Share at such payment date, divided by the Fair Market Value of a Share as of such payment date.

(i) *Non-Cash Dividends.* If the Company declares and pays a dividend or distribution on Shares in the form of property other than Shares, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution, multiplied by the Fair Market Value of such property actually paid as a dividend or distribution on each outstanding Share at such payment date, divided by the Fair Market Value of a Share as of such payment date.

(j) *Stock Dividends.* If the Company declares and pays a dividend or distribution on Shares in the form of additional Shares, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution or split, multiplied by the number of additional Shares actually paid as a dividend or distribution or issued in such split in respect of each outstanding Share.

7. Other Terms Relating to Restricted Stock Units.

(k) The number of restricted stock units credited to a Grantee's Account shall include fractional restricted stock units calculated to at least three decimal places, unless otherwise determined by the Administrator. Upon settlement of restricted stock units, Grantee shall be paid, in cash, an amount equal to the value of any fractional Share that would have otherwise been deliverable in settlement of such restricted stock units.

(l) It shall be a condition to the Company's obligation to issue and deliver Shares in settlement of the restricted stock units that Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) pay to the Company, upon its demand, such amount as may be required by the Company for the purpose of satisfying any liability to withhold federal, state, or local income or other taxes. If the amount required is not paid, the Company may refuse to deliver the Shares in settlement of the restricted stock units until such amount is paid. The Administrator may, in its discretion, permit a Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) to pay all or a portion of the amount required by the Company for such tax withholding, at such time and in such manner as the Administrator shall deem to be appropriate, including by authorizing the Company to withhold from the Shares to be delivered in settlement, or by agreeing to surrender to the Company on or about the date such tax liability is determinable, Shares having a Fair Market Value on such date equal to the amount of such tax liability or a specified portion of such tax liability.

8. Rights as Stockholder. Excepts with respect to Dividend Equivalents as set forth herein, Grantee will not be entitled to any privileges of ownership of the shares of Common Stock (including, without limitation, any voting rights) underlying the Award (whether or not vested) unless and until shares of Common Stock are actually delivered to Grantee hereunder.

9. Absence of Tax Gross-Up Payment. There shall be no tax gross-up on the restricted stock units.

10. Notices. Any notice to the Company shall be made in care of the Administrator to the office of the General Counsel, at the Company's main office in Wilmington, Delaware. All notices shall be deemed to have been given when hand-delivered or mailed, first class postage prepaid, and shall be irrevocable once given.

11. Securities Laws. The Administrator may from time to time impose any conditions on the restricted stock units (or the underlying Shares) as it deems necessary or advisable to comply with applicable securities laws.

12. Award Not to Affect Employment. The award granted hereunder shall not confer upon Grantee any right to continue employment with the Company.

13. Section 409A.

(m) Payments contemplated with respect to the Award are intended to comply with Section 409A of the Code and the regulations promulgated thereunder ("Section 409A") (including the provisions for exceptions or exemption from Section 409A), and all provisions of the Plan, the Term Sheet and these Standard Terms and Conditions shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Notwithstanding the foregoing, (i) nothing in the Plan, the Term Sheet and these Standard Terms and Conditions shall guarantee that the Award is not subject to taxes or penalties under Section 409A and (ii) if any provision of the Plan, the Term Sheet or these Standard Terms and Conditions would, in the reasonable, good faith judgment of the Company, result or likely result in the imposition on Grantee or any other person of taxes, interest or penalties under Section 409A, the Administrator may, in its sole discretion, modify the terms of the Plan, the Term Sheet or these Standard Terms and Conditions, without the consent of Grantee, in the manner that the Administrator may reasonably and in good faith determine to be necessary or advisable to avoid the imposition of such taxes, interest or penalties; provided, however, that this Section 13 does not create an obligation on the part of the Administrator or the Company to make any such modification. Each issuance or transfer of vested shares of Common Stock shall be deemed a separate payment for purposes of Section 409A.

(n) Neither Grantee nor any of Grantee's creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A) payable with respect to the Award to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to Grantee or for Grantee's benefit with respect to the Award may not be reduced by, or offset against, any amount owing by Grantee to the Company.

(o) Notwithstanding anything to the contrary contained herein, if the Administrator determines in good faith that the Awards do not qualify for the "short-term deferral exception" under Section 409A, (i) (x) if Grantee is a "specified employee" (as defined in Section 409A) and (y) a delay in the issuance or transfer of vested shares of Common Stock to Grantee or his or her estate or beneficiaries hereunder by reason of Grantee's "separation from service" (as defined in Section 409A) with the Company or any of its subsidiaries or affiliates is required to avoid tax penalties under Section 409A but is not already provided for by this Award, the

Company shall cause the issuance or transfer of such vested shares of Common Stock to Grantee or Grantee's estate or beneficiary upon the earlier of (A) the date that is the first business day following the date that is six months after the date of Grantee's separation from service or (B) Grantee's death and (ii) for purposes hereof, a Change of Control shall not have occurred unless such Change of Control is a "change in the ownership or effective control" or a "change in the ownership of a substantial portion of the assets" of the Company, in each case, as determined in accordance with Section 409A, and, if a Change of Control has not occurred as a result of the application of this clause (ii) of this Section 13(c), the issuance or transfer of any vested shares of Common Stock shall occur on the date of Grantee's separation from service as determined in accordance with Section 409A.

14. Miscellaneous.

(p) The address for Grantee to which notice, demands and other communications to be given or delivered under or by reason of the provisions hereof shall be Grantee's address as reflected in the Company's personnel records.

(q) Grantee authorizes the Company to withhold in accordance with applicable law from any compensation payable to him/her any taxes required to be withheld by federal, state or local law in connection with this Award.

(r) Any provision for distribution in settlement of Grantee's Account hereunder shall be by means of bookkeeping entries on the books of the Company and shall not create in Grantee or any person to whom ownership right may have passed any right to, or claim against any specific assets of the Company, nor result in the creation of any trust or escrow account for Grantee or any person to whom ownership rights may have passed. Grantee (or any other person entitled to a distribution hereunder) shall be a general creditor of the Company.

