

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

**GLOWPOINT, INC.**

CIK:[746210](#) | IRS No.: [770312442](#) | State of Incorporation: **DE** | Fiscal Year End: **1231**  
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Mailing Address  
430 MOUNTAIN AVENUE  
SUITE 301  
MURRAY HILL NJ 07974

Business Address  
430 MOUNTAIN AVENUE  
SUITE 301  
MURRAY HILL NJ 07974  
9738553411

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 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 13, 2013

Commission File Number: 00025940

**Glowpoint, Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

77-0312442  
(IRS Employer Identification No.)

430 Mountain Avenue, Suite 301, Murray Hill, New Jersey 07974  
(Address of principal executive offices)

973-855-3411  
(Registrant's telephone number)

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## **Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

(b) On January 13, 2013, Mr. Joseph Laezza entered into a Separation Agreement and General Release (the “Separation Agreement”) with Glowpoint, Inc. (the “Company”) pursuant to which he resigned, effective January 11, 2013, as the Company’s President and Chief Executive Officer and as a member of the Company’s Board of Directors (the “Board”). Mr. Laezza has served as the Company’s President since June 2008, a member of the Board since March 2009 and the Company’s Chief Executive Officer since July 2010. Mr. Laezza’s resignation is not due to a disagreement with the Company on any matter relating to the Company’s operations, policies or practices.

Under the terms of the Separation Agreement, Mr. Laezza has agreed to remain employed by the Company and serve as an advisor to the Board and the Company’s new Chief Executive Officer until March 31, 2013, in exchange for his current salary and benefits through such date. Mr. Laezza will also receive, subject to certain conditions, (i) cash severance payments equal to six months of his current base salary; (ii) cash severance payments for three additional months, after such six-month period, if Mr. Laezza fails to procure comparable employment; (iii) COBRA coverage until the earlier of the date Mr. Laezza is entitled to substantially similar benefits from another source and December 31, 2013; and (iv) an additional cash payment of \$10,000. In addition, Mr. Laezza will receive, on March 31, 2013, (i) full vesting of 113,334 shares of restricted common stock of the Company and (ii) an additional 13,500 shares of common stock of the Company, in exchange for forfeiture of 145,000 options to which he would otherwise be entitled. The Separation Agreement also provides for standard ownership of works, confidentiality, non-compete, non-solicitation and non-disparagement covenants, as well as a release of claims.

The foregoing description of the Separation Agreement is qualified in its entirety by reference to the full text of the agreement, which is attached as Exhibit 10.1 to this Current Report on Form 8-K and incorporated in this Item 5.02 by reference.

(c) On January 13, 2013, the Board appointed Peter Holst, as the Company’s President and Chief Executive Officer and as a member of the Board, effective immediately.

Mr. Holst, 44, has served as the Company’s Senior Vice President for Business Development since October 1, 2012. Prior to joining the Company, Mr. Holst served as the Chief Executive Officer of Affinity VideoNet, Inc. (“Affinity”) from June 1, 2008 until October 1, 2012, when the Company acquired Affinity. Prior to joining Affinity, Mr. Holst served as the President and Chief Operating Officer of Raindance Communications. Mr. Holst holds a degree in Business Administration from the University of Ottawa. In considering Mr. Holst as a director of the Company, the Board reviewed his extensive knowledge and expertise in the communications as a service industry, and the leadership he has shown in his positions with prior companies.

There are no family relationships between Mr. Holst and any director or executive officer of the Company, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

In connection with his appointment as President and Chief Executive Officer of the Company, on January 13, 2013 (the “Effective Date”), the Company entered into an employment agreement with Mr. Holst (the “Employment Agreement”), effective immediately. The initial term of the Employment Agreement, which is terminable at will by either party, expires on December 31, 2014 and renews for successive one-year terms if not otherwise terminated. Pursuant to the Employment Agreement, Mr. Holst will initially receive an annual base salary of \$195,000 and be eligible to receive a maximum annual incentive bonus equal to 100% of his base salary, at the discretion of the Compensation Committee of the Board based on meeting certain financial and non-financial goals. In addition, on the Effective Date, the Company issued to Mr. Holst, pursuant to the Company’s 2007 Stock Incentive Plan (the “Plan”), (i) 875,000 options to purchase common stock of the Company (the “Options”) and (ii) 100,000 shares of restricted common stock of the Company (the “Restricted Stock”). The Options have a term of 10 years and an exercise price of \$1.98. The Options and the Restricted Stock will each vest as to 25% on the first anniversary of the Effective Date, with the remainder of each vesting in equal monthly installments for 36 months on the monthly anniversary date of the Effective Date; provided however, that the Options and the Restricted Stock will vest in full upon a Change in Control or Corporate Transaction, as each term is defined in the Plan.

Upon termination of Mr. Holst for any reason other than Cause, as defined in the Employment Agreement, Mr. Holst will be entitled to receive payment of COBRA costs by the Company for 12 months. If Mr. Holst is terminated by the Company without Cause or terminates his employment with Good Reason, or if the Company elects not to renew the Employment Agreement, then, subject to certain conditions, Mr. Holst will be entitled to receive: (i) severance payments equal to 6 months of his annual base salary; (ii) 50% of any annual incentive compensation paid to Mr. Holst for the most recent calendar year; and (iii) a pro-rated portion of his annual incentive compensation for the fiscal year in which the termination occurs.



Mr. Holst will also receive, as payment for historical severance amounts attributable to his employment with Affinity, \$240,000 (the "Affinity Severance Payment"). The first half of the Affinity Severance Payment will be paid over 12-months and the remaining half will be paid in a lump sum payment on or before January 12, 2014. Mr. Holst will also be entitled to earn up to 150,000 shares of common stock of the Company and a cash bonus of up to \$45,000 for the six month period ended March 31, 2013, pursuant to his prior employment agreement with the Company.

The Employment Agreement does not provide a "gross-up" for the excise tax imposed on golden parachute payments pursuant to Internal Revenue Service Code Section 4999 (the "Excise Tax"). Instead, the Employment Agreement provides that, in the event the Excise Tax applies, Mr. Holst would either have his severance benefits reduced to a level such that the Excise Tax would not apply, or receive all the benefits to which he is otherwise entitled and pay the related Excise Tax, whichever would result in the greater net after-tax benefit to Mr. Holst. The Employment Agreement contains standard ownership of works, confidentiality, non-compete, non-solicitation and non-disparagement covenants.

The foregoing description of the Employment Agreement is qualified in its entirety by reference to the full text of the agreement, which is attached as Exhibit 10.2 to this Current Report on Form 8-K and incorporated in this Item 5.02 by reference.

The Company's press release announcing Mr. Laezza's resignation and Mr. Holst's appointment is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and incorporated in this Item 5.02 by reference.

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

The following exhibits are included with this report:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation Agreement and General Release between Glowpoint, Inc. and Joseph Laezza, dated as of January 13, 2013.
10.2	Employment Agreement between Glowpoint, Inc. and Peter Holst, dated as of January 13, 2013.
99.1	Press release dated January 14, 2013.