(s) These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

(t) In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan and the Term Sheet, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between the terms and conditions of these Standard Terms and Condition and the Plan, the Plan controls.

(u) Any question concerning the interpretation of these Standard Terms and Conditions, the Term Sheet or the Plan, any adjustments required to be made hereunder, and any controversy that may arise under these Standard Terms and Conditions, the Term Sheet or the Plan shall be determined by the Administrator in its sole and absolute discretion. All decisions by the Administrator shall be final and binding.

(v) To the extent not preempted by federal law, the validity, performance, construction and effect of this award shall be governed by the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

**INTERDIGITAL, INC.**

**TERM SHEET FOR RESTRICTED STOCK UNITS  
(LTCP Time-Based Award – 2013-2015 Cycle)**

InterDigital, Inc. (the “Company”), hereby grants to Grantee named below the number of restricted stock units (“RSUs”) specified below (the “Award”), upon the terms and subject to the conditions set forth in this Term Sheet, the Plan specified below (the “Plan”), the Company’s Long-Term Compensation Program (the “LTCP”) and the corresponding Standard Terms and Conditions (the “Standard Terms and Conditions”) adopted under the Plan and the LTCP and provided to Grantee, each as amended from time to time. Each RSU subject to the Award represents the right to receive one share of the Company’s Common Stock, subject to the terms and conditions set forth in this Term Sheet, the Plan, the LTCP and the Standard Terms and Conditions. The Award is granted pursuant to the Plan and the LTCP and is subject to and qualified in its entirety by the Standard Terms and Conditions. Capitalized terms not defined herein have the meanings set forth in the Plan, the LTCP or the Standard Terms and Conditions.

Plan:	The Company’s 2009 Stock Incentive Plan.
Name of Grantee:	
Grant Number:	
Grant Date:	[_____, 2013]
Number of restricted stock units:	
Vesting Schedule:	The Award vests on the third anniversary of the Grant Date, provided that the Award may earlier vest pursuant to the Standard Terms and Conditions (each date on which all or a portion of the Award vests, a “Vesting Date”).

By accepting the Award, Grantee acknowledges that he or she has received and read, and agrees that the Award shall be subject to, the terms of this Term Sheet, the Plan, the LTCP and the Standard Terms and Conditions.

INTERDIGITAL, INC.

\_\_\_\_\_  
By: William J. Merritt  
President and Chief Executive Officer

GRANTEE

\_\_\_\_\_

**INTERDIGITAL, INC.**

**STANDARD TERMS AND CONDITIONS FOR RESTRICTED STOCK UNITS  
(LTCP Time-Based Award – 2013-2015 Cycle)**

These Standard Terms and Conditions apply to any Award of restricted stock units granted to employees of the Company on or after January 1, 2013 under the InterDigital, Inc. 2009 Stock Incentive Plan (the “Plan”) and the InterDigital Long-Term Compensation Program (the “LTCP”), each as amended or modified from time to time, which are evidenced by a Term Sheet (as defined below) or an action of the Administrator that specifically refers to these Standard Terms and Conditions.

1. Definitions. Capitalized terms not defined herein shall have the meanings set forth in the Term Sheet, the LTCP or the Plan. As used herein:

(a) “Account” means a bookkeeping account reflecting Grantee’s interest in restricted stock units.

(b) “Applicable Fraction” means the number of Company payroll periods during the Restricted Period for which Grantee was employed by the Company divided by the total number of Company payroll periods during the Restricted Period.

(c) “Cause” has the definition given to such term in the LTCP.

(d) “Change in Control” has the definition give to such term in the LTCP.

(e) “Disability” has the definition given to such term in the LTCP.

(f) “Dividend Equivalent” means credits arising in respect of dividends paid on Shares, as described in Section 6 herein.

(g) “Good Reason” has the definition given to such term in the LTCP.

(h) “Restricted Period” means the period beginning on the Grant Date and ending on the third anniversary of the Grant Date.

(i) “Vesting Date” has the definition given to such term in the Term Sheet.

2. Grant of Restricted Stock Units.

(a) The Company has granted to Grantee named in the Term Sheet provided to said Grantee herewith (the “Term Sheet”) an award of a number of restricted stock units (the “Award”) specified in the Term Sheet. Each restricted stock unit represents the right to receive one share of the Company’s Common Stock, upon the terms and subject to the conditions set forth in the Term Sheet, these Standard Terms and Conditions, the LTCP and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Term Sheet, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary.

(b) The Company shall maintain an Account for Grantee reflecting the number of restricted stock units credited to Grantee hereunder.

3. Restrictions on Restricted Stock Units. Subject to the terms and conditions set forth herein, in the Term Sheet, in the LTCP and in the Plan, Grantee shall not be permitted to sell, transfer, pledge or assign the Award or the Shares subject to the Award except by will or by the laws of descent and distribution. No such transfer occurring as a result of Grantee’s death shall be effective to bind the Company unless the Administrator shall have been furnished with a copy of the applicable will or such other evidence as the Administrator may deem necessary to establish the validity of the transfer.

4. Vesting and Forfeiture.

(c) The Award shall not be vested as of the Grant Date set forth in the Term Sheet and shall be forfeitable unless and until otherwise vested pursuant to the terms of the Term Sheet and these Standard Terms and Conditions. After the Grant Date, subject to termination or acceleration as provided in these Standard Terms and Conditions, the Term Sheet, and the Plan, the Award shall become vested as described in the Vesting Schedule of the Term Sheet; provided that the Grantee remains continuously employed by the Company through the Vesting Date and also through the date settlement occurs. Each restricted stock unit credited under Section 6 in respect of Dividend Equivalents shall vest at the time of vesting of the portion of the Award that gives rise, directly or indirectly, to such Dividend Equivalent.

(d) Except as set forth in Sections 4(c) and 4(d) hereof, upon the date Grantee's employment with the Company terminates for any reason, the then unvested portion of the Award shall be forfeited by Grantee and cancelled and surrendered to the Company without payment of any consideration to Grantee.

(e) If Grantee's employment with the Company ceases due to death, Disability or termination by the Company without Cause, Grantee will become vested in a pro rata portion of his or her restricted stock units. That pro-rata portion will be determined by multiplying the number of restricted stock units subject to this Award by the Applicable Fraction.

(f) Notwithstanding anything in Section 4(c) to the contrary, if Grantee's employment with the Company ceases within one year following a Change in Control due to a termination by the Company without Cause (and other than by reason of Grantee's death or Disability) or upon Grantee's resignation for Good Reason, Grantee will become vested in 100% of the Award.

(g) Settlement for restricted stock units that become vested pursuant to Section 4(c) or Section 4(d), will occur, subject to the terms of the LTCP and the Plan, as soon as administratively practicable after the termination of employment, but in no event later than by the first March 15 following the termination of employment.

5. Settlement. Unless otherwise set forth herein, each restricted stock unit credited hereunder (including restricted stock units credited in respect of Dividend Equivalents) will be settled by the delivery of one share of Common Stock (subject to adjustment under Section 12 of the Plan). Subject to Section 4(e) hereof, settlement will occur as soon as administratively practicable following the Vesting Date, but in no event later than by the first March 15 following the Vesting Date.

6. Dividend Equivalents and Adjustments. Dividend Equivalents shall be credited on the restricted stock units subject to this Award (other than restricted stock units that, at the relevant record date, previously have been settled or forfeited) in accordance with this Section 6:

(h) *Cash Dividends.* If the Company declares and pays a dividend or distribution on its Shares in the form of cash, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution, multiplied by the amount of cash actually paid as a dividend or distribution on each outstanding Share at such payment date, divided by the Fair Market Value of a Share as of such payment date.

(i) *Non-Cash Dividends.* If the Company declares and pays a dividend or distribution on Shares in the form of property other than Shares, then a number of additional restricted stock units shall be

credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution, multiplied by the Fair Market Value of such property actually paid as a dividend or distribution on each outstanding Share at such payment date, divided by the Fair Market Value of a Share as of such payment date.

(j) *Stock Dividends*. If the Company declares and pays a dividend or distribution on Shares in the form of additional Shares, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution or split, multiplied by the number of additional Shares actually paid as a dividend or distribution or issued in such split in respect of each outstanding Share.

7. Other Terms Relating to Restricted Stock Units.

(k) The number of restricted stock units credited to a Grantee's Account shall include fractional restricted stock units calculated to at least three decimal places, unless otherwise determined by the Administrator. Upon settlement of restricted stock units, Grantee shall be paid, in cash, an amount equal to the value of any fractional Share that would have otherwise been deliverable in settlement of such restricted stock units.

(l) It shall be a condition to the Company's obligation to issue and deliver Shares in settlement of the restricted stock units that Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) pay to the Company, upon its demand, such amount as may be required by the Company for the purpose of satisfying any liability to withhold federal, state, or local income or other taxes. If the amount required is not paid, the Company may refuse to deliver the Shares in settlement of the restricted stock units until such amount is paid. The Administrator may, in its discretion, permit a Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) to pay all or a portion of the amount required by the Company for such tax withholding, at such time and in such manner as the Administrator shall deem to be appropriate, including by authorizing the Company to withhold from the Shares to be delivered in settlement, or by agreeing to surrender to the Company on or about the date such tax liability is determinable, Shares having a Fair Market Value on such date equal to the amount of such tax liability or a specified portion of such tax liability.

8. Rights as Stockholder. Excepts with respect to Dividend Equivalents as set forth herein, Grantee will not be entitled to any privileges of ownership of the shares of Common Stock (including, without limitation, any voting rights) underlying the Award (whether or not vested) unless and until shares of Common Stock are actually delivered to Grantee hereunder.

9. Absence of Tax Gross-Up Payment. There shall be no tax gross-up on the restricted stock units.

10. Notices. Any notice to the Company shall be made in care of the Administrator to the office of the General Counsel, at the Company's main office in Wilmington, Delaware. All notices shall be deemed to have been given when hand-delivered or mailed, first class postage prepaid, and shall be irrevocable once given.

11. Securities Laws. The Administrator may from time to time impose any conditions on the restricted stock units (or the underlying Shares) as it deems necessary or advisable to comply with applicable securities laws.

12. Award Not to Affect Employment. The award granted hereunder shall not confer upon Grantee any right to continue employment with the Company.

13. Section 409A.

(m) Payments contemplated with respect to the Award are intended to comply with Section 409A of the Code and the regulations promulgated thereunder (“Section 409A”) (including the provisions for exceptions or exemption from Section 409A), and all provisions of the Plan, the Term Sheet and these Standard Terms and Conditions shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Notwithstanding the foregoing, (i) nothing in the Plan, the Term Sheet and these Standard Terms and Conditions shall guarantee that the Award is not subject to taxes or penalties under Section 409A and (ii) if any provision of the Plan, the Term Sheet or these Standard Terms and Conditions would, in the reasonable, good faith judgment of the Company, result or likely result in the imposition on Grantee or any other person of taxes, interest or penalties under Section 409A, the Administrator may, in its sole discretion, modify the terms of the Plan, the Term Sheet or these Standard Terms and Conditions, without the consent of Grantee, in the manner that the Administrator may reasonably and in good faith determine to be necessary or advisable to avoid the imposition of such taxes, interest or penalties; provided, however, that this Section 13 does not create an obligation on the part of the Administrator or the Company to make any such modification. Each issuance or transfer of vested shares of Common Stock shall be deemed a separate payment for purposes of Section 409A.

(n) Neither Grantee nor any of Grantee’s creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A) payable with respect to the Award to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to Grantee or for Grantee’s benefit with respect to the Award may not be reduced by, or offset against, any amount owing by Grantee to the Company.