**SIGNATURE**

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

**GLOWPOINT, INC.**

Dated: January 17, 2013

/s/ Tolga Sakman

Tolga Sakman  
Chief Financial Officer

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## EXHIBIT INDEX

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99.1	Press release dated January 14, 2013.

**SEPARATION AGREEMENT AND GENERAL RELEASE**

This Separation Agreement and General Release (the "Agreement") is made as of January 11, 2013 (the "Effective Date") by and between Glowpoint, Inc. (the "Company") and Joseph Laezza ("Employee").

WHEREAS, Employee was employed at the Company as President and CEO until January 11, 2013;

WHEREAS, Employee and the Company are parties to that certain Amended and Restated Employment Agreement dated as of March 12, 2012 (the "Employment Agreement"); and

WHEREAS, the Company and Employee have reached certain agreements regarding the rights and obligations of the Company and Employee after the Effective Date.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants contained herein, and for other good and valuable consideration as described herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Termination of Employment.

Since March 11, 2004, Employee has been employed by the Company in various positions, including most recently that of President and CEO. By mutual agreement, March 31, 2013 (the "Termination Date") will be Employee's last day of employment. From January 11<sup>th</sup>, 2013 through the March 31, 2013, Employee will serve as a "Special Advisor" and shall provide "Transition Services", which shall include such duties as his successor as CEO shall determine, including, but not limited to, assisting the CEO in familiarizing himself with industry leaders and with the operation and history of the Company. While serving as Special Advisor, Employee will remain on payroll in accordance with his current salary and benefits.

2. Separation Benefits and Accrued Wages.

(a) Provided Employee (i) has not revoked this Agreement as set forth below in Section 3(f), (ii) has returned all Company Property (as defined below) upon termination of the Transition Services (iii) and has executed a release of any claims arising from the period January 11 through Termination Date. (iv) is in full compliance with the terms of this Agreement and the Employment Agreement, then the Company shall provide Employee with the following benefits (collectively, the "Separation Benefits"):

(i) Cash severance payments equal to six (6) months of his current base salary (the "Initial Severance"), which severance shall be paid as salary continuation in accordance with the Company's regular payroll practices commencing with the payroll period immediately following the "Termination Date", less applicable taxes (the "Initial Severance Payments");

(ii) An additional cash severance payment for each of the three months (each such payment equal to one month of his current base salary) following the completion of the Initial Severance payments, but only upon Employee's certification each such month that he has failed to find comparable employment despite diligent efforts to do so.

(iii) If Employee timely elects COBRA coverage, the Company will pay for COBRA coverage on Employee's behalf until the earlier to occur of (A) the date that Employee is entitled to receive substantially similar health insurance coverage from another source and (B) December 31, 2013.

(iv) A single one-time payment of Ten Thousand Dollars (\$10,000.00) to be paid to Employee on March 31, 2013 in consideration of his non-competitor obligations pursuant to Section 5 of this Agreement.



(b) Notwithstanding the foregoing and even if Employee revokes this Agreement, the Company shall pay Employee all due and accrued wages and twelve (12) days of unused paid-time-off.

(c) Employee has previously been granted certain stock awards and options. Set forth as Exhibit A is the agreed upon accounting of all stock and options which will be owned by Employee on the Termination Date, and the mechanics pursuant to which he will accept 13,500 share of common stock in return for the 145,000 share options to which he is entitled.

(d) Employee acknowledges and agrees that the Company does not make any representation or warranty as to whether the Separation Benefits satisfy the provisions of Section 409A of the Internal Revenue Code of 1986, as amended.

(e) For purposes of this Section 2, the term "Company Property" shall mean all Company property and all material or documents containing confidential information (as defined in Section 5 of the Employment Agreement), including, without limitation, keys, credit cards, video conferencing equipment, card access to any Company building, customer lists, computers, reports, files, memoranda, records and software, computer access codes or disks and instructional manuals, internal policies, and other similar materials or documents which you received or prepared or helped prepare in connection with your employment with the Company. At the Termination Date, Employee may retain his company issued laptop, smart phone and personal printer provided all company specific information has been removed from them.

### 3. Release of the Company.

(a) Release. Employee, his heirs, legal representatives and assigns (collectively, "Releasor") hereby waives, releases and forever discharges, and will not file or permit to be filed against the Company and its stockholders, directors, officers, agents, representatives, investors, employees and affiliates (separately and collectively, the "Company") any and all claims, counterclaims, demands, actions, causes of action, suits or liabilities of any nature whatsoever, whether known or unknown, which Releasor ever had, now has or hereafter can, shall or may have against the Company, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, the Employment Agreement, (collectively, the "Claims") arising from the beginning of the world to the Effective Date (the "Release").

(b) Claims Included in this Release. Releasor acknowledges that by executing this Release, Releasor is releasing any and all claims, whether or not related to Releasor's employment, including, without limitation, any form of legal claim, charge, complaint or any other form of action against the Company seeking any form of relief, including, without limitation, equitable relief (whether declaratory, injunctive or otherwise), the recovery of any damages or any other form of monetary recovery whatsoever (including, without limitation, back pay, front pay, compensatory damages, emotional distress damages, punitive damages, attorneys' fees and any other costs) (collectively, "Claims") against the Company, for any alleged action, inaction or circumstance existing or arising through the date Releasor signs this Release. Without limiting the foregoing general waiver and release, Releasor specifically releases the Company from (and the Release is expressly deemed to include) any Claim arising from or related to Releasor's employment relationship with the Company or the termination thereof, including, without limitation:

(i) Claims under any state or federal discrimination, fair employment practices or other employment related statute, regulation or executive order prohibiting discrimination or harassment based upon any protected status, including, without limitation, race, national origin, age, gender, marital status, disability, veteran status or sexual orientation. Without limitation, specifically included in this paragraph are any Claims arising under: the Age Discrimination in Employment Act, as amended; the Older Worker Benefits Protection Act; Title VII of the Civil Rights of 1964, as amended; Sections 1981 through 1988 of Title 42 of the United States Code; the Civil Rights Act of 1991; the Americans with Disabilities Act; the Rehabilitation Act; the Family and Medical Leave Act; the Fair Labor Standards Act; the Worker Adjustment and Retraining Notification Act; the National Labor Relations Act; the Fair Credit Reporting Act; the Uniformed Services Employment and Reemployment Act; the Employee Polygraph Protection Act; the Immigration Reform Control Act; the retaliation provisions of the Sarbanes-Oxley Act of 2002; the New Jersey Law Against Discrimination; the New Jersey Conscientious Employee Protection Act; the New Jersey Family Leave Act; the New Jersey Genetic Privacy Act; the New Jersey Fair Credit Reporting Act; and any similar or other federal or state statute;

(ii) Claims under any other state or federal employment related statute, regulation or executive order relating to wages, hours or any other terms and conditions of employment. Without limitation, specifically included in this paragraph are any Claims arising under: the Fair Labor Standards Act; the Equal Pay Act; the Occupational Safety and Health Act; the Employee Retirement Income Security Act of 1974, as amended (excluding claims for accrued, vested benefits under any employee benefit plan of Glowpoint in accordance with the terms of such plan and applicable law); the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA); the New Jersey Wage and Hour Law; the New Jersey Equal Pay Law; the New Jersey Occupational Safety and Health Law; the New Jersey Smokers' Rights Law; ; the retaliation provisions of the New Jersey Workers' Compensation Law; and any similar or other federal or state statute; and

(iii) Claims under any state or federal common law theory, including, without limitation, wrongful discharge, breach of express or implied contract, including, without limitation, any written offers of employment or employment agreements between Releasor and the Company, and all stock option or other equity compensation agreements or plans, promissory estoppel, unjust enrichment, breach of a covenant of good faith and fair dealing, violation of public policy, defamation, interference with contractual relations, intentional or negligent infliction of emotional distress, invasion of privacy, misrepresentation, deceit, fraud or negligence including, without limitation, any claims asserted or purported to be asserted on behalf of the Company as a shareholder arising through the Effective Date.