(o) Notwithstanding anything to the contrary contained herein, if the Administrator determines in good faith that the Awards do not qualify for the “short-term deferral exception” under Section 409A, (i) (x) if Grantee is a “specified employee” (as defined in Section 409A) and (y) a delay in the issuance or transfer of vested shares of Common Stock to Grantee or his or her estate or beneficiaries hereunder by reason of Grantee’s “separation from service” (as defined in Section 409A) with the Company or any of its subsidiaries or affiliates is required to avoid tax penalties under Section 409A but is not already provided for by this Award, the Company shall cause the issuance or transfer of such vested shares of Common Stock to Grantee or Grantee’s estate or beneficiary upon the earlier of (A) the date that is the first business day following the date that is six months after the date of Grantee’s separation from service or (B) Grantee’s death and (ii) for purposes hereof, a Change of Control shall not have occurred unless such Change of Control is a “change in the ownership or effective control” or a “change in the ownership of a substantial portion of the assets” of the Company, in each case, as determined in accordance with Section 409A, and, if a Change of Control has not occurred as a result of the application of this clause (ii) of this Section 13(c), the issuance or transfer of any vested shares of Common Stock shall occur on the date of Grantee’s separation from service as determined in accordance with Section 409A.

14. Miscellaneous.

(p) The address for Grantee to which notice, demands and other communications to be given or delivered under or by reason of the provisions hereof shall be Grantee’s address as reflected in the Company’s personnel records.

(q) Grantee authorizes the Company to withhold in accordance with applicable law from any compensation payable to him/her any taxes required to be withheld by federal, state or local law in connection with this Award.

(r) Any provision for distribution in settlement of Grantee's Account hereunder shall be by means of bookkeeping entries on the books of the Company and shall not create in Grantee or any person to whom ownership right may have passed any right to, or claim against any specific assets of the Company, nor result in the creation of any trust or escrow account for Grantee or any person to whom ownership rights may have passed. Grantee (or any other person entitled to a distribution hereunder) shall be a general creditor of the Company.

(s) These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

(t) In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan, the LTCP and the Term Sheet, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between the terms and conditions of these Standard Terms and Conditions and the Plan, the Plan controls. In the event of a conflict between the terms and conditions of these Standard Terms and Conditions and the LTCP, these Standard Terms and Conditions control. In the event of a conflict between the terms and conditions of the Plan and the LTCP, the Plan controls.

(u) Any question concerning the interpretation of these Standard Terms and Conditions, the Term Sheet, the LTCP or the Plan, any adjustments required to be made hereunder, and any controversy that may arise under these Standard Terms and Conditions, the Term Sheet or the Plan shall be determined by the Administrator in its sole and absolute discretion. All decisions by the Administrator shall be final and binding.

(v) To the extent not preempted by federal law, the validity, performance, construction and effect of this award shall be governed by the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

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**INTERDIGITAL, INC.  
TERM SHEET FOR RESTRICTED STOCK UNITS  
(LTCP Performance-Based Award)**

InterDigital, Inc. (the “Company”), hereby grants to Grantee named below the number of restricted stock units specified below (the “Award”), upon the terms and subject to the conditions set forth in this Term Sheet, the Plan specified below (the “Plan”), the Company’s Long-Term Compensation Program (the “LTCP”) and the Standard Terms and Conditions (the “Standard Terms and Conditions”) adopted under the Plan and the LTCP and provided to Grantee, each as amended from time to time. Each restricted stock unit subject to this Award represents the right to receive one share of the Company’s Common Stock, subject to the conditions set forth in this Term Sheet, the Plan, the LTCP and the Standard Terms and Conditions. This Award is granted pursuant to the Plan and the LTCP and is subject to and qualified in its entirety by the Standard Terms and Conditions. Capitalized terms not defined herein have the meanings set forth in the Plan, the LTCP or the Standard Terms and Conditions.

Plan:	The Company’s 2009 Stock Incentive Plan
Name of Grantee:	
Grant Number:	
Grant Date:	[_____, 2013]
Number of restricted stock units:	
Vesting Schedule:	The Award vests on the third anniversary of the Grant Date, if at all, subject to Grantee’s continued employment through such date and the achievement of the performance goals and parameters set forth in the Standard Terms and Conditions and <u>Exhibit A</u> attached thereto, provided that the Award may vest earlier pursuant to the Standard Terms and Conditions (the date on which all or a portion of the Award vests, the “Vesting Date”).

By accepting this Term Sheet, Grantee acknowledges that he or she has received and read, and agrees that this Award shall be subject to, the terms of this Term Sheet, the Plan, the LTCP and the Standard Terms and Conditions. [By accepting this Term Sheet, Grantee further acknowledges and agrees that, notwithstanding anything to the contrary set forth in the LTCP, this Award represents and satisfies the LTIP component of the LTCP for Cycle [2011-2013] [2012-2014].]

INTERDIGITAL, INC.

\_\_\_\_\_  
By: William J. Merritt  
President and Chief Executive Officer

GRANTEE

INTERDIGITAL, INC.

**STANDARD TERMS AND CONDITIONS FOR RESTRICTED STOCK UNITS  
([2011 – 2013] [2012 - 2014] [2013 – 2015] LTCP Cycle Performance-Based Award)**

These Standard Terms and Conditions apply to any Award of restricted stock units granted to employees of the Company on or after January 1, 2013 under the InterDigital, Inc. 2009 Stock Incentive Plan (the “Plan”) and the InterDigital Long-Term Compensation Program (the “LTCP”), each as amended or modified from time to time, which are evidenced by a Term Sheet (as defined below) for performance-based restricted stock units or an action of the Administrator that specifically refers to these Standard Terms and Conditions.

1. Definitions. Capitalized terms not defined herein shall have the meanings set forth in the Term Sheet, the LTCP or the Plan. As used herein:

- (a) “Account” means a bookkeeping account reflecting Grantee’s interest in restricted stock units.
- (b) “Cause” has the definition given to such term in the LTCP.
- (c) “Change in Control” has the definition give to such term in the LTCP.
- (d) “Disability” has the definition given to such term in the LTCP.
- (e) “Dividend Equivalent” means credits arising in respect of dividends paid on Shares, as described in Section 6 herein.
- (f) “Good Reason” has the definition given to such term in the LTCP.
- (g) “Restricted Period” means the period beginning on the Grant Date and ending on the third anniversary of the Grant Date.
- (h) “Vesting Date” has the definition given to such term in the Term Sheet.

2. Grant of Restricted Stock Units.

(a) The Company has granted to Grantee named in the Term Sheet provided to said Grantee herewith (the “Term Sheet”) an award of a number of restricted stock units (the “Award”) specified in the Term Sheet. Each restricted stock unit represents the right to receive one share of the Company’s Common Stock, upon the terms and subject to the conditions set forth in the Term Sheet, these Standard Terms and Conditions, the LTCP and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Term Sheet, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary.

(b) The Company shall maintain an Account for Grantee reflecting the maximum number of restricted stock units credited to Grantee hereunder.

3. Restrictions on Restricted Stock Units. Subject to the terms and conditions set forth herein, in the Term Sheet, in the LTCP and in the Plan, Grantee shall not be permitted to sell, transfer, pledge or assign the Award or the Shares subject to the Award except by will or by the laws of descent and distribution. No such transfer occurring as a result of Grantee’s death shall be effective to bind the Company unless the Administrator shall have been furnished with a copy of the applicable will or such other evidence as the Administrator may deem necessary to establish the validity of the transfer.

4. Vesting and Forfeiture.

(c) The Award shall not be vested as of the Grant Date set forth in the Term Sheet and shall be forfeitable unless and until otherwise vested pursuant to the terms of the Term Sheet and these Standard Terms and Conditions. After the Grant Date, subject to termination or acceleration as provided in these Standard Terms and Conditions, the Term Sheet and the Plan, the Award shall become vested as described in the Vesting Schedule of the Term Sheet, subject to the achievement of the performance goals and parameters set forth in Exhibit A attached hereto (“Exhibit A”); provided that the Grantee remains continuously employed by the Company through the Vesting Date and also through the date settlement occurs. Each restricted stock unit credited under Section 6 in respect of Dividend Equivalents shall vest at the time of vesting of the portion of the Award that gives rise, directly or indirectly, to such Dividend Equivalent.

(d) Except as set forth in Sections 4(c) and 4(d) hereof, upon the date Grantee’s employment with the Company terminates for any reason, the then unvested portion of the Award shall be forfeited by Grantee and cancelled and surrendered to the Company without payment of any consideration to Grantee.

(e) If Grantee’s employment with the Company ceases due to death, Disability or termination by the Company without Cause, in each case, at any time after the second anniversary of the Grant Date and prior to the Vesting Date, Grantee will become vested, if at all, in a pro rata portion of his or her Award. The pro-rata portion will be determined by multiplying the number of restricted stock units that would have otherwise become vested according the goals and parameters set forth in Exhibit A (based on actual performance over the Restricted Period), by a fraction equal to the portion of the Restricted Period that has transpired prior to such cessation of employment.

(f) In the event of a Change in Control, the performance goals and parameters set forth in Exhibit A will be deemed earned at target as of the effective date of the Change in Control; however, the Award will remain subject to any employment-based vesting conditions. Notwithstanding anything in Section 4(c) to the contrary, if Grantee’s employment with the Company ceases within one year following a Change in Control due to a termination by the Company without Cause (and other than by reason of Grantee’s death or Disability) or upon Grantee’s resignation for Good Reason, Grantee will become vested in 100% of the Award.

(g) Settlement for restricted stock units that become vested pursuant to Section 4(c) or Section 4(d), will occur, subject to the terms of the LTCP and the Plan, as set forth in Section 5, below.

5. Settlement. Each restricted stock unit credited hereunder (including restricted stock units credited in respect of Dividend Equivalents) will be settled by the delivery of one share of Common Stock (subject to adjustment under Section 12 of the Plan). Settlement will occur as soon as practicable following (i) both scoring by the Administrator of the goals and parameters set forth in Exhibit A and passage of the Vesting Date or (ii) if applicable, the date of the termination of employment, but in each case, in no event later than the first March 15 following the Vesting Date.

6. Dividend Equivalents and Adjustments. Dividend Equivalents shall be credited on the restricted stock units subject to this Award (other than restricted stock units that, at the relevant record date, previously have been settled or forfeited) in accordance with this Section 6:

(h) *Cash Dividends*. If the Company declares and pays a dividend or distribution on its Shares in the form of cash, then a number of additional restricted stock units shall be credited to Grantee’s Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution, multiplied by the amount of cash actually paid as a dividend or distribution on each outstanding Share at such payment date, divided by the Fair Market Value of a Share as of such payment date.

(i) *Non-Cash Dividends*. If the Company declares and pays a dividend or distribution on Shares in the form of property other than Shares, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution, multiplied by the Fair Market Value of such property actually paid as a dividend or distribution on each outstanding Share at such payment date, divided by the Fair Market Value of a Share as of such payment date.

(j) *Stock Dividends*. If the Company declares and pays a dividend or distribution on Shares in the form of additional Shares, then a number of additional restricted stock units shall be credited to Grantee's Account as of the payment date for such dividend or distribution equal to the number of restricted stock units credited to the Account as of the record date for such dividend or distribution or split, multiplied by the number of additional Shares actually paid as a dividend or distribution or issued in such split in respect of each outstanding Share.

7. • Other Terms Relating to Restricted Stock Units.

(k) The number of restricted stock units credited to a Grantee's Account shall include fractional restricted stock units calculated to at least three decimal places, unless otherwise determined by the Administrator. Upon settlement of restricted stock units, Grantee shall be paid, in cash, an amount equal to the value of any fractional Share that would have otherwise been deliverable in settlement of such restricted stock units.