(c) Claims Not Included in this Release. This Release shall not be construed to release any Claims accruing after the Effective Date. Furthermore, nothing in this Release shall be construed to prevent Releasor from filing a claim with an administrative agency charged with the investigation of or enforcement of discrimination laws, nor shall Releasor be prevented from participating or assisting in the investigation of such claims. However, in such event, the Company shall be permitted to rely upon this Release in all respects.

(d) Acknowledgment and Delivery of Consideration. Employee acknowledges and agrees that, but for providing this Release, Employee would not be receiving the consideration in the form of the Separation Benefits.

(e) Advice to Seek Counsel/Understanding the Terms of this Release. It is understood that Employee will have not less than 21 days to consider the terms of this Agreement. It is the Company's desire and intent to make certain that Employee fully understands the provisions and effects of this Release. To that end, Employee expressly acknowledges and agrees that (i) he has had ample opportunity to consult with an advisor for the purpose of reviewing the terms of this Release and (ii) if he executes this Agreement before the end of the 21-day period, then such early execution was completely voluntary. Employee acknowledges that he understands the meaning and effect of this Release; he has had reasonable and sufficient time to review this Release, discuss it with an advisor, and is voluntarily signing it without duress or coercion on the date set forth above.

(f) Right of Rescission/Effective Date. This Agreement will not become effective or enforceable until the eighth calendar day after Employee has signed it (such date, the "Effective Date"). Employee understands that if he wishes to revoke this Agreement for any reason or for no reason at all, he may do so during the first seven (7) calendar days following his signing it by delivering written notice of such revocation to Glowpoint, Inc., Attention: General Counsel, at 430 Mountain Avenue, Suite 301, Murray Hill, New Jersey 07974, and the General Counsel or the Company must actually receive such notice of revocation no later than 11:59 p.m. on the seventh day following such signature. Employee also understands that if no such notice of revocation is received by the date and time indicated this Agreement shall become effective and enforceable as of the eighth day following his signing of it.

#### 4. No Payments Due/Consideration.

(a) Employee acknowledges that, except as specifically provided in this Agreement, no wages or any other reimbursements, buyouts or other payments of any kind or nature whatsoever are due to him from the Company.

(b) Employee acknowledges that the Severance Payments are a special payment to which Employee might not otherwise be entitled and which is not normally provided by the Company, but is being given as special consideration for this Agreement.

(c) Employee represents and warrants that he is not aware of any material non-public information concerning the Company, its business or its affiliates that he has not disclosed to the Company prior to the date of this Agreement or that is required to be disclosed by the Company in its filings under the Securities Exchange Act of 1934 with the Securities and Exchange Commission and that has not been so disclosed.

## 5. **Noncompetition, Non-Solicitation and Non-Disparagement**

5.1 Noncompetition. Employee acknowledges that in the course of his employment with the Company he served as a member of the Company's senior management and became familiar with the Company's trade secrets and with other Confidential Information and that his services had a special, unique and extraordinary value to the Company. Therefore, Employee agrees that, during the Service Term and for a period ending on January 11, 2014 (the "Non-compete Period"), Employee shall not (except on behalf of the Company or with the prior written consent of the Company), within the Restricted Territory (as defined below), (a) directly or indirectly own (except ownership of less than 5% of any class of securities which are listed for trading on any securities which are listed for trading on any securities exchange or which are traded in the over-the-counter market), manage, control, participate in, consult with, render services for, or in any manner engage in the operation of a video network, video in the Cloud, managed service, video conference suites or video bridging services company or any competition of any material business conducted by the Company during the Service Term or (b) own, manage, control, participate in, consult with, render services for or in any manner engage in or represent any business that is competitive with the business of the Company or any product of the Company, as such business is conducted as of the date of the Agreement or is conducted during the Service Term. As used in this Agreement, the term "Restricted Territory" means the continental United States.

5.2 Nonsolicitation. During the Non-compete Period, Employee shall not directly or indirectly through another person or entity (i) induce or attempt to induce any employee of the Company to leave the employ of the Company, or in any way interfere with the relationship between the Company and any employee thereof, or (ii) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with, or modify its business relationship with, the Company, or in any way interfere with or hinder the relationship between any such customer, supplier, licensee or business relation and the Company.

5.3 Non-Disparagement. Employee agrees that during and after his employment with or engagement by the Company, he shall not make any false, defamatory or disparaging statements about the Company or its affiliates or the officers or directors of the Company or its affiliates. During and after Employee's employment with the Company, the Company agrees on behalf of itself and its affiliates that neither the officers nor the directors of the Company or its affiliates shall make any false, defamatory or disparaging statements about Employee.

## 6. Confidentiality.

Employee agrees not to disclose, either directly or indirectly, any information whatsoever regarding the existence or substance of this Agreement including specifically any of the terms of any monies paid hereunder. This nondisclosure includes, but is not limited to, members of the media, present and former employees of the Company and other members of the public, but does not include an attorney or accountant or tax preparation service or financial advisor with whom Employee chooses to consult or seek advice regarding any aspect of this Agreement. The making of this Agreement is not intended, and shall not be construed, as an admission that the Company has violated any federal, state or local law, ordinance or regulation, breached any contract, or committed any wrong whatsoever against Employee. Further, this Agreement shall not be admissible in any proceeding, except to enforce the terms set forth herein.

7. Survival of Certain Employment Obligations.

Notwithstanding the covenants set forth in this Agreement, Employee shall observe Employee's post-employment covenants set forth in the Company's Employee Handbook and the Employment Agreement, including, without limitation, the covenants set forth in Sections 4 , (“Termination Obligations”), and 5 (“Proprietary Information”) of the Employment Agreement.

8. Attached as Exhibit B is a form of Press Release which the parties have agreed to issue on or about January 14, 2013.

9. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey and the parties in any action arising from this Agreement, including any claim of statutory discrimination, shall be submitted to arbitration that will be held in Newark, New Jersey, before a mutually agreed upon single arbitrator licensed to practice law and on the employment-arbitration panel of the American Arbitration Association (“AAA”). The arbitrator shall follow the rules and procedures then in effect for the AAA from which he/she has been selected; and he/she shall have authority to award or grant legal, equitable, and declaratory relief. For injunctive relief, it is agreed that a court of competent jurisdiction in the State of New Jersey, County of Essex may also entertain an application by either party. Any award of the arbitrator shall be final and binding, subject only to any right of appeal or vacatur that is available under applicable law. Employee hereby agrees that the existence of any such arbitration, as well as any decision, award or settlement and the terms thereof shall be confidential and shall not be disclosed to any third party except as required by law and except to Employee’s immediate family, attorney, financial advisor and tax advisor, and only then after securing their consent to keep such information confidential.

10. Miscellaneous.

(a) Employee acknowledges that all of the agreements and warranties set forth above are material terms of this Agreement without which the Company would not provide the payments and other benefits discussed in this Agreement. In addition to any other remedy available to the Company, in the event that Employee files a lawsuit or administrative charge relating to any claim released in this Agreement or materially violate one or more of these agreements and warranties, Employee agrees that any remaining payment obligations from the Company to Employee are null and void and, to the maximum extent permitted by law, that Employee must return to the Company all sums paid and other consideration granted to Employee pursuant to this Agreement. Employee further agrees that, if it is determined by a court or arbitrator that Employee has materially breached any of the agreements and warranties above, the Company shall also be entitled to recover from Employee all costs and reasonable attorneys’ fees incurred as a result of its attempts to redress such breach or to enforce its rights and protect its legitimate interests.

(b) The parties agree that no changes to this Agreement will be effective unless made in writing and signed by all parties wherein specific reference is made to this Agreement. This Agreement sets forth the entire agreement between the parties regarding the matters addressed hereto and fully supersedes any prior agreements or understandings between the parties (except as specifically set forth in this Agreement); provided that in the event of a conflict between the terms of this Agreement and that of the Employment Agreement, this Agreement shall govern. Employee also acknowledges that in deciding to enter into this Agreement, he has not received and is not relying on any representations, promises, or assurances of any kind other than those expressly set forth in writing in this Agreement. In the event that any provision of this Agreement is held to be void or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will nevertheless be binding upon the parties as though the void or unenforceable part had been deleted. This Agreement is binding upon, and shall inure to the benefit of, the parties and their respective heirs, executors, administrators, successors, and assigns, including the Company’s successor entity in the event of a sale or other change in control of the Company.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

**Glowpoint, Inc.**

By: /s/ Steven B. Peri  
Name: Steven B. Peri  
Title: EVP & General Counsel

**Joseph Laezza**

By: /s/ Joseph Laezza  
Name: Joseph Laezza  
Date: January 13, 2013

**EMPLOYMENT AGREEMENT**

THIS **EMPLOYMENT AGREEMENT** (this "Agreement") is entered into as of January 13, 2013 (the "Effective Date"), by and between Glowpoint, Inc., a New Jersey corporation (the "Company"), and Peter J. Holst, an individual ("Executive"). Executive and the Company are referred to individually as a "Party" and collectively as the "Parties."

**WITNESSETH:**

WHEREAS, Executive is currently serving as the Company's Senior Vice President for Business Development pursuant to an employment agreement with the Company dated October 1, 2012 (the "Existing Employment Agreement");

WHEREAS, the Company desires to promote Executive and to retain the services of Executive to perform the duties of President and Chief Executive Officer of the Company, and Executive desires to be retained by the Company for such position;

WHEREAS, the Parties intend for this Agreement to supersede and replace the Existing Employment Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Employment; Employment Term.

**Employment.** Subject to the termination provisions of Section 3, the Company shall employ Executive as the Chief Executive Officer and President from the Effective Date until December 31, 2014 (the "Initial Term"). If either Executive or the Company does not provide the other Party with written notice of non-renewal of this Agreement at least sixty (60) days prior to expiration, then this Agreement shall automatically renew for addition one-year periods (each, a "Renewal Term" and, together with the Initial Term, the "Term"). If either Executive or the Company does provide the other Party with written notice on non-renewal of this Agreement at least sixty (60) days prior to expiration of the current Term, then this Agreement shall automatically expire as of the expiration date for such Term (an "Expiration Event"). Notwithstanding the foregoing, either the Company or Executive may terminate Executive's employment hereunder at any time, for any reason or no reason at all so long as they comply with the terms of this Agreement.

**Position.** Executive is employed by the Company to render services to the Company in the position of President and Chief Executive Officer. Executive shall perform such duties and responsibilities as are normally related to such position in accordance with the standards of the industry and any additional duties consistent with his position now or hereafter assigned to Executive by the Board of Directors of the Company (the "Board"). Executive shall abide by the written rules, regulations and policies of the Company as adopted or modified from time to time in the Company's reasonable discretion. Executive shall be entitled to use his discretion with regard to where he is present to carry out his duties. It is anticipated that his duties will require him to be at the Company's Headquarters in Murray Hill, New Jersey for a minimum of 8 business days each calendar month.

**Other Activities.** Executive shall devote his full business time, attention and skill to perform any assigned duties, services and responsibilities, consistent with the position of President and Chief Executive Officer, while employed by the Company, for the furtherance of the Company's business, in a diligent, loyal and conscientious manner. Except upon the prior written consent of the Board of Directors, Executive will not, during the Term (as defined below): (a) accept any other employment; or (b) engage, directly or indirectly, in any other business activity (whether or not pursued for pecuniary advantage) that interferes with Executive's duties and responsibilities hereunder or creates a conflict of interest with the Company; provided, however, that in no event shall this sentence prohibit Executive from performing personal and charitable activities, or from serving on one or more board of directors or board of advisors, so long as the Board reasonably concludes such activities do not materially and adversely interfere with Executive's duties for the Company. Executive shall request consent from the Company's Board to join any board of directors, which consent shall not be unreasonably withheld.

c.

**No Conflict.** Executive represents and warrants that Executive's execution of this Agreement, Executive's employment with the Company, and the performance of Executive's proposed duties under this Agreement will not violate any obligations Executive may have to any other employer, person or entity, including any obligations with respect to proprietary or confidential information of other person or entity.

d.

## 2. Compensation.

**Salary.** While Executive is employed by the Company hereunder, the Company will pay Executive an annualized base salary of One Hundred Ninety Five Thousand Dollars (\$195,000), payable on a twice monthly basis during the Term, until the earlier of the expiration of the Term or the date on which Executive's employment is terminated in accordance with the terms of this Agreement (the "Base Cash Compensation"). Executive's Base Cash Compensation shall be subject to annual review by the Board during the Term and may be increased in the Board's reasonable discretion; provided, however, that Executive's Base Cash Compensation in effect from time to time shall not be decreased without Executive's prior written consent.

a.

**Bonuses.** Executive is also eligible to receive certain bonuses as set forth in Exhibit A and Exhibit B to this Agreement.

b.

**Expenses.** The Company shall reimburse Executive for reasonable expenses incurred in the course of performing his duties, and unless otherwise approved by the Board, all domestic air travel shall be coach class. The Company shall also pay all reasonable costs associated with Executive's participation in the CEO forum group known as "Vistage."

c.

**Equity Incentive Awards.** On the Effective Date, Executive shall be awarded the following equity incentive awards under the Company's 2007 Stock Incentive Plan:

d.