(l) It shall be a condition to the Company's obligation to issue and deliver Shares in settlement of the restricted stock units that Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) pay to the Company, upon its demand, such amount as may be required by the Company for the purpose of satisfying any liability to withhold federal, state, or local income or other taxes. If the amount required is not paid, the Company may refuse to deliver the Shares in settlement of the restricted stock units until such amount is paid. The Administrator may, in its discretion, permit a Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) to pay all or a portion of the amount required by the Company for such tax withholding, at such time and in such manner as the Administrator shall deem to be appropriate, including by authorizing the Company to withhold from the Shares to be delivered in settlement, or by agreeing to surrender to the Company on or about the date such tax liability is determinable, Shares having a Fair Market Value on such date equal to the amount of such tax liability or a specified portion of such tax liability.

8. Rights as Stockholder. Excepts with respect to Dividend Equivalents as set forth herein, Grantee will not be entitled to any privileges of ownership of the shares of Common Stock (including, without limitation, any voting rights) underlying the Award (whether or not vested) unless and until shares of Common Stock are actually delivered to Grantee hereunder.

9. Absence of Tax Gross-Up Payment. There shall be no tax gross-up on the restricted stock units.

10. Notices. Any notice to the Company shall be made in care of the Administrator to the office of the General Counsel, at the Company's main office in Wilmington, Delaware. All notices shall be deemed to have been given when hand-delivered or mailed, first class postage prepaid, and shall be irrevocable once given.

11. Securities Laws. The Administrator may from time to time impose any conditions on the restricted stock units (or the underlying Shares) as it deems necessary or advisable to comply with applicable securities laws.

12. Award Not to Affect Employment. The award granted hereunder shall not confer upon Grantee any right to continue employment with the Company.

13. Section 409A.

(m) Payments contemplated with respect to the Award are intended to comply with Section 409A of the Code and the regulations promulgated thereunder (“Section 409A”) (including the provisions for exceptions or exemption from Section 409A), and all provisions of the Plan, the Term Sheet and these Standard Terms and Conditions shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Notwithstanding the foregoing, (i) nothing in the Plan, the Term Sheet and these Standard Terms and Conditions shall guarantee that the Award is not subject to taxes or penalties under Section 409A and (ii) if any provision of the Plan, the Term Sheet or these Standard Terms and Conditions would, in the reasonable, good faith judgment of the Company, result or likely result in the imposition on Grantee or any other person of taxes, interest or penalties under Section 409A, the Administrator may, in its sole discretion, modify the terms of the Plan, the Term Sheet or these Standard Terms and Conditions, without the consent of Grantee, in the manner that the Administrator may reasonably and in good faith determine to be necessary or advisable to avoid the imposition of such taxes, interest or penalties; provided, however, that this Section 13 does not create an obligation on the part of the Administrator or the Company to make any such modification. Each issuance or transfer of vested shares of Common Stock shall be deemed a separate payment for purposes of Section 409A.

(n) Neither Grantee nor any of Grantee’s creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A) payable with respect to the Award to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to Grantee or for Grantee’s benefit with respect to the Award may not be reduced by, or offset against, any amount owing by Grantee to the Company.

(o) Notwithstanding anything to the contrary contained herein, if the Administrator determines in good faith that the Awards do not qualify for the “short-term deferral exception” under Section 409A, (i) (x) if Grantee is a “specified employee” (as defined in Section 409A) and (y) a delay in the issuance or transfer of vested shares of Common Stock to Grantee or his or her estate or beneficiaries hereunder by reason of Grantee’s “separation from service” (as defined in Section 409A) with the Company or any of its subsidiaries or affiliates is required to avoid tax penalties under Section 409A but is not already provided for by this Award, the Company shall cause the issuance or transfer of such vested shares of Common Stock to Grantee or Grantee’s estate or beneficiary upon the earlier of (A) the date that is the first business day following the date that is six months after the date of Grantee’s separation from service or (B) Grantee’s death and (ii) for purposes hereof, a Change of Control shall not have occurred unless such Change of Control is a “change in the ownership or effective control” or a “change in the ownership of a substantial portion of the assets” of the Company, in each case, as determined in accordance with Section 409A, and, if a Change of Control has not occurred as a result of the application of this clause (ii) of this Section 13(c), the issuance or transfer of any vested shares of Common Stock shall occur on the date of Grantee’s separation from service as determined in accordance with Section 409A.

14. Miscellaneous.

(p) The address for Grantee to which notice, demands and other communications to be given or delivered under or by reason of the provisions hereof shall be Grantee’s address as reflected in the Company’s personnel records.

(q) Grantee authorizes the Company to withhold in accordance with applicable law from any compensation payable to him/her any taxes required to be withheld by federal, state or local law in connection with this Award.

(r) Any provision for distribution in settlement of Grantee's Account hereunder shall be by means of bookkeeping entries on the books of the Company and shall not create in Grantee or any person to whom ownership right may have passed any right to, or claim against any specific assets of the Company, nor result in the creation of any trust or escrow account for Grantee or any person to whom ownership rights may have passed. Grantee (or any other person entitled to a distribution hereunder) shall be a general creditor of the Company.

(s) These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

(t) In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan, the LTCP and the Term Sheet, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between the terms and conditions of these Standard Terms and Conditions and the Plan, the Plan controls. In the event of a conflict between the terms and conditions of these Standard Terms and Conditions and the LTCP, these Standard Terms and Conditions control. In the event of a conflict between the terms and conditions of the Plan and the LTCP, the Plan controls.

(u) Any question concerning the interpretation of these Standard Terms and Conditions, the Term Sheet, the LTCP or the Plan, any adjustments required to be made hereunder, and any controversy that may arise under these Standard Terms and Conditions, the Term Sheet or the Plan shall be determined by the Administrator in its sole and absolute discretion. All decisions by the Administrator shall be final and binding.

(v) To the extent not preempted by federal law, the validity, performance, construction and effect of this award shall be governed by the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

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## **EXHIBIT A**

### **PERFORMANCE TARGET SCHEDULE**

**Payout Parameters.** The Company must achieve at least 80% of the performance goal targets for Grantee to receive any payout. 80% achievement of the performance goal targets results in a threshold payout amount equal to 50% of target, and 140% achievement of the performance goal targets results in a maximum payout equal to 200% of target. Each 1-percentage point variation in performance achievement results in a 2.5-percentage point variation in payout.