A stock option grant with a stated term of 10 years covering 875,000 shares of Company common stock, the strike price for which shall be the closing price of the shares on the trading day immediately preceding the Effective Date. These options shall vest over four (4) years, with 25% vesting on the one-year anniversary of the Effective Date and the remainder vesting in equal monthly installments over the remaining 36 months of such period on the monthly anniversary dates of the Effective Date; provided, however, that such grant shall vest in full upon a Change of Control or Corporate Transaction (each as defined below). The stock options shall, to the maximum possible under applicable law, be "incentive stock options" as defined in Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

i.



ii. A restricted stock grant covering 100,000 shares of Company common stock, vesting over four (4) years, with 25% vesting on the one-year anniversary of Effective Date and the remainder vesting in equal monthly installments over the remaining 36 months of such period on the monthly anniversary dates of the Effective Date; provided, however, that such grant shall vest in full upon a Change of Control or Corporate Transaction (each as defined below).

iii. The Company shall permit Executive to satisfy any tax withholding obligation due with respect to the equity incentive grants described above, and with respect to any stock issuable to Executive pursuant to Exhibit A below, by having the Company withhold from the shares issuable a number of shares having a fair market value equal to the tax withholdings due, and having the Company remit the withholding amount to the relevant taxing authorities in cash.

e. **Benefits.**

While Executive is employed by the Company hereunder, the Company shall provide for Executive's participation in all the benefits, benefit programs and perquisites on substantially the same basis as the benefits, benefit programs and perquisites offered to executive officers of the Company.

f. **Vacation.** The Company shall provide Executive with four (4) weeks of paid vacation per each calendar year.

g. **Termination and Payout of Historical Compensation Amounts.** Pursuant to Treasury Regulation Section 1.409A-3(j)(4)(ix)(B), the Company hereby terminates and pays out certain historic compensation arrangements as follows:

i. Section 5a. of the Existing Employment Agreement provided that Executive was entitled to the sum of \$240,000 upon his termination of employment from the Company for any reason (the "Historical Severance Amount") and Section 5c. of the Existing Employment Agreement provided that Executive was entitled to certain severance amounts if he was terminated without Cause, terminated for Good Reason, or died prior to the end of the term of the Existing Employment Agreement (the "New Severance"). The Historical Severance Amount and the New Severance arrangement are hereby terminated as of the Effective Date in exchange for the payment of \$240,000 as follows: one-half of this amount (\$120,000) shall be paid in equal installments over a period of 12 months in accordance with the Company's normal payroll practices, commencing on the first regularly scheduled payroll date following the Effective Date and ending no later than 12 months from the date of the Effective Date, and the balance (an additional \$120,000) shall be paid in a single payment on or before January 12, 2014.

ii. Sections 4 of Executive's Existing Employment Agreement with the Company provided that Executive could earn up to 150,000 shares of Company common stock and up to \$45,000 in cash based upon achievement of revenue and EBITDA targets for the six month period ending March 31, 2013 for the portion of the Company's business related to its acquisition of Affinity VideoNet, Inc. ("Affinity"). Such Affinity-related bonuses are hereby incorporated by reference and terminated pursuant to Appendix A, below.



3. Termination.

a. Upon termination of Executive's employment with the Company for any reason other than for Cause, Executive will be entitled to payment (or reimbursement to Executive) of the COBRA premiums for continuation of coverage for Executive and his eligible dependents under the Company's then existing medical, dental and prescription insurance plans for a period of twelve (12) months from the date of termination of employment (or if Executive is not eligible for such coverage under COBRA during any portion of such twelve (12) month period, then the Company shall pay to Executive an amount equal to the premium which the Company would otherwise have been obligated to pay to provide COBRA coverage for Executive and his eligible dependents during such period) (the "COBRA Benefits"). All such COBRA Benefits shall be payable on the first day of each month.

b. The Company may terminate this Agreement, all of the Company's obligations under this Agreement, and Executive's employment hereunder for "Cause," by written notice to Executive, upon the occurrence of any one of the following on the part of Executive: (i) fraud, embezzlement, or conviction of a felony; (ii) substantial, continuing and willful failure to render services in accordance with the terms of this Agreement after thirty (30) days of advance written notice and opportunity for cure; (iii) material breach of any of Executive's material covenants contained in this Agreement after thirty (30) days of advance written notice and opportunity for cure; (iv) voluntary termination by Executive prior to the end of the Term without Good Reason (as defined below); or (v) knowing and intentional violation of any lawful, written Company policies regarding alcohol or drug usage. At least thirty (30) days prior to termination for Cause under clause (ii) or (iii) above, the Company will provide notice which shall identify in reasonable detail the facts supporting its action and will allow Executive an opportunity within that period of time to cure. In the event of the termination of this Agreement for Cause, in addition to the COBRA Benefits payable to Executive under Section 3(a) of this Agreement, the Company shall pay to Executive any unpaid Base Cash Compensation or bonuses earned by Executive through the date of termination and any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay and benefits, in each case to the extent not theretofore paid (the "Accrued Obligations").

c. In the event that this Agreement or Executive's employment with the Company is terminated (i) by the Company without Cause or by Executive for Good Reason (as defined below), or (ii) as a result of the expiration of the Term caused by the Company electing not to renew this Agreement prior to the end of the Term, then, subject to the terms of this Section 3(c) and in addition to the Accrued Obligations and the COBRA Benefits payable to Executive under Section 3(a), the Company will pay to Executive an additional amount equal to six months of Base Cash Compensation, plus 50% of any annual bonus paid to Executive for the most recent calendar year (the "Severance"). Notwithstanding anything else in this Agreement to the contrary, the Company shall be obligated to pay the Severance hereunder only so long as Executive is not in material breach of any of the covenants, terms or provisions of Section 4 or Section 5 of this Agreement. In all cases, the Severance shall be paid in equal installments over a period of six months in accordance with the Company's normal payroll practices, commencing on the first regularly scheduled payroll date following the Executive's termination of employment

For purpose of this Agreement, the terms "Corporate Transaction" and "Change of Control" shall have the meanings ascribed to such terms in the Company's 2007 Stock Incentive Plan, as in effect on the Effective Date.

d. In the event that Executive is entitled to receive the Severance and, at the end of the calendar year, Executive would have been entitled to receive the bonus set forth on Exhibit B to this Agreement if Executive had been employed by the Company on the last day of the calendar year, then Executive shall be entitled to receive the portion of such Bonus that is equal to such bonus multiplied by the quotient of (i) the number of days during the calendar year that Executive was employed by the Company over (ii) 360 days. Such amount shall be paid at the time set forth in Exhibit B to this Agreement.

e. For purposes of this Agreement, “Good Reason” shall mean that Executive has severed his employment relationship with the Company based upon (i) the occurrence of any failure by the Company to pay any salary or other compensation or benefit when due and owing, (ii) the assignment to Executive by the Company of duties materially inconsistent with, or a material diminution of, Executive’s authority, title, duties, or responsibilities as set forth in this Agreement, (iii) a material diminution in Executive’s Base Cash Compensation or bonus opportunity under this Agreement, or (iv) the Company’s requirement that the primary office that Executive is to perform services under this Agreement is at a location that is more than thirty (30) miles from Denver, Colorado, provided however that Executive acknowledges and agrees that his duties and responsibilities will require frequent travel to the Company’s Headquarters and for meetings with customers and other business activities and this travel will not qualify as a claim for Good Reason. In the event of any circumstance described in this Section 3(e), Good Reason shall not exist unless Executive provides written notice to the Company of his intention to terminate his employment for Good Reason, which notice shall identify in reasonable detail the basis therefor and be delivered within ninety (90) days after the occurrence of the event or circumstances which provided such basis, and the Company shall fail to cure such condition within thirty (30) days thereafter.

f. Notwithstanding anything contained herein to the contrary, Section 4 through Section 15 shall remain in effect and survive (i) the termination of this Agreement by either Party pursuant to Section 3 or otherwise, and (ii) the expiration of the Term.