**INTERDIGITAL, INC.**

**TERM SHEET FOR STOCK OPTION AWARD**

InterDigital, Inc. (the “Company”), hereby grants to Grantee named below the number of options specified below (the “Award”), upon the terms and subject to the conditions set forth in this Term Sheet, the Plan specified below (the “Plan”), the Company’s Long-Term Compensation Program (the “LTCP”) and the Standard Terms and Conditions (the “Standard Terms and Conditions”) adopted under the Plan the LTCP and provided to Grantee, each as amended from time to time. Each option subject to this Award represents the right to purchase shares of the Company’s Common Stock at the exercise price specified below, subject to the conditions set forth in this Term Sheet, the Plan, the LTCP and the Standard Terms and Conditions. This Award is granted pursuant to the Plan and the LTCP is subject to and qualified in its entirety by the Standard Terms and Conditions. Capitalized terms not defined herein have the meanings set forth in the Plan, the LTCP or the Standard Terms and Conditions.

Plan:	The Company’s 2009 Stock Incentive Plan.
Name of Grantee:	
Grant Number:	
Grant Date:	[_____, 2013]
Expiration Date:	The seventh anniversary of the Grant Date
Number of Options:	
Type of Options:	[Incentive Stock Option or Non-Qualified Stock Option]
Exercise Price:	
Vesting Schedule:	The Award vests with respect to one-third of the Options on each of the three anniversaries of the Grant Date, provided that the Award may vest earlier pursuant to the Standard Terms and Conditions.

By accepting this Term Sheet, Grantee acknowledges that he or she has received and read, and agrees that this Award shall be subject to, the terms of this Term Sheet, the Plan, the LTCP and the Standard Terms and Conditions.

INTERDIGITAL, INC.

BY: \_\_\_\_\_  
 William J. Merritt, President and CEO

GRANTEE

\_\_\_\_\_  
**INTERDIGITAL, INC.**

**STANDARD TERMS AND CONDITIONS FOR STOCK OPTION AWARD  
 (Stock Option Award – 2013-2015 Cycle)**

These Standard Terms and Conditions apply to any Award of stock options granted to employees of the Company on or after January 1, 2013 under the InterDigital, Inc. 2009 Stock Incentive Plan (the “Plan”) and the InterDigital Long-Term Compensation Program (the “LTCP”), each as amended or modified from time to time, which are evidenced by a Term Sheet (as defined below) or an action of the Administrator that specifically refers to these Standard Terms and Conditions.

1. Definitions. Capitalized terms not defined herein shall have the meanings set forth in the Term Sheet, the LTCP or the Plan. As used herein:

(a) “Applicable Fraction” means the number of Company payroll periods during the Restricted Period for which Grantee was employed by the Company divided by the total number of Company payroll periods during the Restricted Period.

(b) “Cause” has the definition given to such term in the LTCP.

(c) “Change in Control” has the definition give to such term in the LTCP.

(d) “Disability” has the definition given to such term in the LTCP.

(e) “Good Reason” has the definition given to such term in the LTCP.

(f) “Restricted Period” means the period beginning on the Grant Date and ending on the third anniversary of the Grant Date.

(g) “Vesting Date” has the definition given to such term in the Term Sheet.

2. Grant of Options.

(a) The Company has granted to Grantee named in the Term Sheet provided to said Grantee herewith (the “Term Sheet”) an award (the “Award”) of an option to purchase a number of shares of the Company’s Common Stock specified in the Term Sheet at the exercise price per share of Common Stock specified in the Term Sheet, upon the terms and subject to the conditions set forth in the Term Sheet, these Standard Terms and Conditions, the LTCP and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Term Sheet, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary.

(b) If designated in the Term Sheet as an Incentive Stock Option, the option subject to the Award is intended to qualify as an “incentive stock option” within the meaning of Sections 421 and 422 of the Code as now constituted or subsequently amended (“Incentive Stock Option”). However, to the extent that the option subject to the Award exceeds the \$100,000 limit in Section 422 of the Code, such excess option subject to the Award shall be treated as a Non-Qualified Stock Option. Further, if for any reason this Award (or portion thereof) shall not qualify as an Incentive Stock Option, then, to the extent of such nonqualification, such option subject to the Award (or portion thereof) shall be regarded as a Non-Qualified Stock Option granted under the Plan. If designated in the Term Sheet as a Non-Qualified Stock Option, the option subject to the Award is not intended to qualify as an Incentive Stock Option. In no event shall the Company or any of its respective employees or directors have any liability to Grantee (or any other person) due to the failure of the Award to qualify for any reason as an Incentive Stock Option.

3. Restrictions on Award. Subject to the terms and conditions set forth herein, in the Term Sheet, in the LTCP and in the Plan, Grantee shall not be permitted to sell, transfer, pledge or assign the Award or the Shares subject to the Award except by will or by the laws of descent and distribution, and the option subject to the Award is exercisable during the Grantee's life only by the Grantee. No such transfer occurring as a result of Grantee's death shall be effective to bind the Company unless the Administrator shall have been furnished with a copy of the applicable will or such other evidence as the Administrator may deem necessary to establish the validity of the transfer.

4. Vesting and Forfeiture.

(c) The Award shall not be vested as of the Grant Date set forth in the Term Sheet and shall be forfeitable unless and until otherwise vested pursuant to the terms of the Term Sheet and these Standard Terms and Conditions. After the Grant Date, subject to termination or acceleration as provided in these Standard Terms and Conditions, the Term Sheet, and the Plan, the Award shall become vested as described in the Vesting Schedule of the Term Sheet; provided that the Grantee remains continuously employed by the Company through each applicable Vesting Date.