4. Non-Disclosure. Except as required by the performance of his job duties, Executive shall not at any time or in any manner, directly or indirectly, use or disclose to any party other than the Company or an employee of the Company or as otherwise consented to in writing by the Company, any trade secrets or other Confidential Information (as defined below) learned or obtained by him while a stockholder, officer, director and/or employee of the Company; provided, however, that the Confidential Information shall not include any information or knowledge that: (i) is already generally publicly known or that subsequently becomes generally publicly known other than as a direct or indirect result of the breach of this Agreement by Executive or (ii) is lawfully required to be disclosed by any governmental agency or applicable law. As used herein, the term “Confidential Information” means information disclosed to or known by Executive as a consequence of his position with the Company or any of its affiliates and not generally known in the industry in which the Company or any of its affiliates is/are engaged and that in any way relates to the Company’s or any of its affiliates’ products, processes, services, inventions (whether patentable or not), formulas, techniques or know-how, including, but not limited to, information relating to distribution systems and methods, research, development, manufacturing, purchasing, accounting, engineering, marketing, merchandising and selling.

5. Noncompetition, Non-Solicitation and Non-Disparagement.

a. **Noncompetition.** Executive acknowledges that in the course of his employment with the Company he will serve as a member of the Company’s senior management and will become familiar with the Company’s trade secrets and with other Confidential Information and that his services will be of special, unique and extraordinary value to the Company. Therefore, Executive agrees that, during the Term and for a period ending on the six (6) month anniversary of the date of termination of Executive’s employment with the Company (the “Non-compete Period”), Executive shall not (except on behalf of the Company or with the prior written consent of the Company), within the Restricted Territory (as defined below), (i) directly or indirectly own (except ownership of less than 5% of any class of securities which are listed for trading on any securities which are listed for trading on any securities exchange or which are traded in the over-the-counter market), manage, control, participate in, consult with, render services for, or in any manner engage in the operation of a video network, video in the Cloud, video managed services, video conference suites or audio or video bridging services company or any material business conducted by the Company during the Term or (ii) own, manage, control, participate in, consult with, render services for or in any manner engage in or represent any business that is competitive with the business of the Company or any product of the Company, as such business is conducted as of the date of the Agreement or is conducted during the Service Term.

b. **Non-Solicitation.** During the Non-compete Period, Executive shall not directly or indirectly through another person or entity (i) induce or attempt to induce any employee of the Company to leave the employ of the Company, or in any way interfere with the relationship between the Company and any employee thereof, or (ii) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with, or modify its business relationship with, the Company, or in any way interfere with or hinder the relationship between any such customer, supplier, licensee or business relation and the Company.

c. **Non-Disparagement.** Executive agrees that during the Non-compete Period and after his employment with or engagement by the Company, he shall not make any false, defamatory or disparaging statements about the Company or its affiliates or the officers or directors of the Company or its affiliates.

6. **Specific Performance.** The Parties hereto agree that their rights hereunder are special and unique and that any violation of the covenants set forth in Sections 4 and 5 of this Agreement would not be adequately compensated by money damages, and each grants the other the right to specifically enforce (including injunctive relief where appropriate) the terms of the covenants set forth in Sections 4 and 5 of this Agreement in the New Jersey State Courts, or in the United States District Court in Newark, New Jersey. The Parties consent to such jurisdiction, agree that venue will be proper in such courts and waive any objections based upon forum non-conveniens. The choice of forum set forth in this Section 6 shall not be deemed to preclude the enforcement of any action under this Agreement in any other jurisdiction.

7. **Notices.** Any notice, request, consent or communication (collectively a "Notice") under this Agreement shall be effective only if it is in writing and (i) personally delivered, (ii) sent by certified or registered mail, return receipt requested, postage prepaid, (iii) sent by a nationally recognized overnight delivery service, with delivery confirmed, or (iv) faxed, with receipt confirmed, addressed as follows:

(a) If to Executive:

Peter J. Holst  
5390 South Grape Lane  
Greenwood Village, CO 80121  
e-mail: [PJH0717@gmail.com](mailto:PJH0717@gmail.com)

with a copy to:

Davis Graham & Stubbs LLP  
Attn: Kristin L. Lentz  
1550 Seventeenth Street, Suite 500  
Denver, CO 80202  
Facsimile: 303-893-1379  
e-mail: [kristin.lentz@dgsllaw.com](mailto:kristin.lentz@dgsllaw.com)

(b) If to the Company to:

Glowpoint, Inc.  
430 Mountain Avenue, Suite 301  
Murray Hill, NJ 07974  
Attn: Steven Peri  
e-mail: [speri@glowpoint.com](mailto:speri@glowpoint.com)

or such other persons or addresses as shall be furnished in writing by any Party to the other Party. A Notice shall be deemed to have been given as of the earliest to occur of the date when (i) personally delivered, (ii) five (5) days after the date when deposited with the United States mail properly addressed, (iii) when receipt of a Notice sent by an overnight delivery service is confirmed by such overnight delivery service, or (iv) when receipt of the fax is confirmed, as the case may be, unless the sending Party has actual knowledge that a Notice was not received by the intended recipient.

8. Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Executive.

9. **LITIGATION. THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW JERSEY, AND NO DOCTRINE OF CHOICE OF LAW SHALL BE USED TO APPLY ANY LAW OTHER THAN THAT OF NEW JERSEY, AND NO DEFENSE, COUNTERCLAIM OR RIGHT OF SET-OFF GIVEN OR ALLOWED BY THE LAWS OF ANY OTHER STATE OR JURISDICTION, OR ARISING OUT OF THE ENACTMENT, MODIFICATION OR REPEAL OF ANY LAW, REGULATION, ORDINANCE OR DECREE OF ANY FOREIGN JURISDICTION, SHALL BE INTERPOSED IN ANY ACTION HEREON. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING TO ENFORCE OR ARISING OUT OF THIS AGREEMENT MAY BE COMMENCED IN THE NEW JERSEY STATE COURTS, OR IN THE UNITED STATES DISTRICT COURT IN THE NEWARK, NEW JERSEY. THE PARTIES CONSENT TO SUCH JURISDICTION, AGREE THAT VENUE WILL BE PROPER IN SUCH COURTS AND WAIVE ANY OBJECTIONS BASED UPON FORUM NON CONVENIENS. THE CHOICE OF FORUM SET FORTH IN THIS SECTION 9 SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT OF ANY ACTION UNDER THIS AGREEMENT IN ANY OTHER JURISDICTION.**

10. Severability. The Company and Executive believe the covenants against competition contained in this Agreement are reasonable and fair in all respects, and are necessary to protect the interests of the Company. However, in case any one or more of the provisions or parts of a provision contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Agreement or any other jurisdiction, but this Agreement shall be reformed and construed in any such jurisdiction as if such invalid or illegal or unenforceable provision or part of a provision had never been contained herein and such provision or part shall be reformed so that it would be valid, legal and enforceable to the maximum extent permitted in such jurisdiction.

11. Neutral Interpretation. This Agreement constitutes the product of the negotiation of the Parties hereto and the enforcement hereof shall be interpreted in a neutral manner, and not more strongly for or against any Party based upon the source of the draftsmanship hereof.

12. Waiver of Compliance; Consents. Any failure of Executive to comply with any obligation, covenant, agreement or condition herein may be waived only in writing by the Company, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. No failure or delay by the Company in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Whenever this Agreement requires or permits consent by or on behalf of the Company, any such written consent given by the Company shall be deemed given in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 12. No notice to or demand on Executive in any case shall entitle Executive to any other or further notice or demand in related or similar circumstances requiring such notice.

13. Miscellaneous. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. This Agreement embodies the entire agreement and understanding of the Parties hereto in respect of the subject matter contained herein and may not be modified orally, but only by a writing signed by both Parties to this Agreement. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law. This Agreement supersedes all prior agreements and understandings (whether oral or written) between the Parties with respect to such subject matter (specifically including, but not limited to, the Existing Employment Agreement).

14. Section 409A.

It is the intention of the parties that compensation or benefits payable under this Agreement not be subject to the additional tax imposed pursuant to Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”) and this Agreement shall be interpreted accordingly. To the extent such potential payments or benefits could become subject to additional tax under such Section, the parties shall cooperate to amend this Agreement with the goal of giving Executive the economic benefits described herein in a manner that does not result in such tax being imposed. In no event, however, shall the Company be liable to Executive for any taxes, penalties, or interest that may be imposed on Executive as a result of the failure of this Agreement to comply with the requirements of Code Section 409A. The Company makes no representation or warranty as to whether the terms of the compensation or benefits payable under this Agreement satisfy the provisions of Section 409A of the Code.

a.

Each payment or benefit made pursuant to this Agreement shall be deemed to be a separate payment for purposes of Code Section 409A and each payment made in installments shall be treated as a series of separate payments for purposes of Code Section 409A, to the extent permitted under applicable law. In addition, payments or benefits shall be exempt from the requirements of Code Section 409A to the maximum extent possible as “short-term deferrals” pursuant to Treasury Regulation Section 1.409A-1(b)(4), as involuntary separation pay pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii), as exempt reimbursements under Treasury Regulation Section 1.409A-1(b)(9)(v), and/or under any other exemption that may be applicable, and this Agreement shall be construed accordingly.

b.

For purposes of this Agreement, phrases such as “date of termination” and “termination of employment,” when used to describe when Severance is payable, shall be deemed to mean “separation from service,” as defined in Section 409A of the Code and the Treasury Regulations thereunder.

c.

All taxable reimbursements provided hereunder that are deferred compensation subject to the requirements of Code Section 409A shall be made not later than the last day of the calendar year following the calendar year in which the expense was incurred. Any such taxable reimbursements or any taxable in-kind benefits provided in one calendar year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year, nor are any such taxable reimbursement or taxable in-kind benefits subject to liquidation or exchange for any other benefit.

d.

If Executive is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and would receive any payment sooner than 6 months after Executive’s “separation from service” that, absent the application of this Section 14e., would be subject to additional tax imposed pursuant to Section 409A of the Code as a result of Executive’s status as a specified employee, then such payment shall instead be payable on the date that is five (5) days following the earliest to occur of (i) 6 months after Executive’s “separation from service,” or (ii) Executive’s death.

e.

15. Golden Parachute Provisions.

Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise) (a "Payment") including, by example and not by way of limitation, acceleration (by the Company or otherwise) of the date of vesting or payment of any equity award under any plan, program, arrangement or agreement of the Company, would be subject to the excise tax imposed by Code Section 4999 or any interest or penalties with respect to such excise tax (such excise tax together with any such interest and penalties, shall be referred to as the "Excise Tax"), then there shall be made a calculation under which such Payments provided to Executive are reduced to the extent necessary so that no portion thereof shall be subject to the Excise Tax (the "4999 Limit"). A comparison shall then be made between (A) Executive's Net After-Tax Benefit (as defined below) assuming application of the 4999 Limit; and (B) Executive's Net After-Tax Benefit without application of the 4999 Limit. If (B) exceeds (A), then no limit on the Payments shall be imposed by this Section 16. Otherwise, the amount payable to Executive shall be reduced so that no such Payment is subject to the Excise Tax. "Net After-Tax Benefit" shall mean the sum of (x) all payments that Executive receives or is entitled to receive that are in the nature of compensation and contingent on a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company within the meaning of Code Section 280G(b)(2) (either, a "Section 280G Transaction"), less (y) the amount of federal, state, local and employment taxes and Excise Tax (if any) imposed with respect to such payments.

a.

In the event that a reduction in Payments is required pursuant to this Section, then, except as provided below with respect to Payments that consist of health and welfare benefits, the reduction in Payments shall be implemented by determining the "Parachute Payment Ratio" (as defined below) for each Payment and then reducing the Payments in order beginning with the Payment with the highest Parachute Payment Ratio. For Payments with the same Parachute Payment Ratio, such Payments shall be reduced based on the time of payment of such Payments, with amounts being paid furthest in the future being reduced first. For Payments with the same Parachute Payment Ratio and the same time of payment, such Payments shall be reduced on a pro-rata basis (but not below zero) prior to reducing Payments next in order for reduction. For purposes of this Section, "Parachute Payment Ratio" shall mean a fraction, the numerator of which is the value of the applicable Payment as determined for purposes of Code Section 280G, and the denominator of which is the financial present value of such Parachute Payment, determined at the date such payment is treated as made for purposes of Code Section 280G (the "Valuation Date"). In determining the denominator for purposes of the preceding sentence (1) present values shall be determined using the same discount rate that applies for purposes of discounting payments under Code Section 280G; (2) the financial value of payments shall be determined generally under Q&A 12, 13 and 14 of Treasury Regulation 1.280G-1; and (3) other reasonable valuation assumptions as determined by the Company shall be used. Notwithstanding the foregoing, Payments that consist of health and welfare benefits shall be reduced after all other Payments, with health and welfare Payments being made furthest in the future being reduced first. Upon any assertion by the Internal Revenue Service that any such Payment is subject to the Excise Tax, Executive shall be obligated to return to the Company any portion of the Payment determined by the Professional Services Firm to be necessary to appropriately reduce the Payment so as to avoid any such Excise Tax.

b.