(d) The Award shall expire and cease to be exercisable on the Expiration Date set forth in the Term Sheet, unless the Award expires sooner as set forth below or in the Plan. Except as set forth below, upon the date Grantee's service as an employee of the Company terminates for any reason, the then unvested portion of the Award shall be forfeited by Grantee and cancelled and surrendered to the Company without payment of any consideration to Grantee. The vested portion of the Award may be exercised for up to six months after the termination of Grantee's employment for any reason or for no reason, at which time the Award will terminate, unless one of the following circumstances exists:

(i) Grantee's employment terminates due to Disability, in which case the Award shall expire on the earlier of the Expiration Date set forth in the Term Sheet or twelve months following such termination due to Disability.

(ii) Grantee's employment terminates due to death or Grantee's death occurs within three months following termination for any reason, in which event the Award shall expire on the earlier of the Expiration Date set forth in the Term Sheet or twelve months after Grantee's death.

(iv) Grantee's employment is terminated by the Company for Cause, in which case the entire Award, whether or not then vested and exercisable, shall be immediately forfeited and canceled as of the date of such termination.

(v) Grantee's employment is terminated by the Company without Cause (and other than by reason of Grantee's death or Disability), in which case a prorated portion of the then unvested portion of the Award shall vest upon termination and the vested portion of the Award shall remain exercisable until the earlier of the Expiration Date set forth in the Term Sheet or six months after Grantee's termination of employment, at which time the Award will expire. That pro-rata portion will be determined by multiplying the total number of shares subject to this Award by the Applicable Fraction.

(vi) Grantee's employment is terminated, within one year following a Change in Control, either by the Company without Cause (and other than by reason of Grantee's death or Disability) or upon Grantee's resignation for Good Reason, in which 100% of then unvested portion of the Award shall vest upon termination and the vested portion of the Award shall remain exercisable

until the earlier of the Expiration Date set forth in the Term Sheet or six months after Grantee's termination of employment.

For the avoidance of doubt, this Award may be exercised following termination only as to that number of shares as to which it was vested or became vested on the date of termination.

5. Exercise. To exercise the Option (or any part thereof), the Grantee shall deliver to the Company a "notice of exercise" in the form and manner specified by the Administrator, specifying the number of whole shares of Common Stock the Grantee wishes to purchase and how the Grantee's shares of Common Stock should be registered (in the Grantee's name only or in the Grantee's and the Grantee's spouse's names as community property or as joint tenants with right of survivorship). The Company shall not be obligated to issue any shares of Common Stock until the Grantee shall have paid the total exercise price for that number of shares of Common Stock. The exercise price may be paid in Common Stock, cash or a combination thereof, including an irrevocable commitment by a broker to pay over such amount from a sale of the Common Stock issuable under the Award, the delivery of previously owned Common Stock, withholding of shares of Common Stock deliverable upon exercise of the Option, or in such other manners as may be permitted by the Administrator. Fractional shares may not be exercised. Shares of Common Stock will be issued as soon as practical after exercise. Notwithstanding the above, the Company shall not be obligated to deliver any shares of Common Stock during any period when the Company determines that the exercisability of the Award or the delivery of shares of Common Stock hereunder would violate any federal, state or other applicable laws.

6. Withholding Taxes. It shall be a condition to the Company's obligation to issue and deliver shares of Common Stock in settlement of the Award that Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) pay to the Company, upon its demand, such amount as may be required by the Company for the purpose of satisfying any liability to withhold federal, state, or local income or other taxes. If the amount required is not paid, the Company may refuse to deliver the shares of Common Stock in settlement of the Award until such amount is paid. The Administrator may, in its discretion, permit a Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) to pay all or a portion of the amount required by the Company for such tax withholding, at such time and in such manner as the Administrator shall deem to be appropriate, including by authorizing the Company to withhold from the shares of Common Stock to be delivered upon exercise, or by agreeing to surrender to the Company on or about the date such tax liability is determinable, shares of Common Stock having a Fair Market Value on such date equal to the amount of such tax liability or a specified portion of such tax liability.

7. Rights as Stockholder. Grantee will not be entitled to any privileges of ownership of the shares of Common Stock (including, without limitation, any voting rights) underlying the Award (whether or not vested) unless and until shares of Common Stock are actually delivered to Grantee hereunder.

8. Notices. Any notice to the Company shall be made in care of the Administrator to the office of the General Counsel, at the Company's main office in Wilmington, Delaware. All notices shall be deemed to have been given when hand-delivered or mailed, first class postage prepaid, and shall be irrevocable once given.

9. Securities Laws. The Administrator may from time to time impose any conditions on the Award (or the underlying Shares) as it deems necessary or advisable to comply with applicable securities laws.

10. Award Not to Affect Employment. The award granted hereunder shall not confer upon Grantee any right to continue employment with the Company.

11. Miscellaneous.

(e) The address for Grantee to which notice, demands and other communications to be given or delivered under or by reason of the provisions hereof shall be Grantee's address as reflected in the Company's personnel records.

(f) Grantee authorizes the Company to withhold in accordance with applicable law from any compensation payable to him/her any taxes required to be withheld by federal, state or local law in connection with this Award.

(g) These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

(h) In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan and the Term Sheet, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between the terms and conditions of these Standard Terms and Conditions and the Plan, the Plan controls. In the event of a conflict between the terms and conditions of these Standard Terms and Conditions and the LTCP, these Standard Terms and Conditions control. In the event of a conflict between the terms and conditions of the Plan and the LTCP, the Plan controls.

(i) Any question concerning the interpretation of these Standard Terms and Conditions, the Term Sheet, the LTCP or the Plan, any adjustments required to be made hereunder, and any controversy that may arise under these Standard Terms and Conditions, the Term Sheet or the Plan shall be determined by the Administrator in its sole and absolute discretion. All decisions by the Administrator shall be final and binding.

(j) To the extent not preempted by federal law, the validity, performance, construction and effect of this award shall be governed by the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

(k) By executing the Term Sheet, the Grantee hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Grantee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, the Award and the Common Stock via Company web site or other electronic delivery.

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