All determinations required to be made under this Section 16, including whether and when a Payment is cut back pursuant to Section 16a. and the amount of such cut-back, and the assumptions to be utilized in arriving at such determination, shall be made by a professional services firm designated by the Board that is experienced in performing calculations under Section 280G (the "Professional Services Firm") which shall provide detailed supporting calculations both to the Company and Executive. If the Professional Services Firm is serving as accountant or auditor for the individual, entity or group effecting the Section 280G Transaction, the Board shall appoint another qualified professional services firm to make the determinations required hereunder (which firm shall then be referred to as the Professional Services Firm hereunder). All fees and expenses of the Professional Services Firm shall be borne solely by the Company.

c.

[Remainder of Page Intentionally Left Blank]



IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

GLOWPOINT, INC.

By: /s/ Steven Peri  
Name: Steven Peri  
Title: Executive Vice President

EXECUTIVE:

By: /s/ Peter J. Holst  
Name: Peter J. Holst

## EXHIBIT A

(Affinity Bonuses)

Section 4 of Executive's Existing Employment Agreement with the Company provided that Executive could earn up to 150,000 shares of Company common stock and up to \$45,000 in cash based upon achievement of revenue and EBITDA targets for the six month period ending March 31, 2013 for the portion of the Company's business related to its acquisition of Affinity VideoNet, Inc. ("Affinity"). The provisions of Section 4 of the Existing Employment Agreement are hereby incorporated by reference and the Company shall pay Executive the amount of any bonus earned under such provisions at the time or times set forth under such provisions, which the parties intend to constitute a termination of such Affinity-related bonuses in accordance with Treasury Regulation Section 1.409A-3(j)(4)(ix)(B).



## EXHIBIT B

### (Annual Bonus Opportunity)

**Annual Bonus.** Executive and the Board of Directors will establish mutually agreed upon appropriate financial and non-financial goals and metrics applicable to Executive's performance under this Agreement. Such goals and metrics will be taken into consideration in determining the amount, if any, of Executive's annual bonus for such calendar year, which shall be determined by the Compensation Committee of the Board of Directors in its sole and absolute discretion. If awarded, 70% of such annual bonus shall be based upon the agreed financial management objectives and 30% shall be based on non-financial objectives, which for calendar year 2013 shall be as follows:

1. Successful integration of the Affinity VideoNet business with and into Glowpoint.
2. Successful creation and functioning of the Executive's chosen management team.
3. Clarification and implementation of the 2013 Budget and Operational plan.

Executive's maximum annual bonus shall be 100% of his Base Cash Compensation of the relevant calendar year. The Company shall pay the annual bonus for calendar year 2013 in ten (10) equal monthly payments commencing on March 1, 2014 and on the first day of each month thereafter, provided, that the final monthly payment shall be made on December 31, 2014. Annual bonuses for all subsequent calendar years shall be made no later than March 15 following the calendar year for which the Employee earned the annual bonus. Executive shall have earned his annual bonus for a calendar year if Executive remains employed with the Company through December 31 of such calendar year.

**INVESTOR CONTACT:**

Tolga Sakman  
Glowpoint, Inc.  
+1 973-855-3411  
tsakman@glowpoint.com

**Glowpoint Names Peter Holst President and CEO**

MURRAY HILL, N.J., Jan. 14, 2013 - Glowpoint Inc., (NYSE MKT: GLOW), a leading global provider of cloud and managed video services, today announced that its Board of Directors has named Peter Holst president and chief executive officer, effective today. It is anticipated that Mr. Holst will also join the Board of Directors. Holst succeeds Joe Laezza, who is stepping down as President and CEO and resigning as a member of the Board. To facilitate a smooth transition, Mr. Laezza will continue to serve as an advisor to Mr. Holst and the Board for the remainder of the first quarter of 2013.

Mr. Holst recently joined Glowpoint through the acquisition of Affinity VideoNet and has been leading the Company's integration efforts of the two businesses. He has quickly become a key member of the executive management team.

"Peter has built and managed a successful and profitable business in Affinity VideoNet and is a customer-centric leader," said Jon DeLuca, Chairman of the Board of Directors. "His track record in the industry, proven leadership, and customer skills make him a logical choice to lead Glowpoint through its next stage of growth. I want to thank Joe Laezza for his service and dedication during his tenure with the company."

"The videoconferencing industry is rapidly changing, and I believe Glowpoint is uniquely positioned for the next stage of evolution," said Mr. Holst. "Glowpoint has unmatched experience in the industry, an outstanding global clientele, and an excellent opportunity to leverage its domain expertise into next generation solutions built around what customers demand – flexibility, ease of use and extraordinary customer service. I look forward to working with each and every employee, our customers, the Board of Directors and investors to fulfill Glowpoint's promise."

"Pete is a great successor to lead Glowpoint through its next phase of growth and value creation. I am truly proud of what we have achieved thus far, and I believe the company has a tremendous opportunity in the exciting market of cloud and managed services for visual communications," said Mr. Laezza.

Mr. Holst has a 20-year track record of driving sales growth in the communications industry. Prior to joining Glowpoint, he was the Chief Executive Officer for Affinity VideoNet where he was personally responsible for the overall direction and product strategy of the company, including business development and partnerships. Prior to this, he has held a number of senior management positions in sales and finance, including serving as President and Chief Operating Officer of Raindance Communications, where he guided its sale to West Corporation in 2006. He holds a degree in Business Administration from University of Ottawa.

Glowpoint will file a supplement to its proxy statement for its 2012 Annual Stockholders Meeting to reflect the above changes.

**Supporting Resources:**

Glowpoint Leadership  
Glowpoint Investor Relations

## **About Glowpoint**

Glowpoint, Inc. (NYSE MKT: GLOW) provides cloud and managed video services that make video meetings simple, reliable, and the standard for bringing people together for business meetings. Through our OpenVideo® cloud, we make video meetings the replacement for in person and audio conferencing with our suite of cloud and managed services that permit any device to connect across any network, simply and reliably. Glowpoint supports hundreds of clients located in 68 countries and is the trusted partner for leading unified communications providers, telepresence manufacturers, global carriers and A/V integration firms. In addition, Glowpoint offers access to thousands of public videoconferencing facilities to extend businesses reach and provide the ability to meet face to face across the globe without boundaries. To learn more please visit [www.glowpoint.com](http://www.glowpoint.com).

## **Forward looking and cautionary statements**

The information in this release may contain statements that are or may be deemed to be forward-looking statements and involve factors, risks, and uncertainties that may cause actual results in future periods to differ materially from such statements. These factors, risks, and uncertainties include market acceptance and availability of new video communications services; the non-exclusive and terminable-at-will nature of sales agreements; rapid technological change affecting demand for our services; competition from other video communication service providers; and the availability of sufficient financial resources to enable us to expand our operations, as well as other risks detailed from time to time in our filings with the Securities and Exchange Commission. We make no representation or warranty that the information contained herein is complete and accurate; we have no duty to correct or update any information.